



# Grant Application Guide for Rural Communities

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# Introduction

Applying for federal grants can be an intimidating and time-consuming process, especially for rural communities that may have limited capacity to complete the application process. With the passage of the Bipartisan Infrastructure Law and the Inflation Reduction Act, unprecedented amounts of funding are available to rural communities for infrastructure, energy, and conservation projects. However, accessing these funds still proves challenging for many rural communities. This guide seeks to demystify the federal funding application process by walking you through the various stages and providing tips to make your applications more competitive.

## Grant lifecycle

<b>Pre-award phase</b>	Funding opportunity announcement Opportunity evaluation Application preparation and submission
<b>Award phase</b>	Award decisions and notifications Award terms and agreements finalized
<b>Post-award phase</b>	Implementation Reporting Closeout

## Envision projects

Before attempting to identify specific grants that may be relevant, keep a list of needs and potential projects your community would like to address. Grants frequently have a short turnaround time (often 60 to 90 days), so prepare as much as possible to be ready when an applicable Request for Proposal (RFP) is released.

To help you prepare, compose a project logic model. Logic models are evaluation tools that can help with planning, implementation, documentation, and reporting. They outline needs, justification for solutions, planned activities, expected outcomes, and funding/resource needs. When a funding opportunity arises, the logic model can be the basis for building the proposal and budget. Multiple logic models can allow for a comparison of priorities and funding feasibility to choose the best project idea for a funder. Many examples of how to build a logic model are available online.

Doing a community survey on funding priority needs will identify how many households/individuals are affected by a given issue and can provide valuable data to include in a grant application. You may also begin gathering information for projects as available, such as bids, cost estimates, contacts, and projected timelines.

# Identify grants

There are many places to learn about available funding opportunities. A few helpful resources include these.

- ▶ [grants.gov/web/grants/learn-grants](https://grants.gov/web/grants/learn-grants)
- ▶ Funding newsletters (be sure to subscribe) through:
  - [Grants.gov](https://grants.gov)
  - Environmental Protection Agency (EPA)
  - Department of Energy
  - Department of Transportation
  - U.S. Department of Agriculture Rural Development
- ▶ Inflation Reduction Act and Bipartisan Infrastructure Law databases—searchable by type of applicant, project type, etc.
  - [localinfrastructure.org/funding-opportunities/](https://localinfrastructure.org/funding-opportunities/)
  - [iratracker.org/actions](https://iratracker.org/actions)
  - [americaisallin.com/federal-climate-funding-hub](https://americaisallin.com/federal-climate-funding-hub)
  - [rd.usda.gov/inflation-reduction-act/ira-pocket-guides](https://rd.usda.gov/inflation-reduction-act/ira-pocket-guides)
- ▶ Economic development districts (typically requires membership)
- ▶ Contact other communities who have had similar projects. Ask how they funded their projects and what steps they took.
  - Local economic development districts may be able to help identify communities with similar projects.



# Preparing to apply

- ▶ Check eligibility. If you are not directly eligible, perhaps you have a partner or local organization that could lead the application and include you as a partner or contractor.
- ▶ Make sure you are registered with [login.gov](https://login.gov), [grants.gov](https://grants.gov), and [SAM.gov](https://sam.gov). If not, create an account as soon as possible because this process can take several weeks.
  - Both [grants.gov](https://grants.gov) and [SAM.gov](https://sam.gov) will require you to use your [login.gov](https://login.gov) credentials, so we recommend registering in the following order:
    1. [Login.gov](https://login.gov)
    2. [SAM.gov](https://sam.gov) (Note: This will need to be renewed annually and must stay active.)

Don't be afraid to ask for help if you run into a problem. For example, one village accidentally made its [SAM.gov](https://sam.gov) registration private when renewing, which caused problems for agencies that needed to verify its registration. The village had to work with the Federal Help Desk to make its registration public.

Be aware of scammers who will advertise services to help you register for [SAM.gov](https://sam.gov) for a fee. It is a free service and you should not pay for it.

## 3. [Grants.gov](https://grants.gov)

- ▶ Contact the federal funding agency. Most agencies have staff officers available to assist with program-related questions, unless the RFP specifically states that outreach is not permitted. These officers can answer questions about the RFP or provide helpful information that will help make your application more competitive. Some agencies may offer advice on your specific project idea to ensure it fits the RFP. And some may also review a draft (well ahead of the deadline) to comment on completeness or allowable activities and costs.
- ▶ Create a checklist to ensure you have included everything that is required. Sometimes the RFP will include a checklist, so make sure to use it if provided. Double-check the list as it may not match the narrative instructions. Ask the funder contact about any discrepancies.
- ▶ Check if a Notice of Intent (NOI) or pre-application is required. Sometimes, agencies require an NOI or completion of a short pre-application form before you submit your application. If you miss this step, you may be unable to apply. The funding agency reviews the submissions, and sometimes you will need approval to advance to the next stage—typically, the full (much longer) application.
- ▶ Thoroughly review the Notice of Funding Opportunity (NOFO). It is a best practice to copy and paste the text into a document you can mark up and start making notes. Alternatively, you may want to print out the NOFO because formatting often changes when copying text to a new document.
- ▶ Attend funding webinars, if offered, that review the application process and required documents. They may also allow time for questions.



# Grant application timeline

## Phase 1

### **Prepare for funding opportunities (1 to 18 months out)**

- Gather ideas and community input for project ideas and priorities.
- Create a logic model for a project priority.
- Build relationships with potential partners and stakeholders in the project.
- Register with SAM.gov, login.gov, and grants.gov (allow eight weeks).
- Subscribe to relevant grant notifications and mailing lists.

## Phase 2

### **Prepare the application**

- Once released, thoroughly review the RFP.
- Schedule partner meetings and discuss strategy (allow two weeks).
- Draft the narrative and budget (allow three weeks).
- Gather partner letters or letters of support, if necessary (allow two weeks).
- Have a proofreader review the application (allow one week).
- Finalize content (allow one to two weeks).
- Submit the application (aim for three days before the deadline).

## Phase 3

### **Award phase**

- Await for the award announcement (two to six months).
- Negotiate final terms of the grant agreement (up to six weeks).



# Writing the application

Before launching into writing the application, set deadlines for yourself to complete it one to two weeks before it is due. This will allow you time to review and make improvements. It is a best practice to submit the application a few days before the deadline so you don't find yourself rushing through the submission process. You will also want to identify proofreaders—colleagues, mentors, or contractors. Have them do an early proofread to focus on the organization of the narrative and any missing aspects or information. Later in the writing process, have a proofreader look at sentence structure and grammar.

Your proposal should be well-written and easy to understand. Avoid any unnecessary complexity. This will distract the grant reviewers from your main points. You should specify clear actions, roles, and outcomes, and clearly demonstrate the relevancy of your project to the funding opportunity. Think like the grant reviewers; your goal is to help them see how your project fits with the funding agency's goals. It is important to communicate the significance of your project by describing the problem or barrier to your community's success that the project would address. To demonstrate this, include compelling but concise anecdotes illustrating the need for the project. While answering each question throughout the application, try to tell a story. Each question will likely require a specific answer, but try to paint a picture of the overall goal or change this project will bring to your community and weave it into every answer you write.

It is also important to demonstrate a proven track record and that key personnel have the experience and time to implement the project. The funder will want to ensure its awards are distributed to communities capable of executing projects successfully. It is also a best practice to identify potential pitfalls and how they may be addressed. This demonstrates that you have thought through potential stumbling blocks and already have solutions in mind.

The project summary or introduction should be written last. It will be easier to write after you have completed all the other aspects of the application.

## Goals, objectives, and outcomes

There is a difference between goals, objectives, and outcomes. It is important to write them in your application so they logically flow into each other and make sense to the grant reviewer.

Application section	Definition	Example
Goals	The end result you want to achieve. Usually, they are long-term, broad in scope, and often have objectives attached to them. Goals should answer how the proposed project will solve the problem identified in your needs statement.	Establish viable businesses.
Objectives	The specific steps along the way that help achieve the goals. Objectives are not activities. Activities are how the objectives are met.	Build business plans that are acceptable to lenders. Teach business planning skills.
Outcomes	The results or impacts of your goal and objectives. Each activity in your grant plan should have an outcome or result. Outcomes can be quantitative (measureable) or qualitative (descriptive). Make your outcomes as concrete as possible. For example, state the number of beneficiaries from the project. You should also be realistic about the outcomes of a project. You don't want to over-promise and under-deliver.	80% of participants can build a business plan after two training sessions.



# Writing the application, continued

## Project justification

This is a crucial part of a grant application, where you will convince the grant reviewer your project deserves funding. In this section of the application, explain the problem your project seeks to address by answering the following questions:<sup>1</sup>

- ▶ What is the significance of the problem?
- ▶ Why is it critical to address the problem now?
- ▶ What documented proof/evidence is available to support the need for your project?
- ▶ Who will your project serve?
- ▶ What plans, studies, and data are available to identify or quantify the need?
- ▶ How will the defined population be affected or different when the project is completed?
- ▶ How do you know your solution will work?
- ▶ Why are you the best awardee to do this work?

## Budget development

A well-formed budget can help build credibility in your application. Make a clear connection between your budget and the project goals and objectives. Everything in the narrative should be reflected in the budget, and everything in the budget should be reflected in the narrative. For example, if you need to hire a project organizer, make sure to explain in the budget narrative or budget justification why the position is necessary to achieve the targets of the project.

- ▶ Be thorough in addressing major and important costs, but don't provide excessive detail. Also, rounded amounts are much easier for a reviewer to grasp and compare.
- ▶ Make everything as clear as possible so grant reviewers understand a budget expense's value to the success of the project.
- ▶ Ensure that your language conveys a sense of stewardship of the government's resources. Discuss how your approach will save money. For example, use video meetings instead of travel for a group, when appropriate (but an initial or periodic in-person meeting can help build trust and relationships or allow hashing out early problems).
- ▶ Matching funds:
  - Matching funds are the project costs not covered by the grantor that the grantee is required to contribute. Not all grants require matching funds, but if they do, include it in the budget with a clear explanation of how it will be met.
  - Be sure the match calculation is the one called for—a match requirement of the funder's dollars is different from a match as a portion of the total project budget.
    - › For example, if the cost of a project is \$600,000, and the grant requires a 1:1 match of the funder's dollars, you would need to contribute \$300,000 to the project. Alternatively, a grant may require you to match 40% of the total project costs, which means you would need to contribute \$240,000.
  - A match requirement may be monetary, but it could also be an in-kind match, such as labor, materials, etc. The federal government does not provide guidance on what to charge for labor hours, so you may want to check with your grant contact on how their department recommends quantifying in-kind matches for the budget.

<sup>1</sup> "Tips for a Successful Grant Application." U.S. Environmental Protection Agency, Aug. 18, 2023, [epa.gov/ports-initiative/tips-successful-grant-application#general-tips](https://epa.gov/ports-initiative/tips-successful-grant-application#general-tips). Accessed December 2023.





# Application submission

The RFP will have directions on how to submit the grant application. Follow those instructions exactly as they are laid out. It is a best practice to follow up with your regional coordinator/contact for the grant to let them know you have submitted the application. You may ask about the timeline for reviewing the application. This will give you an idea of when to anticipate a decision.

# Monitoring and reporting

It is important to keep all records related to the grant. Keep significant correspondence with the funder to track decisions and instructions, including notes of phone conversations. These records not only document decisions but can provide guidance if the original correspondent (funder or grantee) becomes unavailable. It is also a good practice to keep hard files as well as digital files of correspondence in case your digital files are ever corrupted or lost.

Before submitting an application, make sure you have a process to collect any required data and have the staff capacity to analyze the data and complete required reports, or make sure you have this in place by the time the grant begins. If this is a challenge for your community, ask other communities of similar size how they have tracked and analyzed data and submitted reports. Find out what worked for them and decide if something similar would work for your community. The awarding agency is available to help you comply with the grant terms and conditions. It is best to communicate proactively with your grant officer to clarify terms or expectations.

Closeout is the final step in the grant process. This involves submitting final financial, performance, and other reports. This typically must take place within 90 days after the grant expires or is terminated. Some funders will send an acknowledgment of receipt and acceptance of the final financial and progress reports, which may take weeks to months. Retain any correspondence that indicates closeout from the funder's end. It is best practice to retain all grant records for at least three years after the final date of the grant expenditure report.

# Using correct language

It can feel like federal agencies have their own language. Don't be intimidated by their use of acronyms or unfamiliar terms—Google is helpful here. A simple description of the term is usually only a click away and can make a big difference in your understanding of the grant.

Sometimes different agencies have different definitions of terms. For example, USDA and EPA define "objectives" and "outcomes" differently; at one time they were reversed from each other. Therefore, make sure to comply with the funding agency's definitions.

It is especially important to understand the difference between a grant and a cooperative agreement. The definitions for each are included, along with a few other helpful terms and glossary webpages that can help define terms not included in this guide.

## Glossary webpages

▶ [usda.gov/smallbiz/glossary](https://usda.gov/smallbiz/glossary)

▶ [grants.gov/learn-grants/grant-terminology.html](https://grants.gov/learn-grants/grant-terminology.html)

# Using correct language, continued

## Quick definitions

**Grant agreement:** A legal instrument of financial assistance between a federal awarding agency or pass-through entity and a non-federal entity that, consistent with 31 U.S.C. 6302, 6304:

- a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the federal awarding agency or pass-through entity to the non-federal entity to carry out a public purpose authorized by a law of the U.S. (see 31 U.S.C. 6101(3)); and not to acquire property or services for the federal awarding agency or pass-through entity's direct benefit or use.
- b) Is distinguished from a cooperative agreement in that it does not provide for substantial involvement between the federal awarding agency or pass-through entity and the non-federal entity in carrying out the activity contemplated by the federal award.
- c) Does not include an agreement that provides only: (1) direct U.S. government cash assistance to an individual; (2) a subsidy; (3) a loan; (4) a loan guarantee; or (5) insurance.

**Cooperative agreement:** A legal instrument of financial assistance between a federal awarding agency or pass-through entity and a non-federal entity that, consistent with 31 U.S.C. 6302-6305:

- a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the federal awarding agency or pass-through entity to the non-federal entity to carry out a public purpose authorized by a law of the U.S. (see 31 U.S.C. 6101(3)); and not to acquire property or services for the federal government or pass-through entity's direct benefit or use.
- b) Is distinguished from a grant in that it provides for substantial involvement between the federal awarding agency or pass-through entity and the non-federal entity in carrying out the activity contemplated by the federal award.
- c) Does not include: (1) a cooperative research and development agreement as defined in 15 U.S.C. 3710a; or (2) an agreement that provides only: (i) direct U.S. government cash assistance to an individual; (ii) a subsidy; (iii) a loan; (iv) a loan guarantee; or (v) insurance.

**NOI/LOI:** Notice of Intent/Letter of Intent—a brief letter stating your organization's intent to submit a full proposal for an upcoming funding opportunity. This is often required before submitting a full application.

**RFP/RFA:** Request for Proposals/Request for Applications—a project or funding announcement posted publicly indicating that submissions for the opportunity are sought.

**NOFO/FOA:** Notice of Funding Opportunity/Funding Opportunity Announcement—these different terms all mean essentially the same thing: a formal announcement of a funding opportunity inviting grant award applications.

