GRANTMAKING TOOLKIT:
The Smart Way to Build, Review or Refresh your Grants Program

VERSION 1.0
Released February 2011

AUSTRALIAN-FIRST!
An all-in-one Grantmaking Toolkit:
→ Decision-making framework
→ Workbook with templates
→ Check-up tool

* ONLY $180 for AIGM Members!
  (Non-Members $230)
“It’s the first of its kind in Australia. There have been other attempts to chart the grantmaking process, but never before has there been a tool that not only provides the roadmap, but also the engine that will move you along the road. While the decision-making framework gets you thinking, the templates will get you doing.”
WHAT IS THE GRANTMAKING TOOLKIT?

The Grantmaking Toolkit is an all-in-one:
- DECISION-MAKING FRAMEWORK,
- WORKBOOK (with hard copy and online templates), and
- CHECK-UP TOOL,

designed to walk you through the process of building, reviewing or refreshing a grants program.

While the detail may vary, the overwhelming majority of grants programs have an almost identical lifecycle – from initial program design, through application and promotion to awarding and management of grants, and finishing with acquittal, review, evaluation and dissemination of lessons.

There are standard principles that underpin each phase of the lifecycle, and there are common questions that every grantmaker needs to ask about each phase too.

The Toolkit is built upon the AIGM’s principles of best practice grantmaking and is designed to be both universal and scaleable.

Whatever type of grantmaker you are, the Toolkit will help you design, develop and deliver the best possible grants program. Specifically, it will help you to:
- Determine the key policy and operational decisions on which the success of your grants program hangs;
- Identify what needs to be done and by whom in order to deliver your program efficiently and effectively;
- Work out what decisions need to be made about how each activity will be done;
- Identify common slip-ups and put in place processes that will allow you to avoid them;
- Build your own organisational Grants Manual; and
- Express the unique elements of your particular grants program.

The Toolkit will also enable you to review aspects of an existing grants program management system, or the program in its entirety, to identify issues and develop solutions. The Check-up Tool will allow you to quickly take the pulse of your grants program, and to navigate to the relevant Elements within the Toolkit.

Our 20 templates (provided as part of the hard copy Toolkit and as an online Workbook) will help you develop a custom-made Grants Manual and/or policies for your program.

THE PRINCIPLES

If you work through the Toolkit your grants program will be designed around the following eight principles:

1. Outcomes are clearly identified;
2. Governance is clear and strong;
3. Decision-making is transparent and criteria-based;
4. Information is available and accessible;
5. Risks are identified and managed;
6. Program structure is tailored to its circumstances, target group/s and purpose;
7. Financial and grant performance are both monitored and reported on; and
8. A contribution is made to the knowledge base of the broader community.
WHAT'S IN THE TOOLKIT?

The Grantmaking Toolkit identifies the five key pillars that are necessary to support a well-designed and successful grants program. The pillars are set out in the logical sequence that follows the typical life-cycle of a grants program, excepting the first pillar (Governance & Structure) which acts as the bedrock for the others.

The five Pillars of the Toolkit are broken down further into 18 separate Elements - key components within the overall task. Templates are provided for each element to help you easily move from the “thinking” to the “doing”.

### PILLAR 1: Governance & Structure
1.1 Establishing the goals and responsibilities
1.2 Establishing how you will achieve the goals
1.3 Deciding on record-keeping systems

### PILLAR 2: Application Process
2.1 Determining eligibility & assessment criteria
2.2 Designing the application form & process
2.3 Promoting the program

### PILLAR 3: Awarding Grants
3.1 Assessing the applications
3.2 Deciding who will receive a grant
3.3 Announcing the successful applicants
3.4 Advising the unsuccessful applicants
3.5 Negotiating the contract

### PILLAR 4: Managing Grants
4.1 Making payments
4.2 Monitoring & reporting
4.3 Managing performance issues & varying grants
4.4 Acquitting funds

### PILLAR 5: Review & Evaluation
5.1 Reviewing funded projects
5.2 Evaluating the program
5.3 Sharing lessons learnt

**PILLAR 1: GOVERNANCE AND STRUCTURE** – The overall aim of this pillar is to state clearly the ‘why’ and ‘what’ of the grants program. Just as goals, policies and approaches underpin the whole program, so too do the decisions about the records systems to be used throughout the lifecycle of your program.

**PILLAR 2: THE APPLICATION PROCESS** – This pillar helps you clarify exactly what information you need from applicants to assess whether they will be able to deliver the program goals. Here you also identify how you are going to assess the applications so that you can ensure you actually ask applicants what you need to know (and only what you need to know). Once you have determined what you are going to ask and how you are going to assess the applications, you need to determine how you are going to reach out to the people best placed to deliver the results.

**PILLAR 3: AWARDING GRANTS** – Every grants program needs a fair and transparent decision-making process – it’s important that your process can stand up to external scrutiny. There are many issues to be dealt with when awarding a grant, such as ensuring the proper involvement of stakeholders in announcing successful applicants and negotiating the actual grant agreement. Unsuccessful applicants must also be dealt with respectfully and constructively.

**PILLAR 4: MANAGING GRANTS** – This pillar focuses on the relationship between the grantmaker and the grant recipient over the life of a grant. It deals with the payment, monitoring and acquittal processes, as well as helping you to prepare for variations to the grant terms that may arise during the course of the grant.

**PILLAR 5: REVIEW AND EVALUATION** – The final pillar helps you determine how you will assess what has been achieved through your grant (outcomes); what has worked (process); and what can be done differently next time (developing the knowledge base). Although review and evaluation are inevitably considered the end process of a grant, it’s very difficult indeed to bolt these processes on as an afterthought – you need to be thinking about them when you design your program.
WHAT’S COVERED IN THE TOOLKIT?

INTRODUCTION
→ The AIGM Grantmaking Reform Agenda
→ What is the Grantmaking Toolkit?
→ Who can use the Grantmaking Toolkit?
→ How to use the Grantmaking Toolkit

GRANTS PROGRAM CHECK-UP TOOL

Pillar 1: Governance and Structure
→ Establishing the goals and responsibilities (Templates: Grants Program Overview; Grants Program Stakeholders)
→ Establishing how you will achieve the goals (Template: Operational Framework)
→ Deciding on record-keeping systems (Template: Records Policy)

Pillar 2: The Application Process
→ Determining eligibility & assessment criteria (Template: Eligibility and Assessment Criteria)
→ Designing the application form & process (Template: Management of the Application Process)
→ Promoting the program (Template: Program Promotion Policy)

Pillar 3: Awarding Grants
→ Assessing the applications (Template: Application Assessment Policy)
→ Deciding who will receive a grant (Templates: Decision-making Policy; Decision-making Table)
→ Announcing the successful applicants (Template: Announcing Successful Applicants Policy)
→ Advising the unsuccessful applicants (Template: Unsuccessful Applicants Policy)
→ Negotiating the contract (Template: Contracting Policy)

Pillar 4: Managing Grants
→ Making payments (Template: Payment Policy)
→ Monitoring and reporting (Template: Monitoring & Reporting Policy)
→ Managing performance issues & varying grants (Template: Performance Issues Policy)
→ Acquitting funds (Template: Financial Acquittal Policy)

Pillar 5: Review and Evaluation
→ Reviewing funded projects (Template: Project Review Policy)
→ Evaluating the program (Template: Grants Program Evaluation Strategy)
→ Sharing lessons learnt (Template: Lessons Learnt Strategy)

Glossary of Terms

HOW TO USE THE GRANTMAKING TOOLKIT

For grantmakers designing a new program, work through the Pillars in sequences, from one to five. (It’s a good idea to flick through the entire Toolkit before you start so you can get a sense of how all the elements of a successful grants program fit together.) Use the Templates provided as part of each Element (also available online) to develop the policy and practice documents that will underpin your program.

For grantmakers undertaking a program review, the Toolkit will help you identify areas where your program may be lacking, as well as suggesting some remedies or reforms. Start with the Grants Program Check-up Tool to identify areas of concern. Use the references in the Check-up to find the relevant chapter so you can work through the detail.
For each of the 18 Elements identified as essential to a best practice grantmaking program, the Grantmaking Toolkit includes a **Decision-making Framework** that provides:

- A summary of the thinking behind the Element;
- A key message which spells out the goal for this phase of your planning process;
- A list of key tasks – what needs to be done to achieve the goal;
- Questions that you will need to think through before developing program documents and moving to the “doing” stage; and
- A list of the key documents that you will need to produce for this particular aspect of your program.

For each Element we also provide one or more **Templates** that you can use to produce the key documents required.

The Grantmaking Toolkit also includes a **Check-up Tool** which will allow you to quickly take the pulse of your program and, where deficiencies are found, navigate to the relevant Element within the Toolkit.

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**ELEMENT 1.2: Establishing how you will achieve goals**

**SUMMARY:**

This key tool is designed to take you step-by-step through each of the major grantmaking phases, and provides:

- A summary of the thinking behind the Element;
- A key message which spells out the goal for this phase of your planning process;
- A list of key tasks – what needs to be done to achieve the goal;
- Questions that you will need to think through before developing program documents and moving to the “doing” stage; and
- A list of the key documents that you will need to produce for this particular aspect of your program.

**KEY MESSAGES:**

- An Element-specific, high-level set of steps that will help you achieve the goal for this phase of your planning process;
- A list of key tasks – what needs to be done to achieve the goal;
- Questions that you will need to think through before developing program documents and moving to the “doing” stage; and
- A list of the key documents that you will need to produce for this particular aspect of your program.

**THE TASK:**

- To establish the phase of your planning process that will achieve the outcome described in **Element 1.2** and that will produce the outputs identified in **Element 1.1**.

**KEY QUESTIONS:**

- What is the key message behind the Element?
- What tasks are involved in achieving the key message?
- What questions will need to be addressed before moving to the “doing” stage?
- What are the key documents that will need to be produced?

**KEY INFORMATION TO BE RECORDED**

- The grants programs, initiatives, and other elements that will be included in the program plan;
- The key messages that will be communicated to stakeholders;
- The key tasks that will need to be completed;
- The key documents that will be produced.

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**WORKBOOK**

**Table:**

<table>
<thead>
<tr>
<th>Element</th>
<th>Task</th>
<th>Key Message</th>
<th>Key Documents</th>
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<tr>
<td>1.2.1</td>
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<td>The key documents that will be produced.</td>
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Grantmaking is changing.

No grants program in the modern era can escape the demands for more transparency, more professional administration, more responsiveness.

Paper is out; internet-based forms and processes are in. Transparency is paramount; paper trails are a must. Auditors are interested, the public is interested, and so is the media.

People are looking for results. What’s the outcome? What’s the impact?

It’s a lot more work than it used to be. It’s also more reflective, more professional, and more effective than it used to be – though we still have such a long way to go.

This Toolkit has been designed to keep us moving on that journey, to help push the practice and the profession forward.

It’s the first of its kind in Australia. There have been other attempts to chart the grantmaking process, but never before has there been a tool that not only provides the roadmap, but also the engine that will move you along the road. While the decision-making framework gets you thinking, the templates will get you doing.

One of the problems with grantmaking is that everybody works in separate silos. Nobody has it perfected, and while everyone knows half a dozen great things, there has never been an easy way for them to share what they know, or learn what others have found out.

Through this Toolkit, we have made a start at drawing the wisdom of the crowd into one place. It’s not the final answer on the topic. We have deliberately labelled this Version 1.0 – we hope that many of you will contribute your own thoughts and ideas to help inform Version 2.0 and beyond.

Tell us what we’ve missed, where we’ve fallen down, how we can improve. We’re on the road, but the journey has only just begun.

Denis Moriarty
Group Managing Director, Our Community
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GRANTMAKING TOOLKIT

PRICE: $230 / $180 for AIGM members

☐ Yes, I am an AIGM member and entitled to the discount price.

I would like to order ☐ x Grantmaking Toolkit/s = ☐

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