GRANT WRITING BEST PRACTICES

How to successfully seek public funding.

MOMENTUM

INTRODUCTION TO GRANT WRITING

OVERVIEW

What is a grant? Simply put, a grant is a sum of money that an organization, or state or federal agency allocates to fund a specific project or research effort. Although grants are, in a sense, "free money," they do come with demanding reporting requirements, strict performance milestones, and lengthy lists of terms and conditions.

The ideal project must:

Advance the goals of the granting agency.
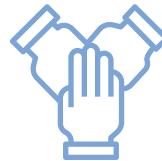
Bring together a team of skilled, experienced partner organizations —preferably with signed contracts and/or letters of intent.

Have quantifiable, measurable goals.

Possess other sources of funding.

Include a well-defined, realistic path to completion and future operation, or, in the case of technology, commercialization.

GRANT AND CREDIT PROGRAM BENEFITS

- Source of non-dilutive funds
- Enhance the business model for emerging technologies
- Leverage private capital investment
- Reduce the cost of capital
- Reduce taxes
- Advance policy and/or regulation
- Build project teams that become customers and strategic partners

LAY THE GROUNDWORK

Having these items done ahead of time will ensure a smoother and less stressful grant application.

PROJECT CONCEPT

It isn't enough to just have an idea or a goal. Writing a project concept is a valuable exercise to craft the backbone of a project that you would like to develop with or without grant funding. The process will require your team to determine the logistics and design of what is and isn't realistic, milestones and timeline to achieve the end goal, preliminary cost estimates, project team and partners, benefits/drawbacks, and more. The project concept will ultimately act as your north star for determining good-fit grant applications to pursue, is the starter for any grant proposal, and can be shared with strategic stakeholders. Some grant applications require the submission of a concept paper before the full grant proposal.

PROJECT TEAM: RESUMES

Assemble 2-page resumes and separate short bios for all key project personnel. Emphasize how their backgrounds/skills are relevant to the successful completion of the proposed project.

SOCIALIZATION: LETTERS OF COMMITMENT/SUPPORT

Socialization seeks to educate those with influence and to engage them in thoughtful and long-term participation in advancing your company's mission and goals. Your relationships developed through socialization will be your sources of letters of commitment and/or support.

REGISTRATIONS

Get your registrations in place NOW! This process could take a few weeks and could jeopardize your application eligibility. Keep this registration information somewhere safe and accessible to multiple people in your organization. Additionally, keep your password updated. Many require frequent password resets.

- Dunn & Bradstreet (DUNS)
- Unique Entity Identifier (UEI)
- SAM.gov
- Grants.gov
- Central Contractor Registration (CCR)

GO OR NO-GO?

Don't be a grant junky! Because each grant typically has many applicants and the application process is often quite arduous, it is important to apply for only those opportunities that are a good fit for your company and your project. Otherwise, you could waste a lot of time and money—all for nothing. So, how do you know when to pursue a grant opportunity or not? Consider these four factors.

ELIGIBILITY
Is your company and/or project eligible to apply? If not, DO NOT apply.

TIME HORIZON
Grants (considering application review, contracting, and execution) are typically NOT a speedy process. Does the time horizon of the grant work for you?

PROJECT ALIGNMENT
Project concepts and funding opportunities are like puzzle pieces. Does your project concept fit what is described in the solicitation with enough detail? Sometimes the puzzle piece may look like a fit, but if you're maneuvering the piece too much to force a fit then it doesn't fit.

RESOURCE ALLOCATION
Both grant applications and grant implementation are rigorous efforts. Do you have the resources to execute over a sustained period of time?
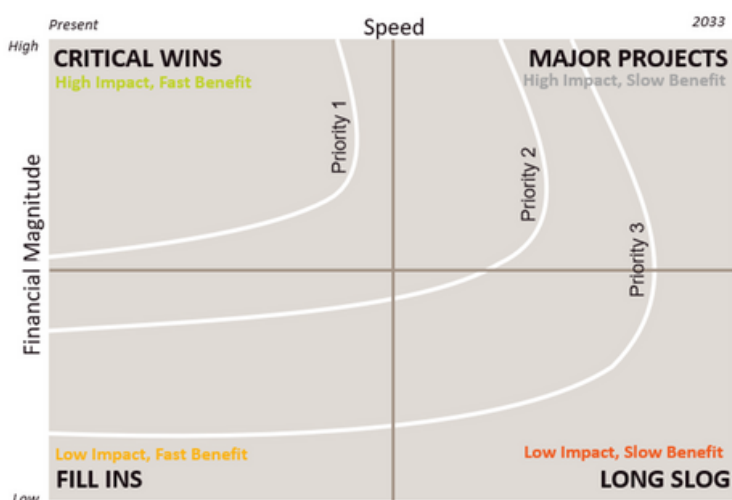
PRIORITIZATION

Utilizing a priority matrix can be helpful to visualize funding opportunity fit and make go no-go decisions. This example matrix prioritizes financial magnitude and project speed. What is most important for your company/project?

THE GRIND

INGREDIENTS FOR A SUCCESSFUL GRANT PROPOSAL

UNDERSTAND YOUR FUNDING PARTNER

Make sure your project aligns with the agency's goals and priorities.
- Review the Strategic Investment Plan.
- Request prior successful proposals.
- Attend and participate in the pre-solicitation workshops

COMMUNICATE A POWERFUL STORY

Funders are seeking powerful success stories that justify their programs and jobs.
- Ensure the project supports the organizational Strategic Plan.
- Communicate in "plain English". Assume the reviewers know nothing about your technology.
- Split your project into phases and seek funding for each phase at a time. This maximizes your chances of securing funds.
- Be specific. Federal and state agencies want specific facts and figures and are not satisfied with generalities.
- Answer the Reporter's 5 W's (who, what, when, where, why)

ENSURE PROJECT READINESS

Ensure all required documents and items are determined and included in your application. Your project should be ready to execute by the time the application is submitted.
- Permitting from construction through operation
- CEQA
- Fully vetted team
- Site control
- Financial commitments and leveraged funds

CREATE AN EXECUTABLE SCOPE

The Scope of Work (SOW) provides reviewers with a step-by-step breakdown of every task and sub-task associated with the successful completion of your proposed project—from administration to your final report to the granting agency. The SOW will ultimately become your contract if your project is funded.

- Minimize the number of tasks for administrative simplicity. Use subtasks instead. See the example below.

> **TASK 3 PROJECT CONSTRUCTION**
> The goal of this task includes all traditional construction project management, including purchase of equipment and materials, complete project construction, training staff and commissioning the biodiesel refinery in accordance with the Schedule of Products and Due Dates, Exhibit A-1. This task will culminate with the completion of the facility construction as documented by approval of the final building permit and air quality permit.
>
> **Task 3.1 Equipment and Material Acquisition**
> The goal of the task is to purchase all materials and equipment required for the project.
>
> **The Recipient shall:**
> - Procure, acquire and inspect (upon receipt) the equipment and materials required for infrastructure modifications.
> - Procure materials required for operations.
> - Prepare *Equipment and Materials Receipt Report*.
>
> **Products:**
> - Equipment and Materials Receipt Report

BUDGET CAREFULLY

Make sure the budget tracks closely with the tasks and sub-tasks listed in the SOW. The reviewers need to know that you can not only complete the project on time but also afford it.

- What are the minimum/maximum funding request amounts?
- What are you allowed/not allowed to purchase/pay for with public money?
- How much match funding is required? How would the agency like you to verify these funds? What types of in-kind contributions are eligible?
- Does the application include a mandatory budget form? Use it. If not, ask the agency for representative examples.
- Be as accurate and realistic as possible. If the budget is complicated, consider seeking help from a financial professional.
- If the project narrative requires a budget narrative, keep it short and to the point. Provide enough information to build credibility but don't overwhelm the reviewers with prose.

BUILD A ROBUST TEAM

Projects should be a team effort. In addition to project partners, seek letters of commitment/support from supporters, potential customers and investors, etc. Leverage the relationships built during socialization.

INVEST IN PRIORITY POPULATIONS

Priority populations are disproportionately impacted by the effects of climate change. Government agencies are taking significant steps to address and prioritize improvements to these populations through climate tech solutions.

- California Air Resources Board's California Climate Investments: 35% of benefits must go to disadvantaged communities (DACs), low-income (LI) communities, and LI households.
- The Federal Government has committed to Justice40, in which 40% of all benefits of funded projects must flow to DACs.

Demonstrate how your project benefits priority populations through:

- Job creation and support
- Economic benefits
- Education
- Workforce development
- Improved air quality and environmental benefits
- Partnerships with community organizations and economic development organizations.

FIND THE EXTRA POINTS

Solicitations often provide a scoring rubric or criteria that reviewers will utilize to score your project. Follow the score sheet and scale religiously. Find the extra points to optimize your score.

- Direct vs. Indirect Budget
- Cash Match
- Partnerships with Economic Development and Job Training organizations
- Disadvantaged Communities (DACs) and Low Income (LI) Communities

ASK QUESTIONS

Whenever you have a question about the submission process, call or email the agency contact listed in the solicitation. In many cases, there is a deadline to submit questions. Be sure to sign up for email updates about Q&A answers and amendments.

QUALITY ASSURANCE & QUALITY CONTROL

Once you've created your initial draft, we recommend that you perform quality assurance and quality control (QA/QC) based on the project success criteria. Make sure you have thoroughly covered everything that the solicitation requires.

- Adhere to the required font, font size, and margins. In most cases, failure to comply can lead to summary rejection.
- Make appropriate use of headings and sub-headings. Make absolutely sure that your headings and sub-headings correspond to the sections identified in the solicitation.
- Make sure data is current and that you cite sources for facts and figures.
- Leave enough time for adequate, candid review by subject-matter experts and a final read-through to check for spelling, grammatical, and other errors. If possible, have someone who hasn't seen it yet read it through.

SUBMIT EARLY & GET PROOF

Every agency has a system for proposal submission. One of the most important things to do early is to log into and check out the submission system. Perform a trial run as soon as possible!

When submitting, upload all of your documents. Download them and open them to double-check. Screenshot the list of documents, proving that all have been successfully uploaded to the system. Submit and screenshot the confirmation of your submission.
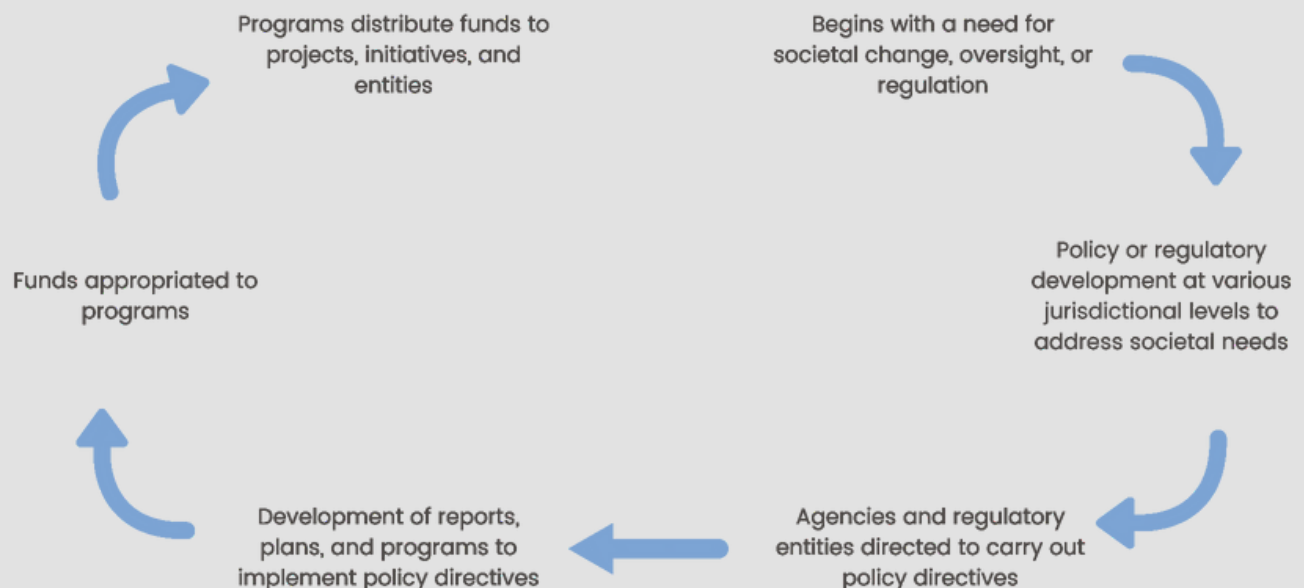
The responsibility for meeting the final deadline is entirely yours. Don't leave your submission to the last day. Online web submission pages sometimes crash on the last day. Pay close attention to the date, time, and time zone of the deadline.
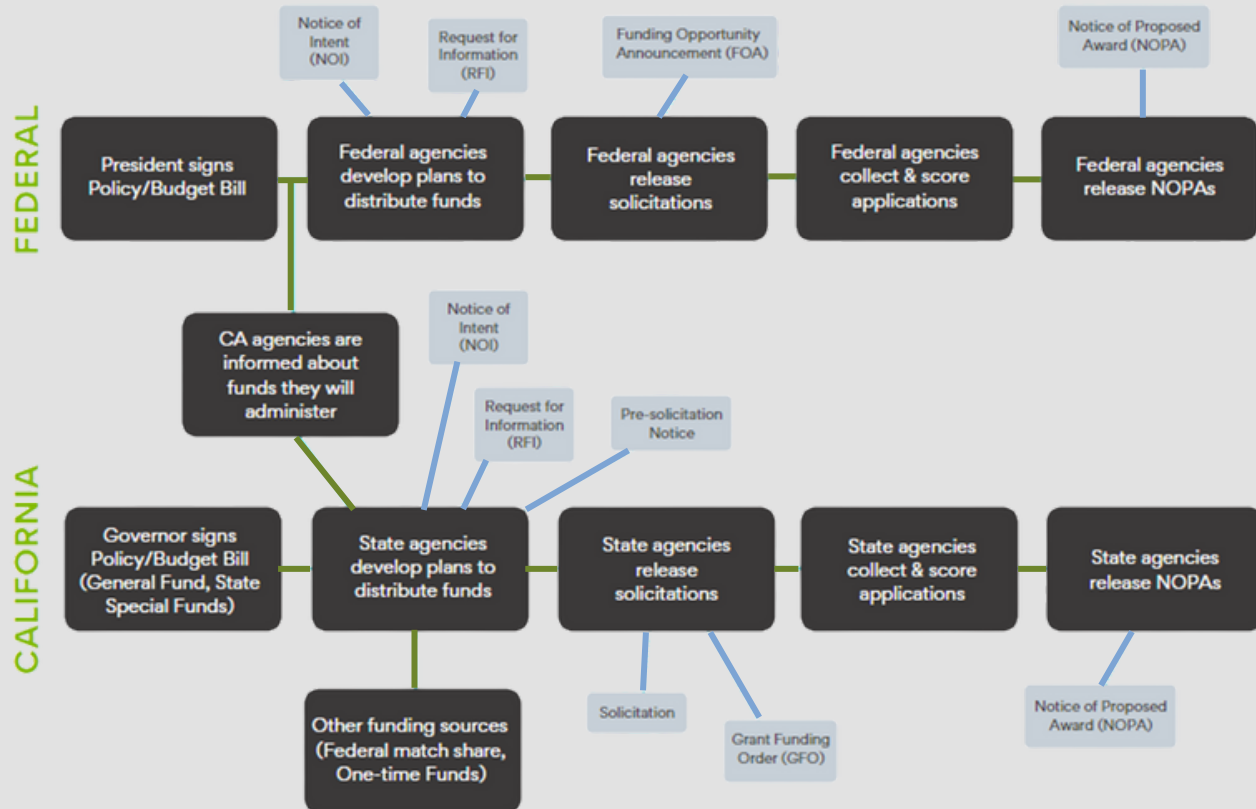
UNDERSTANDING PUBLIC FUNDS

To competitively compete for public funding, it is important to first understand how public funding becomes available and knowing when opportunities for engagement occur. The public policy to public funding cycle, shown below, starts with a need for societal change, oversight, or regulation. This cycle typically ends with the development of programs intended to distribute funds and resources to projects and initiatives that progress the agency's overarching goals and mission to address these societal changes, ultimately impacting policy at the highest levels of government. In the business of deploying clean and sustainable technology, many entities seek funding from public agencies to help offset the high costs associated with adopting emerging technology, new industry, and new markets (The Valley of Death) on the path towards large-scale adoption and commercialization.

Policy to Public Funding Cycle

Programs distribute funds to projects, initiatives, and entities

Begins with a need for societal change, oversight, or regulation

Policy or regulatory development at various jurisdictional levels to address societal needs

Funds appropriated to programs

Development of reports, plans, and programs to implement policy directives

Agencies and regulatory entities directed to carry out policy directives

MOMENTUM

How Money Flows

FEDERAL

- Notice of Intent (NOI)
- Request for Information (RFI)
- Funding Opportunity Announcement (FOA)
- Notice of Proposed Award (NOPA)

President signs Policy/Budget Bill → Federal agencies develop plans to distribute funds → Federal agencies release solicitations → Federal agencies collect & score applications → Federal agencies release NOPAs

CALIFORNIA

CA agencies are informed about funds they will administer

- Notice of Intent (NOI)
- Request for Information (RFI)
- Pre-solicitation Notice

Governor signs Policy/Budget Bill (General Fund, State Special Funds) → State agencies develop plans to distribute funds → State agencies release solicitations → State agencies collect & score applications → State agencies release NOPAs

Other funding sources (Federal match share, One-time Funds)

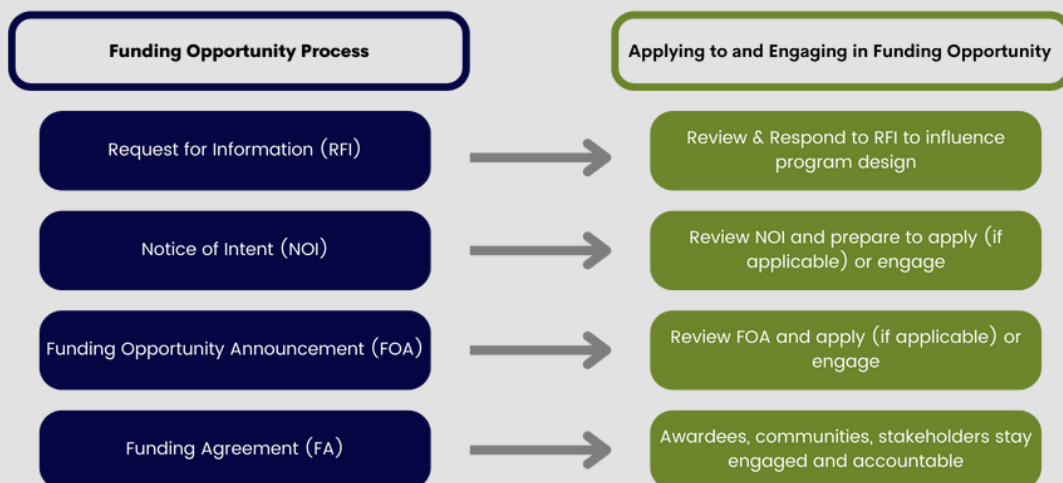- Solicitation
- Grant Funding Order (GFO)
- Notice of Proposed Award (NOPA)

The figure above shows how public agencies use legislative acts, laws, and bills to develop programs, priorities, and investment plans that ultimately turn into requests for information (RFIs), notices of intent (NOIs), funding opportunity announcements (FOAs), and notices of proposed awards (NOPAs) that we encounter throughout the year. It is at these points where opportunities for public engagement with publuc funding occur.

Public Funding Engagement

Funding Opportunity Process		Applying to and Engaging in Funding Opportunity
Request for Information (RFI)	→	Review & Respond to RFI to influence program design
Notice of Intent (NOI)	→	Review NOI and prepare to apply (if applicable) or engage
Funding Opportunity Announcement (FOA)	→	Review FOA and apply (if applicable) or engage
Funding Agreement (FA)	→	Awardees, communities, stakeholders stay engaged and accountable

Source: Department of Energy (DOE)

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