

Is Your Organization Ready for Funding A Readiness Checklist



(Thanks to the Waco Foundation for creating this checklist, which we have adapted.)

Thank you for your desire and commitment to serve the community. We understand that putting together a quality program or service requires having quality support and that this sometimes means calling on foundations to help build your nonprofit's sustainability.

It is important to note however, that financial considerations limit our ability to help with every great project that may come to our attention and that grantmakers must consider far more than the parameters of your individual project when contemplating grant awards.

To find out if you might be a candidate for grant funding, start by completing this organizational readiness checklist.

Giving Priorities

- We have reviewed the Foundation's grantmaking priorities and see a clear alignment between our respective missions and interests.

Structure

- We have been granted a 501(c)(3) designation by the IRS.
- We have a central office.
- We have an established base of operations in McLennan County, TX (e.g., office and/or staff/volunteer base, local board oversight as well as service delivery).
- We have regular staff (volunteer or paid) that is actively involved in delivering programs and services to the community on a daily basis.
- We have and operate off of a strategic plan.
- Our board develops and periodically reviews our vision, mission, goals, long and short-term objectives, strategies, program areas, and geographic focus.

Resources

- We have and operate based off of a diversified fundraising plan. We develop balanced budgets and maintain cash on hand of at least 1 month (3+ month is preferred).
- Donor and other financial records are kept in a secure, locked place. All contributions (cash, assets, & in-kind giving) are tracked and accounted for in our financial records. Gift acknowledgements are normally sent within one week of a gift's receipt and we have receipts for all expenses.
- We understand that typically more than 80% of nonprofit funding is derived from individuals. We regularly solicit and receive support from individual donors. Individual donor support comprises a significant portion of our regular income. We have and operate based off a diversified fundraising plan.

- We have a team of Board members who regularly provide financial oversight and follow a set of written internal control policies.

Leadership

- Our staff (volunteer &/or paid) have the skill sets, training, and education needed to deliver programs/services. A professional development plan for new staff has been developed and is being implemented.
- Our organization fosters the professional development of our board and staff. Activities are undertaken to promote excellence in nonprofit management and program delivery.
- Our organizational climate encourages innovation, experimentation, and learning from both successes and challenges.

Governance

- We have a minimum of five board members who are actively involved in governing the agency. Each board member has read and fully understands our organization's by-laws.
- Our board meets regularly and in person and our meetings are well attended. We track our board's attendance, giving, and participation rates and a secretary keeps a set of minutes (for each meeting) which reflects all board action.
- An effective committee structure carries out work between board meetings.
- Our governing body is diverse in composition. Invitations to serve on our governing board are extended to individuals outside our immediate community (area of interest/service).
- A board orientation is conducted for all new board members which includes training on governance, legal, and fiduciary issues.
- We specify the term length of governing board members, the number of consecutive and/or total terms members may serve, minimum/maximum ages, and selection and removal processes.
- Our board has received board governance training (this is different from board orientation).
- Our board has received fundraising training and is actively participating in fundraising activities (it is not solely a staff responsibility).

Oversight

- Our board understands and ensures compliance with other fiduciary duties and exercises active fiscal oversight (e.g., by having an audit committee to oversee accounting, financial reporting, compensation practices) and we regularly conduct internal reviews.
- We have and follow a set of written internal control policies.
- We have adopted a Code of Ethics. We hold staff and board trainings on ethics, and/or take other measures to foster a culture of accountability and transparency.

- We have adopted and implemented policies and procedures to ensure that all conflicts of interest, self-dealing, or the appearance thereof, are appropriately managed.
- We obtain an external review of our finances by conducting a financial review, periodic audit, or annual audit (for larger nonprofits).

Program

- We have a clearly defined mission, with goals and objectives to achieve that mission.
- Our strategic priorities are well reflected in funding allocations and we spend a significant percentage of our annual budget on programs that pursue our mission.
- Our program/service offerings are based on the completion of a community needs assessment. We have the statistics/facts to verify the need for our services.
- We have conducted research on our field of service and are engaged in delivering programs & services based on evidence informed practices.
- Our services and/or programs are open and available to the general public for access and participation.
- We have a track record of success. Our programs/services are well known and respected in the community.
- We have written goals and the objectives for each program or initiative are specific and measurable. We have a system for tracking and evaluating the impact of our efforts. We share successes, failures, and lessons learned internally and externally as appropriate.
- For faith-based providers: Our program beneficiaries are not required to participate in religious practices or programming to access our services.
- We study best practice models and compare our practices against others in the field; programs are developed based on the best practices.

Communication

- We have an active marketing strategy for our agency. Our organization works to promote our values, goals, and activities in the larger community on a regular basis.
- The community has easy access to our organizational information (activities, financial records, board list, etc.).
- We actively seek to communicate, network, collaborate, and/or partner with similar service providers within the community.

If you can answer yes to 80% of the questions in each category, you may be ready to seek organizational support. To learn about the Cooper Foundation's grantmaking process and priorities, visit the grants section of our website here: <https://cooperfdn.org/grants/>

If your score indicates there's room for improvement, then it may be time to direct some of your efforts towards enhancing your organization's infrastructure.

- Sign up to receive notices about the Nonprofit Network - gathering of Waco area nonprofit professionals and volunteers provides an opportunity for networking, peer learning, and professional development. Sign up and learn more here: <https://cooperfdn.org/>
- To learn about the types of nonprofit management support services and trainings available through the Waco Foundation's Capacity Building Program, check out their website here: <https://wacofoundation.org/community-impact/nonprofits/capacity-building-resources>