



BACK TO BASICS: GRANTMAKING ESSENTIALS FOR NEW KIDS ON THE BLOCK (Workshop #5)

**Address to the Best Practice in Grantmaking Conference
Melbourne, February 17, 2006**

Presenters: Danny Colgan (City of Boroondara)
Julius Peiker (City of Monash)

A step-by-step process – including laying a solid groundwork, promotion, interaction with applicants and accountability – are among the essentials for “new grantmakers on the block”.

The fifth workshop at the 2006 Best Practice Grantmaking Conference – entitled **Grantmaking Essentials for New Kids on the Block** – was chaired by Danny Colgan from Boroondara City Council and the City of Monash’s Julius Peiker.

Key themes for the workshop included:

- Confronting the blank page – working out where to start
- Small fund, big hopes – managing community expectations
- Grant making secrets – what every new grant maker needs to know...

Mr Peiker and Mr Colgan took delegates through a number of principles towards assembling a successful grantmaking program.

The first important principle was not to panic. According to Mr Peiker, grantmaking “is not rocket science”, and by working through various steps, grantmakers can assemble a solid program.

Getting the policy work done and getting that work endorsed was the next important step for grantmakers. Without a solid grounding of policy work and procedures, grant programs are more open to:

- Funding decisions without a strategic basis
- Political interference
- Lobbying from larger or more sophisticated agencies, and
- Disputes from unsuccessful applicants.

This work on policy and procedures not only helps grantmakers better assess applications, but allows them to better communicate with grantseekers on why they are or are not eligible for funding.

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However, both Mr Peiker and Mr Colgan warned that laying a solid groundwork does not entirely eliminate these risks, as grantmaking could sometimes be a political process. For this reason, it was important that staff administering grant programs stuck to their guidelines.

Mr Peiker said the next step was planning: "I believe that a community grants process is actually a project management process. You can almost argue it lasts a year, and you can almost set the time from when it starts to when you're actually sending out the cheques," he said.

"It continues on from that. There are monitoring issues to complete of course – good planning allows for key milestones to be identified and ticked off when completed."

The next step for grantmakers is to give their application documentation the "once over". This includes:

- Finalising that information,
- Making sure it is consistent with your policy, and
- Making sure the information you seek is proportional to the maximum grant allowed in the category.

"Don't go overboard on your application documentation," Mr Peiker said. "If you've got a grant that is up to \$2000, don't put out a 20-page application form."

"The smaller the documentation – if you can get down to one or two pages – then that's a good thing. However, if you have a grant program where you're looking at granting agencies \$50,000 or \$100,000, then you will want a bit more information."

Both Mr Colgan and Mr Peiker emphasised the importance of having someone within the grantmaking organisation to read over the documentation to make sure it is easy to read and understand, and that there are no typos or spelling mistakes.

One way of doing this, according to Mr Colgan, is to approach someone in your organisation with little or no experience in grantmaking submission work and ask them to provide feedback on the documentation.

Promoting the grants program was the next step discussed, with grantmakers urged to make use of as many ways as possible of promoting their program. They could include:

- Writing to previous applicants,
- Using the local media, including ethnic media where applicable,
- Using your organisation's own newsletter and website, and
- Staging information evenings, as well as attending network meetings and spruiking the program.

Mr Peiker felt it was vital that grantmakers also get out in the community – if and when their resources allowed it – when promoting their programs: "(This allows you) to articulate and describe the program, and gives people the opportunity to ask questions," he said.

"Sometimes, when there are difficult concepts or things aren't all that clear, then you have a situation where there is dialogue, and it can make a concept easier to understand."

Mr Peiker also argued that if grantmakers' resources allowed them to, there was nothing wrong with not only engaging directly with applicants, but "sitting down with potential applicants and giving them some close guidance on their application".

He said this became a particularly important consideration when grants are targeting “emerging communities” or groups where English may not be their first language. “In one instance I sat down with one of the leaders in their community and said to them ‘well, maybe these are the kinds of things you might want to say’.”

This sort of work also built community capacity, as well as the experience of groups in applying for grants.

The final principle covered in the workshop was that of accountability. Delegates heard that the Victorian Auditor General's office conducts audits of local government grantmaking – and that grantmakers could read these reports and learn from them.

Grantmakers were advised to make sure those receiving funding were “programmatically and financially accountable”, and those government grantmakers needed to be accountable and responsible for public funds.

“It’s my view that the level of accountability needs to be commensurate with the amount of money you are giving them,” Mr Peiker said.

“So at Monash, (for grants) up to \$10,000, we expect them to, once a year, send us a monitoring form which says we’ve done the program and spent the money as we said we would, and we ask them to send us a copy of their annual report.

“For grants over \$10,000, we ask them quarterly and at final acquittal at the end of the year to programmatically and financially give us a statement of how they spend the money and how the program is going.

“If they get a significant amount of funds we sit down with them once a quarter and say to them ‘How’s it going, what’s happening?’ And this is about having a partnership approach, working in partnership to deliver an outcome.”

The workshop concluded with a summing up of advice, as well as some tips for grantmakers just starting out on their journey.

The points of advice were:

- Be true to your policy and funding priorities.
- Be available to provide feedback to all applicants, both before and after the application process.
- Work with unsuccessful applicants to improve their chances of success next year.
- Refer them to organisations like Our Community for assistance. Consider buying for them one-year subscriptions to Our Community publications like Easy Grants and Raising Funds – which would only amount to a small proportion of your grants budget
- You will always get unsuccessful applicants who are disappointed or angry.

The final tips to grantmakers at the workshop were:

- Do not re-invent the wheel.
- Be honest with prospective applicants – history is often a good guide.
- Nurture applications from groups whom your organisation sees as a priority.
- Make sure your processes and decision-making are transparent.
- Think about utilising grant categories and consider recurrent funding programs.
- Consider using grant management software.
- Consider taking risks.