

# GRANT FUNDING IN A CRISIS

## A Task List to Protect Your Grant Revenue

*Audra Davis and Nicole Sibilski, GPC, two leading fundraising and proposal writing professionals in Tennessee, have teamed to create a series of papers that provide realistic, tactical advice on grant funding, innovation, program sustainability, and for profit proposal writing in the midst of the Coronavirus Crisis. The goal of these papers is to help nonprofits and small businesses create and implement strategies that can help their organization survive during these unprecedented times.*

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March 24, 2020

Foundations' assets are intrinsically linked to the stock market. In this current financial crisis, nonprofits are going to suffer economically, some more than others. Some will even be forced to close their doors. The practice of foundation funding will change, probably drastically, for the foreseeable future. In 2018, Nicole did a study of foundation giving in recessions<sup>1</sup>, particularly giving trends in 2002 and 2009.

The past is often prologue - these are some changes your organization should expect:

1. Overall, **foundation giving will go down**. Initially, funders are doing their best to provide increased funding for these special needs. However, in 2009, following the recession, there was an 8% across the board decrease in actual foundation funds distributed. Anticipate similar or greater cuts in the latter half of 2020 and 2021.
2. **Smaller organizations and new programs will be hit harder**. They will lack the relationships, track record, and cash reserves of larger organizations and initiatives. Funders will be reluctant to invest in unproven programs.
3. **Funding priorities will narrow**. Many of the upcoming funding initiatives will focus almost exclusively on medical access, food and housing insecurity, safety, and income.
3. Historically, rural nonprofits have been hit harder in recessions. However, we predict that might not be the case this time. In fact, **there seems to be a movement towards urban nonprofits partnering with isolated communities to provide services**.
4. **Federal funding opportunities will increase exponentially**.

Here are some things you can do *right now* to safeguard your revenue:

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<sup>1</sup> "How to Safeguard Your Grant Strategy Against Economic Forces" 2018 Annual Grant Professional Association's National Conference (Chicago, Illinois) **Presentation Slides Available Upon Request**

- **Immediately reach out to your current funders and request that your award be unrestricted.** This will hopefully free up some cash in the interim weeks;
- **Prepare yourself to apply for federal grant opportunities** - sign up for or renew your SAM and DUNS number; open or update your account in Grants.gov;
- **Create partnerships to strengthen programs, align with future funding priorities, and eliminate program redundancies.** This is not the time to work in a silo. If you are not partnering to address funder initiatives, you are not competitive;
- **Start thinking about the hard budget decisions; develop short, medium, and long term contingency budgets.** Show how you will streamline costs over the next 12-18 months. You will be asked this, and you need to answer authentically;
- **Start gathering data on how the coronavirus is affecting your outcomes and outputs.** Track YTD program outputs and revenue. Gather stories and photographs if you can;
- **Document your pivot points.** Business will NOT return to usual. The innovations you are implementing now (telehealth, online classes, etc.) will benefit you beyond the crisis.
- **Assess your current technology infrastructure.** How can you modify programs to increase your reach through technology? There is a lot of conversation happening about this already. If you're not connected, you are not competitive;
- **Touch base with your individual donors.** Remember that they are also going through this trauma so don't make a direct appeal (especially planned giving). However, they care about your organization and will appreciate that you care about them also. *If* they are receptive, you can talk about your organizational plans and needs; and finally
- **Complete surveys that impact our community.** Funders and organizations have been, and will continue to gather information. Take the time to provide this important feedback.

Good luck to everyone, and take care of each other.

Audra and Nicole

**Nicole M. Sibilski, GPC** has earned over \$32 million in grant awards for nonprofits and small businesses nationally and throughout Middle Tennessee. Nicole is a Certified Grant Professional through the Grant Professional Certification Institute. Her 2018 presentation at the Grant Professional Association's national conference in Chicago, Illinois, "Protecting your Grant Strategy Against Economic Forces" has been regarded as a leading approach to assessing and implementing grant strategies in a recession. You can reach her at [Nicole@Sibilski.com](mailto:Nicole@Sibilski.com) or 615.707.4042

**Audra Davis Consulting** has worked for more than 20 years in the areas of nonprofit management, fundraising and communications. After 16 years as a fund development professional, Audra launched her practice with a vision for helping nonprofits and organizations obtain increased funding and greater community awareness. As a consultant, Audra has helped clients raise almost \$26 million for services such as affordable housing, foster care, healthcare, higher education, mental health, and research. Audra also serves as an Expert Consultant for the Center of Nonprofit Management. She can be reached at [Audra.Davis@Me.com](mailto:Audra.Davis@Me.com) or 615.496.3716.