



Rose Youth Foundation

JEWISH YOUTH MAKING A DIFFERENCE

ROSE YOUTH FOUNDATION GRANT REVIEW BASICS: HOW TO ANALYZE A PROPOSAL

Step One: Is it a good fit?

How does this proposal's purpose or program align or fit with your priorities? If it is a fit, how close of a fit (does it meet your "higher priority" areas)?

Does the program organization serve the greater Denver, seven-county area?

Are they a nonprofit organization with 501 (c) (3) status?

Do they serve the ages and population you specified?

Did they tell you how their program addresses your priorities and the problems you want to help solve?

Step Two: Is it a good idea?

The request may be a fit with your priorities but is the program or project or service feasible, logical, attractive to the intended audience, needed, creative, innovative, practical, based on what we know works, etc.

Do they have explicit, clear outcomes, goals, and measures of success? At the end of the day, how will we know the program had an impact?

Do they have the right partners or can they accomplish their goals by themselves?

Step Three: Is it a good proposal?

Have they provided all the information you requested in your RFP?

Have they presented their case in a clear way?

Did they ask you for something you said you would not fund?

Step Four: Is it a good organization?

Have they done their homework? Do they know the issue or problem or field or business they are in? Do they have a track record in this area?

What is their leadership like? Do they have a real board of directors who are reflective of the community they serve? What is the staff like?

Who will be involved in the project? Do they have experience?

Is the organization financially and operationally healthy (see step six below)?

Look through the annual report or any other materials.

Step Five: Do they have a good project/program budget for the request?

First look at the program or project budget, the budget for the program or service they are requesting you to support (sometimes they ask you to support the overall organization, which is an operating grant, and there is no project budget).

Considering the project description, do you think there are any expenses that are not listed that should be? Or are there expenses that don't seem to match the project?

Has the grantee forgotten anything?

Is the math right? Do the numbers add up?

Do the amounts listed seem realistic for what needs to be accomplished?

Check to see if the total number of expenses exceeds the income or revenue. If that happens, they have a deficit. How will they pay the bills?

How realistic is the revenue or income projection?

Are they asking for the total amount needed? If so, how will the program be sustainable next year?

Are they requesting the appropriate amount of money? Does the amount requested exceed the project costs?

Step Six: Is the organization financially healthy?

To answer this question you must review the overall organization's budget:

Here you are looking for overall financial health and you are analyzing the organization's annual budget and the audited financial statements or balance sheet, if provided.

Healthy organizations have diversified revenue streams: money from lots of different sources, such as program fees, tuition, grants, donations, etc.

Healthy organizations have balanced budgets, meaning they have enough income to pay all expenses. Really healthy organizations have income that exceeds expenses or positive net assets. These assets are like savings. Check to see if the total number of expenses exceeds the income or revenue. If that happens, they have a deficit. How will they pay the bills?

Healthy organizations have audited financial statements and a Statement of Financial Position (if there are no financial statements they may have a balance sheet) with positive net assets that are increasing year-to-year. A Statement of Financial position lists all their assets (cash, property, money owed to them or accounts receivable, savings, endowments, etc.) and liabilities (debt, bonds, notes), bills to be paid, the cost of leases, etc.) Net assets are the difference between total assets (what is **owned**) and total liabilities (what is **owed**). If they have no net assets or a negative number, then the organization cannot pay its bills.

Check the assets to see how much they have in "Current Assets" (what is owned). Look for cash or cash equivalents. Then look under "Current Liabilities" (what is owed) and check the total. If the total of current liabilities exceeds the amount of cash, then they may be having trouble paying their bills.