

Organizational Grant Readiness Checklist

A self-assessment tool for nonprofit leaders, boards, and development teams

Seven readiness domains, a document kit, and a scoring guide for deciding when, and whether, to apply.

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Adapted from Stephanie Paul Morrow, "The Grant Readiness Checklist: 12 Questions to Ask Before Submitting," Instrumental (2024), with federal compliance updates. Full citations appear under Sources.

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Purpose and how to use this checklist

An organization is grant-ready when it can prove it is eligible, show that the proposed work fits its strategy, deliver the work, account for the money, and report results. This checklist tests each of those conditions across seven domains, before staff time goes into a proposal.

Use it in three ways:

- **Annual self-assessment:** leadership, finance, program, and development staff complete it together and log gaps as action items.
- **Pre-proposal go/no-go:** before committing to a specific opportunity, confirm the items marked for that funder's requirements.
- **Onboarding tool:** new board members and development staff use it to learn what funders expect.

Tick each item only when the evidence exists and can be produced on request. “We could pull that together” counts as not yet ready.

Why readiness matters

Most applications are declined, so an application from an unready organization mostly spends staff time. Instrumentl puts typical grant odds at roughly 10% to 30% [1] and, in a separate 2026 piece, describes an industry benchmark of about one award for every seven applications [1].

Ineligible or poorly aligned proposals are usually screened out before they are read in full [1]. Awards also carry obligations: reporting, audits, and compliance that fall on finance and program staff long after the proposal is submitted [1][2]. Readiness protects both the win rate and the organization's ability to keep what it wins.

1. Legal standing and eligibility

The organization can document its legal status and has confirmed it meets each funder's stated eligibility rules. Many private funders require 501(c)(3) status; others restrict by geography, organization size, population served, or field of work [1].

- ☐ Current IRS determination letter (or proof of public-institution or government status) is on file and retrievable [1][3]
- ☐ State registration, charitable solicitation registration, and good standing are current
- ☐ Most recent Form 990 is filed and publicly consistent with the story the organization tells funders [3]
- ☐ For federal funding: active SAM.gov registration and Unique Entity ID (UEI), renewed annually [4]
- ☐ Each target opportunity has been checked against eligibility criteria (applicant type, geography, size, focus area, cost-share) before drafting begins [1]
- ☐ Someone is assigned to confirm eligibility in writing, including a call or email to the program officer when criteria are ambiguous

2. Mission, strategy, and funder alignment

The organization pursues grants that advance its own plan, not whatever money is available. Funders favor applicants whose missions match their priorities, so prospect research and a clear mission come first [1].

- ☐ Mission statement says who is served, what change is sought, and how the work produces it [1]
- ☐ Vision statement describes the long-term result the organization is working toward [1]
- ☐ A current strategic plan exists, and grant-seeking priorities are drawn from it [1]
- ☐ A prospect list is maintained from funder websites, grant databases, 990 data, and peer intelligence [1]
- ☐ Each prospect is scored for fit (priorities, award size, geography, relationship) before any writing starts
- ☐ The organization has declined at least one misaligned opportunity, and knows why

3. People, culture, and capacity

The organization has the staff, tools, and temperament to write, win, run, and report on grants. InstrumentI stresses that staff, board, and volunteers all need to accept a grant-funded way of working: adapting to funder terms, collaborating, using data, absorbing rejection, and scaling up when awarded [1].

- ☐ Named owner for grant development (staff writer, consultant, or shared role) with protected time [1]
- ☐ Leadership has committed funding for that role for at least six to twelve months, as one grant manager quoted by InstrumentI advises [1]
- ☐ Access to a grants database or research service, plus a tracking calendar for deadlines and reports [1]
- ☐ Program staff are available to run funded work without displacing existing commitments [1]
- ☐ Staff capacity for reporting has been estimated, including heavier federal reporting where relevant [1]
- ☐ Reusable templates exist for narrative, budget, and report components [1]
- ☐ Gaps are identified and assigned to training, hiring, or outside help [1]

4. Programs, evidence, and evaluation

The organization can show measurable results and a credible plan to measure the new work. Funders look for a track record and community standing; for new programs, the experience of the people delivering them carries that weight [1].

- ☐ Program outcomes are documented with both numbers and stories [1]
- ☐ Letters of support from partners and community leaders can be obtained on short notice [1]
- ☐ A logic model or theory of change links activities to outcomes
- ☐ Data collection systems capture participants, services, and outcomes consistently [1]
- ☐ An evaluation plan mixes quantitative measures (statistics, budget analysis) and qualitative ones (narratives, observations, photos) [1]
- ☐ Staff bios and qualifications are current for anyone named in a proposal [1]

5. Financial health and budgeting

The organization's books are clean enough that a funder's first look at its financials leads to a second look. A senior grant writer quoted by Instrument1 notes that funders often review financial statements before anything else [1].

Organizational finances

- ☐ Accounting system tracks restricted and unrestricted funds separately, by grant [1]
- ☐ Board-approved annual operating budget [1]
- ☐ Audited or reviewed financial statements for the most recent year [1]
- ☐ Written financial policies and internal controls (approvals, segregation of duties, procurement)
- ☐ For federal awards: systems meet the Uniform Guidance (2 CFR 200); a Single Audit is required once federal expenditures reach \$1,000,000 in a fiscal year, a threshold raised from \$750,000 for fiscal years beginning on or after October 1, 2024 [2][5]
- ☐ Indirect cost approach decided: a negotiated rate, or the federal de minimis rate (now up to 15% of modified total direct costs) [5]

Project budgets

- ☐ Budget template lists every income source: the request, match, other grants, and in-kind support [1]
- ☐ Expenses cover personnel (salaries and fringe), supplies, equipment, travel, and overhead [1]
- ☐ Each budget is tailored to the funder's allowable costs, and every line ties to the narrative [1]

6. Governance and leadership support

The board and senior leadership actively back the grant program. Instrument1 describes an engaged board as one that opens doors to funders and advocates for the mission; a grant manager it quotes warns that results suffer when board members won't introduce the organization to their networks [1].

- ☐ Board has discussed and endorsed the grant strategy before applications begin [1]
- ☐ Board members have shared relevant connections to funders and program officers [1]
- ☐ A current board roster, with affiliations, is ready to attach
- ☐ Conflict-of-interest and whistleblower policies are adopted and signed annually
- ☐ Signature authority for applications and award agreements is clear

7. Sustainability planning

The organization can explain how funded work continues after the grant ends. Funders want evidence that what they start will last beyond the award period [1].

- ☐ Each proposed project has a written sustainability plan [1]
- ☐ Diverse revenue is documented: individual gifts, sponsorships, earned income, partnerships, and other grants [1]
- ☐ The plan names which costs shift to which sources, and when
- ☐ Leadership has accepted the ongoing costs the project will create

8. Document readiness kit

Keep these in one shared folder, with an owner and a refresh date for each. InstrumentI's list of essentials covers the tax-status letter, recent financial statements, a budget, a strategic plan, and outcome records [1]; the rest are common funder requests.

Document	Owner	Refresh
IRS determination letter / proof of status [1]	Finance	As needed
Most recent Form 990 [3]	Finance	Annually
Audited or reviewed financial statements [1]	Finance	Annually
Board-approved operating budget [1]	Finance	Annually
Strategic plan [1]	Executive	Per plan cycle
Outcome data and impact summary [1]	Program	Quarterly
Mission and vision statements [1]	Executive	As needed
Board roster with affiliations	Development	Annually
Key staff bios and résumés	Development	Annually
Letters of support [1]	Development	Per proposal
SAM.gov registration and UEI (federal) [4]	Finance	Annually
Negotiated indirect cost rate agreement, if any [5]	Finance	Per agreement

Scoring and next steps

Rate each of the seven domains (1 through 7) on the scale below, then act on the lowest scores first. Legal standing and eligibility is a gate: anything below “Ready” there stops an application regardless of other scores.

Rating	Meaning	Action
Ready	Every item ticked; evidence on file	Apply to well-aligned opportunities
Nearly ready	Most items ticked; gaps can close within 60 days	Apply selectively while closing gaps
Building	Several items missing in one or more domains	Fix gaps before applying; consider capacity-building grants
Not yet	Core items missing (status, finances, plan)	Pause grant-seeking and invest in infrastructure [1]

Repeat the assessment annually and before any large or federal application.

Sources

Items without a bracketed number reflect common grants practice rather than a specific source.

- [1] Stephanie Paul Morrow, "The Grant Readiness Checklist: 12 Questions to Ask Before Submitting," Instrumentl, February 7, 2024 (accessed September 30, 2026). Includes expert commentary from Jacob B. Chase, Sarah Lange, Daphne Keys, and Arnold King, and a reference to Instrumentl's 2026 win-rate benchmark article. <https://www.instrumentl.com/blog/is-your-nonprofit-grant-ready>
- [2] U.S. Office of Management and Budget, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 (eCFR). <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>
- [3] Internal Revenue Service, Charities and Nonprofits (exemption requirements, Form 990 filing). <https://www.irs.gov/charities-non-profits>
- [4] U.S. General Services Administration, SAM.gov (entity registration and Unique Entity ID). <https://sam.gov>
- [5] CBIZ, "OMB Issues Most Substantial Revision to Uniform Guidance in 10 Years," and Pease Bell, "Single Audit Threshold Rises to \$1 Million": summaries of the 2024 Uniform Guidance changes. <https://www.cbiz.com/insights/article/omb-issues-most-substantial-revision-to-uniform-guidance-in-10-years>