

Water Board Basics: Keys for Success

Successful Fundraising

Introduction

One of a water board's many responsibilities is to ensure that the utility has enough money to operate safely, legally, efficiently and consistently. Although customer rates should cover a large portion of the budget, it is often necessary to apply for loans and grants to cover both short and long-term fixed and variable utility costs. Whether the board is directly or indirectly involved in applying for grants or loans, it is vital to understand the process and know what steps will lead to grant and loan success.

Plan ahead

There are many things that you can and should do before applying for funding. The success of fundraising efforts is directly related to the degree of preplanning. The first step is to develop a long-range plan for the utility and establish a budget and funding priorities based on that plan.



To be successful at raising funds for your utility, you must first identify what you need money for and how it will be used. It is essential to know what your utility's expenses and expected income

are, and to anticipate shortfalls. Asking for money from a position of strength and foresight is much easier and more successful than waiting until your utility is facing a crisis.

Then, keep accurate and up-to-date financial records. Any organization or agency that is going to give your utility money will want to see documentation of past and current financial status. Doing this work on an ongoing basis will save time and headaches when you are ready to apply for funding.

Identify appropriate funding sources

Identifying an appropriate funding source is another crucial part of successful fundraising. Grants and loans are available in many shapes and sizes. There are grants



- 🔑 Successful Fundraising
- 🔑 Board Meetings
- 🔑 Board Responsibilities
- 🔑 Budgets
- 🔑 Capital Improvements
- 🔑 Legal Responsibilities
- 🔑 Meter Replacement Program
- 🔑 Operational Record Keeping
- 🔑 Safe Drinking Water Act Compliance
- 🔑 Selecting an Engineer

**Nevada Bureau
of Health
Protection Services**

1179 Fairview Drive
Carson City, Nevada 89701

775/687-4750

fax 775/687-3218

www.state.nv.us/health/bhps

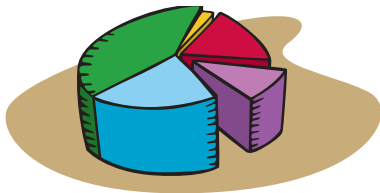
Support for this project was provided by the Nevada Drinking Water State Revolving Fund — A federal program administered by the Nevada Bureau of Health Protection Services to provide technical assistance and loan funds to Nevada private and public water systems to ensure federal Safe Drinking Water Act regulation compliance.

Water Board Basics: Keys for Success

and loans for general operating expenses, research, construction, equipment purchase and training. Determine whether there is a good fit between available funding sources and the needs and capabilities of your utility. Read the grant guidelines — believe the grant guidelines. If the fit is not right, don't force it. There are a number of questions that you can ask to determine the fit.

- ï Is my agency eligible to apply?
- ï When is the deadline for the application, and can we meet it?
- ï Does this grant meet the funding priorities that we established in our planning process?
- ï Is this a service or activity my agency is equipped to perform?
- ï What is the competition like?
- ï How much money is available?
- ï Is there a geographic restriction?

Don't pursue a funding opportunity if it does not meet your needs. There are many reasons that this may happen. For example, the grant may require an education component, but you



are not planning to do this. The grant may require matching funds, which you do not have. The grant may be too large, too small, too re-

stricted, too complex or too competitive.

The final step in identifying the appropriate funding source is to talk to the program of-

ficer. Call the local contact person for the funding source that you are considering. Review your idea with the program officer and ask for feedback.

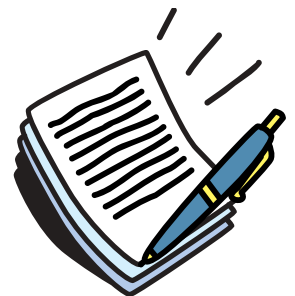
Here are some questions that you might ask:

- ï Does this seem like a project that fits within the parameters of this funding source?
- ï Do you think our proposal would be competitive?
- ï Do you recommend that we make any changes to our proposal to make it more competitive?
- ï Can you alert me to specific priorities or areas of focus for this funding cycle?
- ï If I sent you a draft of our proposal, would you look at it and give me your comments?

Write the proposal

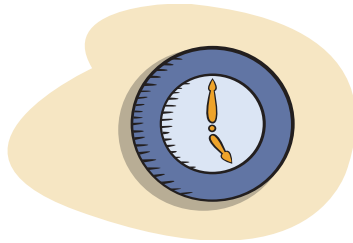
Once you have identified the right funding source, you can begin writing the proposal. It is helpful to do this in a structured way.

Start by reviewing the application requirements, and outline all of the components of the proposal. These components might include capacity of the organization, need for the project, benefits of the project, description of the project, including goals and objectives, and a timeline, budget and proposed evaluation methods. Create a checklist of those things that you will need to include as appendixes, such as the most recent audit, letters of commitment and environmental reviews.



Review the rating factors for the proposal so that you will know what you are being judged on, what to include and what to emphasize.

Once you know what has to be in the proposal, develop a timeline for completing each piece. Decide who is going to gather the information, write each section and put together the final draft. It is a good idea to have a deadline for the final draft that is a few days before the proposal is due, so that you will have time to edit and rewrite if necessary.



Here are some specific things to remember when writing the proposal narrative:

- i Use the language that is used in the Request For Proposals.
- i Tell your project's story ó make it compelling; real people are reading your application.
- i Take time to get to know your audience and their preferences.
- i Provide clear answers to the specific questions in the application.
- i Use tables, charts, photos, maps and graphics to present the same information in different ways.
- i Respond to the published rating criteria.
- i Assume the reader does not know your community, situation or needs when telling your story.

When you submit your proposal, it should be accompanied by a cover letter. If possible, the cover letter should be addressed to a specific person. The letter should be short and simple, but professional. The purpose of the letter is to briefly describe your proposal and indicate that you are available to provide additional information if necessary.

Follow up

What you do once the funding is awarded is as important as the steps you took to get the grant or loan. Be sure that you have systems in place to properly administer and track any funding that you receive. Pay close attention to management and reporting guidelines and timelines.



Maintain regular contact with funders, and inform them of any substantive changes to the project during the contract period. When the project is complete, be sure to submit a comprehensive final report with an evaluation of the project's outcome. Remember, how you manage today's grants and loans will partially determine your future fundraising success.

Checklist for Successful Grant Writing

- ✓ Know what you want to ask for and why you need it
- ✓ Maintain accurate and up-to-date financial records
- ✓ Identify an appropriate funding source
- ✓ Understand and address the application requirements and rating factors
- ✓ Start writing well before the deadline
- ✓ Clearly state the need for funds and how this proposal will address that need
- ✓ Write specific goals and objectives
- ✓ Indicate measurable outcomes
- ✓ Include an evaluation component
- ✓ Develop an accurate and realistic budget
- ✓ Leverage other sources of funding to support the proposal
- ✓ Package the proposal as indicated in the RFP
- ✓ Make sure funders receive the proposal on time
- ✓ Strictly follow all grant administration and reporting requirements once awarded funds
- ✓ Establish and maintain relationships with funders

Funding and Grant Writing Resources

Council on Foundations

www.cof.org

The Philanthropy Journal

www.pj.org

Chronicle of Philanthropy

www.philanthropysearch.com

The Grantsmanship Center

www.tgci.com

The Foundation Center

www.fndcenter.org

The Nonprofit Resource Center

www.nonprofitresourcectr.org/

The Internet Nonprofit Center

www.nonprofits.org/

The Management Center

www.tmcenter.org/

The Gilbert Center

www.gilbert.org/

The Nonprofit Times

www.nptimes.com/

This Water Board Basic was authored by Anne-Marie Ridgeley, Rural Community Assistance Corporation.



**Rural Community
Assistance Corporation**

www.rcac.org

777 E. William St., Suite 109
Carson City, Nevada 89701
Phone: 775/882-8887
Fax: 775/882-8960

*Rural Community Assistance Corporation
is dedicated to assisting rural communities
achieve their goals and visions by
providing training, technical assistance
and access to resources*