

WHAT IS EXTERNAL FUNDING?

- **External funding** includes any funding that comes from a source outside the college
- External funding consists of grants as well as philanthropic giving (through the Yavapai College Foundation)
- This funding is above and beyond YC's normal operating budget, and it typically pays for activities that complement or enhance normal operations
- Grants are an important type of external funding for the college

CHARACTERISTICS OF A GRANT

- A **grant** is an award of funds for a specific purpose
- Grants do not need to be repaid, but they are not a gift or form of charity
- A grant represents a joining of mutual interests in pursuit of common goals or objectives
- Grant funding is always awarded for a specific use or purpose
- The funder specifies exactly how the grant funding can be used
- With a grant, there are always strings attached to the money!

The purpose of a grant is to solve a problem!

WHY DO ORGANIZATIONS MAKE GRANTS?

- Organizations make grant awards to invest in projects that will help them fulfill their mission
- It's **never** about the needs of the applicant's organization

“Focusing the proposal on the needs of your organization [is a mistake]. Keep in mind that a funder's goals are achieved not when you make payroll, but when you deliver [a service] to the people who need it.”

(<http://www.idiotsguides.com/education/other-reference/10-most-common-grant-writing-mistakes/>)

- The key to success: your project idea must align with the funder's mission

FUNDER AND AWARDEE RELATIONSHIP

- The relationship between the funder and the awardee (recipient) is an *exchange* relationship



- Reports and program evaluation are usually expected *in exchange for* the funding
- The organization receiving the grant must ensure that grant funds are used only for the purpose for which they were awarded
- Funders remember bad experiences; protect YC's reputation as a responsible awardee so you don't jeopardize future opportunities

IS YOUR PROJECT FUNDABLE WITH A GRANT?

MORE FUNDABLE WITH A GRANT	LESS FUNDABLE WITH A GRANT
Special project or program, a new initiative, or significantly expands/changes scope of existing program or project	General operating support, capital expenses or campaigns, and construction
Targets a significant need, service gap, or problem, and the need is supported by data	Need is not well supported by data, data is old or not specific to target population, or target group or problem is vague
Your timing is flexible and/or you can wait for the funding	You need the money by a certain date, or you need the money soon
There are measurable goals and outcomes with a clear evaluation plan	Goals and outcomes are not well defined, not measurable, or not achievable
The College collaborates with others working on the same issue (partners)	No partners, or potential partners have limited commitment to the project
The budget is reasonable and adequate for the scope of work, and based on actual costs rather than estimates	The budget is inadequate for the scope of work, the budget appears inflated, or the budget is vague
The College is vested in the program as demonstrated by willingness to provide cash or in-kind matching, if needed	The College is unwilling or unable to provide matching funds
The program is sustainable without additional grants	The program is not sustainable without additional funding
Project aligns well with the funder's priorities and mission	The project is not very well aligned with the mission of the funder or the funder's current funding priorities
Innovative	Nothing new here

BAD REASONS TO PURSUE GRANT FUNDING

- It's a really BIG grant AKA chasing the money
- To make up for budget cuts or shortfalls
- To pay for items not in the operating budget even though they are part of the **core activities** of the college; if you **NEED** the money for basic operations, it should come from the college budget, not from a grant
- To pursue pet projects, further a personal or political agenda, or promote a special interest
- Fear of missing out (“If we don’t apply for this grant right now, will there be a future grant opportunity for this project?”)