

Grant Readiness Checklist

A practical self-assessment for nonprofit leaders, faith-based organizations, schools, and community organizations preparing to pursue grant funding.

How to use this checklist

Check each statement that is true today. Give yourself one point per checked box. Use the score at the end to decide whether to begin applying, strengthen specific areas, or build the foundation first.

ORGANIZATION

ASSESSMENT DATE

1. Organizational documents

Funders want to understand who you are, why you exist, and how your organization is governed before they invest in your work.

- ☐ **Our mission statement is current, specific, and board-approved.**
Why it matters: Funders use your mission to confirm that the proposed work fits your purpose and their priorities.
- ☐ **We have proof of 501(c)(3) status, or a documented fiscal sponsor.**
Why it matters: Many grantmakers require tax-exempt eligibility and will request the Internal Revenue Service determination letter or sponsorship agreement.
- ☐ **Our board roster is complete and up to date.**
Why it matters: A current list with roles, affiliations, and terms demonstrates active oversight and relevant leadership.
- ☐ **Our bylaws and key governance policies are current.**
Why it matters: Bylaws, conflict-of-interest policies, and related records show that decisions and accountability follow a defined process.
- ☐ **Our core registrations and licenses are active where required.**
Why it matters: Good standing and current registrations reduce eligibility concerns during due diligence.

Quick check: Store these items in one secure, shared grant file with clear dates and version names. A complete package saves time when application windows are short.

Section score _____ / 5

2. Financial readiness

Reliable financial information helps a funder understand your capacity, evaluate risk, and see how grant dollars will be managed.

☐ **We have current financial statements.**

Why it matters: Recent statements - and an audit or independent review when required - help funders assess financial health and stewardship.

☐ **Our board has approved a realistic annual operating budget.**

Why it matters: A current budget shows that leadership understands revenue, expenses, and the resources needed to deliver the mission.

☐ **Our chart of accounts supports program and grant tracking.**

Why it matters: Funders may require expenses to be separated by program, funding source, restriction, or grant period.

☐ **Our required Form 990 filings are complete and available.**

Why it matters: Grantmakers often review public filings for compliance, financial patterns, governance, and alignment with the application.

☐ **We can build and monitor a grant-specific budget.**

Why it matters: A credible proposal connects each cost to the work and supports accurate reimbursement, matching, and reporting.

Quick check: Reconcile your financial statements, budget, Form 990, and proposal narrative. Conflicting figures can delay review or weaken confidence.

Section score _____ / 5

3. Program readiness

Competitive proposals show a clear need, a well-designed response, and a credible way to measure what changes for the people or community served.

☐ **We can describe the program clearly and consistently.**

Why it matters: Funders need to understand the population served, activities, location, timeline, staffing, and intended results without filling in gaps.

☐ **We can document the need with credible evidence.**

Why it matters: Relevant community data, participant feedback, and service experience show that the program responds to a real and defined problem.

☐ **We have specific, measurable outcomes.**

Why it matters: Outcomes tell funders what will improve, for whom, by how much, and within what period.

☐ **Our program has a logic model or equivalent framework.**

Why it matters: Connecting resources, activities, outputs, and outcomes shows how the proposed work is expected to create change.

☐ **We have a realistic evaluation and data-collection plan.**

Why it matters: A practical plan demonstrates that progress can be measured, explained, and reported without overburdening staff or participants.

Quick check: Ask someone outside the program to read the description. If they cannot explain the need, activities, and expected result, simplify it before applying.

Section score _____ / 5

4. Operational readiness

Before applying, confirm that your team can coordinate deadlines, protect records, deliver the work, and meet every reporting requirement.

☐ **We have a dedicated grant contact and internal owner.**

Why it matters: Clear ownership keeps applications, funder communication, compliance tasks, and deadlines from falling between roles.

☐ **Our record-keeping system can organize grant documents.**

Why it matters: A consistent system preserves agreements, approvals, budgets, receipts, reports, and correspondence for monitoring or audit.

☐ **Program and finance staff can coordinate regularly.**

Why it matters: Timely communication helps the narrative, service data, and financial records tell the same accurate story.

☐ **We have capacity to collect data and submit reports on time.**

Why it matters: Funders expect complete progress and financial reports; late or weak reporting can affect payment and future eligibility.

☐ **Leadership has reviewed the full cost and commitments.**

Why it matters: Grants may require matching funds, upfront spending, restricted use, procurement rules, or continued services after funding ends.

Quick check: Before submission, assign one person to maintain the master calendar for application, award, reporting, renewal, and closeout dates.

Section score _____ / 5

Your readiness score

Add your four section scores

/ 20

0-9

Build the foundation first

Pause broad application activity. Prioritize missing governance, financial, program, and record-keeping essentials so future proposals rest on reliable information.

10-14

Close the highest-risk gaps

You have useful pieces in place, but several gaps may weaken eligibility or execution. Create a 30- to 90-day readiness plan before pursuing complex grants.

15-17

Target carefully and strengthen

You may be ready for well-matched opportunities. Address unchecked items, confirm each funder's requirements, and avoid applications that exceed current capacity.

18-20

Ready for focused pursuit

Your foundation appears strong. Build a qualified prospect list, prepare reusable materials, and tailor every application to the funder's goals and instructions.

Do not rely on the score alone

A high score does not guarantee eligibility or an award, and one missing requirement can still be decisive. Review each opportunity's rules, deadlines, geography, priorities, and reporting terms before investing in an application.

Want a clear next step?

Pennywise Consulting Corporation can assess your grant readiness, identify priority gaps, and help you build a practical path toward stronger applications.

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This checklist is a planning tool. Grant eligibility and documentation requirements vary by funder and opportunity.