# Freenotes Harmony Park Grant Guide

This guide is for nonprofit organizations in the United States looking to acquire a grant for a Freenotes Harmony Park installation.

### **Introduction to Grants**

For the purposes of this guide, a nonprofit organization is a specific type of corporation that is:

- ♦ Registered with the state government
- ♦ Recognized by the IRS as exempt from federal income tax
- ♦ Consistently doing charitable work in the community

Grants are typically awarded to nonprofit organizations from foundations, corporations, or government agencies. There must be a need for your organization and its work in the community, or a specific problem that you're setting out to solve. Your organization must be capable of proving it is able to execute a plan in order to achieve a goal. Here are some important questions to ask yourself before beginning:

- ♦ Do you have a clear mission, vision, goals, and achievable objectives?
- ♦ Do you have committed, capable board members and other staff?
- ♦ Do you have a legal standing in your community? Tax status?
- ♦ Do you have appropriate accounting systems?
- ♦ Is your program vital to the well-being of the community?
- ♦ Will your program improve the well-being of the community?
- ♦ Do you have a fundraising plan that seeks support from multiple sources?
- ♦ Do you have appropriate facilities and equipment to follow through with your plan?

If your organization can't answer these questions appropriately, we suggest you visit one of the following links to learn how to better approach your mission:

- ♦ The Foundation Center's Establishing a Nonprofit Organization
- ♦ GrantSpace's Incorporation Skills
- ◆ From the grantmaker's perspective, the Council on Foundations

When you are researching grant opportunities, you'll see that many foundations are also nonprofits that give to:

- ♦ "501(c)(3)" organizations
- ♦ Fiscally sponsored groups or individuals
- ♦ Nonprofits, then to individuals

Foundations can only donate to individuals in particular circumstances, such as grants for students, artists, or researchers. There may be other possibilities for funding your project, including raising money from individual donors or partnering with an existing 501(c)(3) organization.

501(c)(3)s are defined by the Internal Revenue Code here: <u>section 501(c)(3) of the Internal Revenue Code</u> Learn how to apply for tax-exempt status here: <u>StayExempt</u>

After reviewing the documentation, and determining the nonprofit's status, the IRS informs the nonprofit with a determination letter about its 501(c)(3) status.

By law, a foundation can only give funds for *charitable* purposes – to support:

- ♦ Religious, charitable, scientific, literary, education, and amateur sports organizations
- ♦ Government entities and agencies

♦ Operating foundations that provide charitable services to the community

To ensure that a foundation is giving donations to qualified public charities, it usually requests a copy of each public charity's 501(c)(3) and IRS determination letter for the foundation's files before it will give a grant to that organization. This is because foundations must report their grants and activities to the IRS each year.

# **How to Find Grant Opportunities for Your Nonprofit**

Once you've established your nonprofit organization, and you've figured out your project's goals and funding needs you should begin to look for grant opportunities.

There are two major grant sectors to research:

- ♦ Foundations and corporations
- ♦ Federal, state, and local government agencies.

### **Foundation and Corporate Funding**

A foundation is a nonprofit organization that exists to give money away for charitable purposes. There are several types of foundations and related types of funders, including those run by family members, members of the community, and corporations.

By law, tax-exempt foundations must file a yearly information return with the IRS (IRS Form 990 or 990-PF)

If you know the name of a particular foundation (i.e. independent, corporate, community, operating, or grantmaking public charities), you can use:

- ♦ The Foundation Center's <u>Foundation Directory Online (FDO) Free</u> to find an independent foundation's web site, current contact information, a brief description, and a link to a recent 990-PF form
- ♦ <u>GuideStar</u>, a directory of nonprofit organizations in the United States (registration is free)
- ◆ <u>National Center for Charitable Statistics</u>, "the national repository of data on the nonprofit sector in the United States."

"Corporate giving programs" rather than "corporate foundations" are not:

- ♦ Separate organizations from the business that funds it instead, it may be run by the company's advertising, marketing, or public affairs department
- ♦ Required to make contributions to nonprofits, or report their activities to the IRS through a 990 or 990-PF form

Many public libraries offer free access to the <u>Foundation Center's Foundation Directory Online Professional</u>. Foundation Directory Online Professional database:

- ♦ Covers approximately 120,000 foundations and corporate giving programs in the United States.
- ♦ Allows you to search by:
  - grantmaker's name and location
  - geographic focus (where the foundation gives its money)
  - ♦ type of support (the kind of help the grantmaker provides, such as seed money or funding for buildings and equipment)
  - ◆ subjects

Find a location that offers free use of the search engine here: Funding Information Network partners

When you are looking at the funder's record in these sources, compare your organization and its programs to the funder's priorities. While you are researching, you might want to keep track of your prospects with <u>worksheets</u>. Pay special attention to the funder's:

- ♦ Purpose, mission, and activities
- ♦ Limitations (which types of nonprofits or projects the foundation DOES NOT fund)
- ♦ Application information (including deadlines and preferred method of contacting the funder)

Once you have identified some funders that might help, it's important to see if they really give to organizations or programs like yours. Do they have a history of giving to your cause and to organizations like yours? To find out more details:

- ♦ Visit the funder's Web site. If the foundation has a site, it will often include application forms, news, reports, and other information
- ♦ Read the funder's annual reports, newsletters, and publications
- ♦ Contact the funder

Since funders' interests and priorities can change, it's a good idea to keep tabs on grantmakers in your regions. You may also want to follow the news to find out about new foundations and corporate funding programs.

### **U.S. Government Funding**

If you are looking for government funding for your organization or project, you need to research opportunities on three governmental levels:

- ♦ Federal
- **♦** State
- ♦ Local

Some federal agencies award funding directly to nonprofits – these are sometimes called "discretionary grants" – most federal money is distributed to state, county, or city governments, who then decide which local charities get funding.

Some parts of this process are similar to the previous, but there are some key differences between foundations and government funders:

- ♦ Tracking a new federal funding opportunity can be a long journey. Typically, once the legislation has been signed into law by the President, the agency implementing the program publicizes a "notice of funding availability" (NOFA), which offers nonprofits a chance to compete for funding to provide the services Congress has mandated. To get to the point you will probably hear about a new government grant program long before you can actually apply for it.
- ♦ How well your program addresses the legislative intent of the law is very important and is often one of the criteria that your proposal will be evaluated upon. It also goes without saying that your program will need to comply with all federal laws and regulations, too. You can research relevant U.S. bills, laws, and regulations on the Internet, or at a <u>federal depository library</u> near you.
- ♦ If you are a faith-based organization, the U.S. government may be able to offer funding, but there are numerous guidelines they must follow because of the separation of church and state.
- ♦ Some federal programs require cost sharing or matching. This means that your organization may be required to make monetary donations, or staff time needed for the project without being reimbursed with federal funds.
- ♦ The U.S. government requires financial reports and recordkeeping on a regular basis and has the right to audit federally-funded operations at any time. Programs that receive more than \$300,000 in federal funding must be audited.

Another key difference between foundation and government grantseeking: it's usually much easier to find information about federal grants for free on the Internet. Here are three websites that notify the public about funding opportunities:

- ♦ <u>Catalog of Federal Domestic Assistance</u>. This is a listing of all the U.S. Government's grants, loans, and benefits programs, including opportunities for nonprofits, businesses, state and local governments, individuals, and families
- ♦ <u>Grants.gov</u> is a one-stop shopping center for grantees. Two helpful features are its list of grants that have been posted in the last 7 days, and the ability to sign up to receive funding notices through e-mail
- ♦ <u>USA.gov for Nonprofits</u>, by the U.S. General Services Administration. This provides links to relevant information for nonprofits from the IRS, U.S. Postal Service, and many other federal departments and agencies.

# **How to Write Letters of Inquiry and Grant Proposals**

When you find funders that match your organization's mission, programming areas, and funding needs, learn more about how to approach them. Methods of approaching funders and making initial contact:

- ♦ Telephone (the most common and suggested approach)
- ♦ Email or mail (if a phone number is not available)
- ♦ Letter of intent (LOI), which is most frequently done after the phone call.

Sometimes after the initial contact, a funder may request the full proposal. Our best suggestion on writing the grant: give the funders exactly what they ask for from their guidelines.

Learn more about the writing letters of inquiry (LOIs), filling out applications, and following the proposal writing process in low-cost training at places like local community colleges, or <u>free online tutorials</u>.

If you want to see examples of proposals for specific projects or types of nonprofits, check out The Foundation Center's <u>GrantSpace</u> website. One way to find examples is to select a subject, then scroll down to the bottom of the webpage for the "Sample Documents" section.

### **Other Funding Options**

Remember that grants are only part of your fundraising strategy. There are many other tactics you can use to acquire funding:

- ♦ Asking for donations from the general public through direct mail, telemarketing, and the Internet
- ♦ Membership programs
- ♦ Major gift campaigns
- ♦ Marketing partnerships with corporations
- ♦ Partnering or getting sponsorship from a larger nonprofit organization, like a Rotary Club
- ♦ Planned giving/bequests
- ♦ Special events
- ♦ Selling products and services

The first step in acquiring a grant is finding the right grant to apply for. There are a number of places to look for grants and this can get quite overwhelming after running some simple searches on the internet. Here are a couple of more reliable links to look for an appropriate grant:

http://www.grants.gov/

http://kaboom.org/about\_kaboom

http://www.peacefulplaygrounds.com/category/grants/

Here are a few links to some more extensive park and playground grant lists:

http://www.cvsnider.com/default.asp?page=132&productnum1=132&CMS\_Parent=0

http://www.thegranthelpers.com/municipal-grants/parks---recreation-grants/

http://www.naturalplaygrounds.com/findthemoney.php

# **Freenotes Harmony Park Grant Proposal Template**

Now that you've got a grant, or grants, to apply for, use this template as a guide to create a persuasive argument. Remember, this template is just a jumping off point. Make your project really stand out by making it your own!

### **Sample Cover Letter**

The cover letter should contain a summary of your proposal, introduce your organization and summarize any recent communications you've had with the funding organization. Include the amount of funding you are requesting, the population it will serve, and the needs it will meet. Try to bring your project to life – engage readers!

4/14/2015

Mr. John Smith Executive Director ABC Foundation 123 First Street New York, NY 55555

Mr. Smith;

Our foundation is pleased to present this proposal for your review. We look forward to partnering with you to provide an Outdoor Musical Park for the public of New York. Adding musical elements to this outdoor space will increase the area's appeal by greatly improving its visual and auditory aesthetics. The objective of our proposal is to increase the overall usage of this outdoor public space.

These instruments provide an opportunity for all to play and enjoy real musical instruments in their own public space. Freenotes' instruments are perfectly tuned to the pentatonic scale, similar to many wind chimes, so they can truly be played and enjoyed by all who are near. The instruments embrace Universal Design to ensure that they are playable by all, including young children, the elderly, those with disabilities, and an increasingly diverse population. Musical playgrounds encourage social participation by providing the public with interactive sound sculptures. Visually, the instruments are attractive and musically, the instruments ensure success. Freenotes Harmony Park is internationally recognized as manufacturer of the finest and most innovative outdoor musical ensembles. With Freenotes, musical expression is accessible to all, including the untrained public. Add specific examples of why these instruments will improve the park, community, etc.

Our proposal requests \$\_\_\_\_\_ in funding to complete the purchase, installation, and maintenance of a musical park in our community. Name specific instruments desired if applicable.

We truly appreciate ABC Foundation taking interest in helping our dream of a musical park come true. Please do not hesitate to contact us if you require any further information or have any questions regarding this proposal.

Thank you

### **Sample Grant Proposal Cover Page**

# TITLE OF PROPOSAL

**Submitted to: ABC Foundation** 

Date: 4/14/2015

Your name
Your title
Your organization
Your address
Your phone number
Your email

### I. Proposal Abstract

This section should be about one paragraph, should include the amount of funding requested and give the most general description of how the funds will be used.

### **II. Organization Description and History**

This section should be 1-4 pages in length and should include the history of your organization, its structure, office locations that will be involved, major accomplishments of your organization, relevant experience and accomplishments of your organization, established, relevant partnerships/relationships, information about prior grants and their success/failure, and an explanation of how your organization is appropriate for grantee consideration.

### **III. Background Information**

The background information, 2-5 pages, should provide the reader with an explanation of the need for a musical park to be funded by the requested grant. It could expose a possible problem that will be solved by this project. It could highlight media and government publications suggesting that the problem is a high priority and that the proposed solution is one that decision-makers support and believe in. It is important that the reader who finishes this section know why your program should be funded over others.

### **IV. Project Description**

The project description may vary widely in length depending on the size and scope of the project to be funded and the size of the fund being sought. The project description should give the reader a detailed description of the program that will be funded by the requested grant. This description should explain the duration of time during which the funds will support the project, the goals of the project, how they will be achieved, how success or failure will be measured, what services you promise to deliver to what population and what results you expect to bring about. A useful structure is to break the project down into component goals. Use each goal as its own heading and under each goal heading, list and describe the activities that will be funded to achieve that goal and how achievement of that goal will be measured or defined. The Project Description may also include information about the staff who will work on the project, their experience and qualifications to perform the activities that will be funded.

### V. Project Timeline

Using your Project Description, provide the reader with a timeline that shows the chronological order in which the activities listed under each goal heading will be undertaken and/or completed. Also include information about how/when funds that are awarded will be spent to support each activity.

### VI. Budget

Provide the reader with a table with categories of expenditures that will be funded by the requested grant, how much funding will be required for each category, and how much of that funding will come from the grant request. For example:

	Grant Allocation
Basic Package	\$11,132.00
Installment	\$400.00
Maintenance	\$200.00
Total Requested	\$11,732.00

# Freenotes Harmony Park Grant Proposal Tips

Use these 13 tips for writing an effective grant to secure funds for your new musical playground

- 1. Apply early and often.
- 2. Include a cover letter with your proposal.
- 3. Outline the proposal before you begin writing.
- 4. Identify and understand the need for the grant.
- 5. Establish goals and activities that are clear and concise.
- 6. Write in a professional manner.
- 7. Write with the mindset that you have already been funded for the grant and are explaining what you will be doing with it.
- 8. Answer each question asked and pre-empt any unasked questions.
- 9. Consult with required stakeholders and get appropriate approvals to submit the grant early in the process.
- 10. The appearance of your proposal matters; use visuals when appropriate.
- 11. Have someone unfamiliar with your program read the proposal for ensured clarity.
- 12. Read and edit your proposal in its entirety before submitting.
- 13. If rejected, revise and resubmit.