

**United Way
of Central New Mexico**

**Center for
Nonprofit
Excellence**



Grant Writing Toolkit: The Needs Statement

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THE GRANT PLANT^{INC.}

Toolkits are designed to provide you with easy to access information on key subject areas that can strengthen your organization.

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The Needs Statement

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Overview:

In addition to securing funding, grant writing provides a vehicle for your organization to educate funders about key community needs. A grant application can inform funders of how your organization meets those community needs. Funders and nonprofits that deliver community programs have a symbiotic relationship; both entities can benefit from that relationship. Grantmakers receive requests that far exceed the amount of funds they have available to distribute making the grant process extremely competitive.

The United Way of Central New Mexico's Center for Nonprofit Excellence has created toolkits to assist with grant research and grant proposal writing. **It is important to read all grant guidelines carefully** and follow the application instructions. Each grant application or request for proposal uses its own terminology and has its own specific requirements. Below are some common grant application components.

Grant Research

- Although not part of a grant application, grant research is a critical part of the process. Research funders to ensure that your proposal fits within the grantmaker's priorities. [See Researching Grantmakers Toolkit](#)

Cover Letter

- Briefly identify your organization, describe the program plan (one or two sentences) and state the dollar amount of the request. Include the name and contact information of the person in your organization who will be the contact for the grant.

Needs Assessment / Problem Statement / Needs Statement

- Delineate the problem or issue within the community to be addressed, provide data to substantiate the need and a human interest story or example to make it personal.

Goals and Objectives

- Generally, one section of the application requests information about what you will accomplish and the steps to do so.
- Goals can be broad, used to define the overall purpose of the program.
- Objectives can be the measurable changes expected as a result of the program. Make the objectives specific: who will benefit from the program, how many and in what time frame.
- If there are several goals, relate objectives to the appropriate goal.

Program Plan / Proposed Project / Project Design

- Detailed information about your organization's plans to address the community need, including who or what will benefit from the program, who will carry out the program and how. [See Program Plan Toolkit](#)

Program Budget

- Consider all the expenses to implement the program: salaries and benefits, supplies, transportation, technology, and administrative expenses.

Evaluation

- Describe plans to assess the program and measure impact.
- Measurement tools may be data collection, client satisfaction surveys, or other tools. Include what is being measured and how often each tool is used.
- With ongoing measurement and periodic evaluation, adjustments and changes can be made to the program to improve the results.
- Measurement and evaluation should relate to the objectives of the program plan and funding request.

Collaboration Information

- Describe how your organization will work with other organizations to leverage resources.

Other Funding / Sustainability

- Identify other funding sources, including fee for service, and recent grants awarded, pending and declined.

Qualifications / History / Organizational Background

- In a brief history of the organization emphasize the accomplishments and expertise; describe your organization's ability to do the work proposed; information requested may include: mission statement; organizational goals; EIN number; summary of key personnel qualifications

Attachments / Appendices

- May include: IRS letter of determination; letter from the New Mexico Attorney General; letter from Registrar of Charitable Organizations; most recent IRS 990; list of Board Members and affiliations; current Financial Statements; audited financial statements; Anti-Discrimination Policy; Letters of Support.

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What is the Needs Statement?

The needs statement defines the underlying problem or issue the grant applicant is addressing. The needs statement is used to educate the funders and proposal reviewers about community needs the nonprofit organization seeks to change.

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What is the function of the Needs Statement?

The function is to demonstrate the problem and engage the funder in wanting to address the problem.

1. **Problem + Action = Solution**
2. **Problem:** a community or *external* constituency need
3. **Action:** what your organization proposes to address the problem
4. **Solution:** the positive results of the action upon the problem

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Why is the Needs Statement important?

A needs statement answers the question: “Why care?” It demonstrates to the funder that there is a problem that is important; is significant; and is urgent. A needs statement must relate to your organization’s mission statement and to the funder’s priorities.

The needs statement establishes the problem and describes the conditions in the community that your organization will address. The needs statement is an opportunity to demonstrate to the funder your understanding of the community issue and the organization’s ability to address the need.

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Needs Statement Process

- Define problem
- Describe implications, importance
- Relate to your organization’s mission and funder’s
- Show gaps
- Back it up

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Needs Statements include:

Problem description: what is the problem? Be sure to answer the questions: Who? What? Where? When? and Why? Use the needs statement to illustrate your understanding of the problem; don’t just describe the symptoms.

Problem recognition: why is it a problem? Who else sees it as a problem? What are the community stakeholder views?

Problem implications: what will happen to the population served and the community if the problem is not resolved? Is there a cost to society?

Problem hurdles: Clearly identify the challenges to addressing the problem. Describe the gap between what exists now and what ought to be? What has prevented resolution of the problem?

Problem urgency: why does it need to be addressed now? What is currently being done about the problem?

What solving the problem means: why should outside funding be used now to solve the problem or reduce the gap? Be clear about what can be accomplished within the time frame of the grant. Is the proposed action plan achievable and measurable?

Human interest story: provide a real example of how the problem is affecting someone's life and how the proposed program will impact his/her life. Make it real. Statistics can be informative or startling, but they're impersonal. Put a face on the problem by describing a similar client and circumstances that yielded a positive result.

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Data and Statistics

The role of data and statistics:

- Supporting: should back up the issue you want to address
- Rely on Context: try to compare apples to apples
- Objective: provides outside information to substantiate the issue

Basic Rules

- Timely: data needs to be as recent as possible
- Unbiased: who did the research? Who funded the research?
- Reliable: it is considered reputable by other?

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Data Searches

Demographic information clearinghouses, federal agencies, state agencies, foundations and other nonprofits, scholarly journals and articles, and industry publications are key resources for gathering statistics and data. Search engines, like Google, and knowledge-bases, like Wikipedia, can be good starting points, however you should use them to reach well researched, objective, data sources.

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Some Useful Sites

Census website

www.census.gov

TIP: Find the Fact Sheet for your community. You can find data by city/town name or zip code. This gives you information such as population, median household income, number of individuals speaking languages other than English at home, poverty levels, etc. National comparisons are also available on the Fact Sheet. You can print a Fact Sheet out for New Mexico, which will allow you to compare your community to the state as a whole.

The American Fact Finder is a handy tool. Select "Data Sets" on the left side of the screen, and then choose SF1 and detailed tables. You can obtain data at the state, county, municipality, zip code, census tract, and block group level. Reference maps are available so

you can pinpoint the exact locations for which you need data. Information can be downloaded into Excel files.

FedStats & Federal Agency Websites

www.fedstats.gov

Search by keyword or topic and this site will link you to federal agencies who maintain those statistics. Search by location and you will pull up a fact sheet for that location (also available on the Census website). You can also search by agency. Many federal agencies maintain a lot of research information online. A few examples include:

- Bureau of Labor Statistics: www.bls.gov. This is often fastest way to find information at a national, state, or local level is (click on “Local Unemployment Rates” on the right and scroll down to find NM information).
- USDA Economic Research Service: www.ers.usda.gov (Try “Publications” or “Data Sources”)
- Department of Health & Human Services: www.hhs.gov/reference/
www.aecf.org/KnowledgeCenter.aspx,
- HHS Reference Collection: <http://datacenter.kidscount.org/>
- Administration for Children and Families: www.acf.hhs.gov

State Agency Websites

www.newmexico.gov

As just a couple of examples:

- **New Mexico Department of Health** – www.health.state.nm.us. Publishes a “State of Health in New Mexico” report available for download on their website, as well as other specific publications such as county health reports, rural health, maternal/child health, etc. A great resource for Albuquerque-area nonprofits is the “Health and Social Indicators” report containing Albuquerque and Bernalillo County zip code maps, which provide specific information by zip code on such indicators as employment, poverty, household status, school enrollment, birth and fertility rates, Medicaid enrollment, and more.
- **New Mexico Economic Development Department** – www.edd.state.nm.us. The Economic Development Department maintains a data center.

Other nonprofits/agencies

Who is a national leader in your field? Especially consider policy/advocacy leaders. Many of these agencies have research arms or link to other research sites. These are just a few examples:

- Annie E. Casey Foundation: www.aecf.org
 - Kids Count Data Book—read the online data book or download it in PDF.
 - Kids Count Data Center—data available online for geographic profiles and comparisons by topic. <http://datacenter.kidscount.org/>
 - CLIKS (Community Level Information on Kids)—county and community-level information is available online and available for download.
 - Right Start—state level data on birth outcome indicators.
 - Knowledge Center—Access AECF publications. Search by keyword or topic. <http://www.aecf.org/KnowledgeCenter.aspx>
- Vera Institute of Justice: www.vera.org

- The National Campaign to Prevent Teen and Unplanned Pregnancy: www.thenationalcampaign.org (State comparison data available, cost of teen childbearing report and comparisons available)
- Robert Wood Johnson Foundation: www.rwjf.org
- Rural Assistance Center: www.raconline.org. Try the “State Resources” page and you will find a wealth of information about NM, including upcoming conferences, funding sources, links to data sources, related organizations, and more. This site is maintained by the Center for Rural Health, University of North Dakota School of Medicine and Health Sciences and funded by the U.S. Department of Health and Human Services.

Demographics Now www.demographicsnow.com, www.freedemographics.com

There is both a free and subscription-based service available. Basic demographic data including income and employment statistics can be found using the free website.

You can search by Entire US, State, County, Census Tract, Block Group, US Places, ZIP Codes, etc. You can download the information to both Word and Excel.

TIP: Some sites offer a newsletter or listserv feature that will summarize new research or articles for you. File these in a folder in your email and you can easily find the research when you need it.

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Statistics Wrap Up

Data functions to describe, compare, trend, predict and explain. Key sources include demographic sites; federal agencies; state agencies; foundation websites; article/journal collections; news outlets.

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Qualities of Good Needs Statements

- Clear, Concise, Cogent and Compelling
- Written for the intellect and the emotions—contains both hard data and a human element
- The information flows logically to build a case for your proposal
- Engage the reader

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Needs Statement Examples

Example 1

New Mexico has the unfortunate distinction of having the third-highest rate of sex crimes per capita in the country.[1] Recent reports cited New Mexico’s capital, Santa Fe, as having one of the highest incidences of rape per capita in the nation: 94 per 100,000 people, as compared to the national average of 36 per 100,000 people.[2]

[1] Grammer, Geoff. "Center Strives to Raise Rape Awareness," *The New Mexican*. June 3, 2004; [2] City of Santa Fe Planning and Land Use Department. "Santa Fe Trends." 2004.

Example 2

The very characteristic that distinguishes our state from others—its vibrant racial, ethnic, and cultural diversity—elevates our risk of teen pregnancies, because although teen pregnancy occurs among all socioeconomic and ethnic groups, not all teens run the same likelihood of pregnancy. Consider the following risk factors for teenage pregnancy and then their relevance in New Mexico:

- *School failure...* in New Mexico only a dismal 57% of students are likely to graduate from high school (Quality Counts, 2007);
- *Family dysfunction...* New Mexico's families are largely unstable, with over 33% headed by single parents, 9.3% headed by a grandparent, and 8.7% with a presence of an unmarried partner of the householder (Census 2000);
- *Poverty...* New Mexico ranks 47th among the states for our entire population living in poverty. Adolescent childbearing is heavily concentrated among poor and low-income teenagers, most of whom are unmarried. (Annie E. Casey Foundation, 2005);
- *Ethnic minority...* New Mexico's population is over 43% Hispanic and Hispanic teen girls have a higher rate of teen pregnancy than their non-Hispanic counterparts (Advocates for Youth, 2007).

The circumstances our state faces *enable rather than dissuade* teen pregnancy, making our services crucial to turning New Mexico around. Without us, the cycle will repeat itself into the next generation.

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Need Statement Weaknesses

- Not providing information requested in the Request for Proposal (RFP)
- Proposing something outside the scope of the RFP
- Using outdated or unsubstantiated information
- Gathering insufficient data
- Statistical pile-up
- Including unfamiliar concepts or terms
- Long, convoluted sentences

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Needs Statement Tips

- Use "weighty words" that make your proposal lively and stand out from others. A good source for examples of creative wording is the book *Spunk and Bite*.
 - Innovative, ground-breaking, pioneering instead of new
 - Impoverished, poverty-stricken, needy, instead of poor
 - Unique, exclusive, inimitable, matchless, exceptional
 - Severe, acute, grave
 - Essential, indispensable, crucial, critical

- Emerging, rising, budding, promising
- Intense, passionate, powerful
- Get 'em in the heart, get 'em in the head
- Make the language tight—pare down and condense into what is the heart of the problem—and what your organization is going to solve or work toward solving. More is not necessarily better, especially if there are page limits!
- Make it cogent—it should make sense and be relevant
- Make it compelling—it should engage and motivate your reader

Thoughtful wording of statistics

- Use formatting skillfully
- Check scoring, rating criteria

The bottom line is that to have a fundable project, it must potentially solve the problem your organization and the grantmaker are interested in and must generate results that can be measured in some way.

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- Federal: www.dhhs.gov, www.ers.usda.gov
- FirstGov: www.firstgov.gov
- Grants.gov: www.grants.gov
- Federal Register: www.gpoaccess.gov/fr/
- New Mexico Register: www.nmcpr.state.nm.us/nmregister
- New Mexico Funding Directory: www.research.unm.edu/funding_opportunities/nmfd/
- Foundation Center: www.fdncenter.org
- GrantSelect: www.grantselect.com
- Guidestar: www.guidestar.org

- GrantStation: www.grantstation.com
- State: www.health.state.nm.us, www.edd.state.nm.us

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About the Authors:



THE GRANT PLANT^{INC.}

Tara Gohr is the entrepreneur behind the Grant Plant, Inc. (www.thegrantplantnm.com) an Albuquerque based, women-owned, small business that has secured over \$11 million in funding for the proposals written by her and her team members since 2002. Tara has secured funds for programs that range from domestic violence shelters to youth advocacy, helped in the creation of the state's philanthropic office, spoken through proposals to statewide policy makers, and earned the grant-seeking contracts of such respected organizations as the Center for Philanthropic Partnerships, CNM Community College Foundation, the Presbyterian hospital and healthcare system, and many other organizations that help the business fulfill its mission: *to provide superior and affordable resource development services that assist nonprofit organizations in enhancing the quality of life for New Mexico residents*. Tara is a graduate of the Leadership Albuquerque class of 2009, holds a graduate certificate in Resource Development from Regis University and a Bachelor of Arts from NMSU. She's served on various boards for causes that are dear to her, especially those that include responsible philanthropy and civic engagement for children.

Erin Hielkema is Vice-President of The Grant Plant, Inc. and specializes in editing and data and funder research, as well as projects focused on children, education, and health. She holds a Bachelor's degree in Business Administration from New Mexico State University and a Master's degree in Speech-Language Pathology from the University of New Mexico. Along with Tara Gohr, she co-founded The Grant Plant in 2003 and has written many of the proposals prepared by The Grant Plant and in reaching its \$10 million funding mark in 2009.

Aly Sanchez is the Director of Projects for The Grant Plant, Inc. She is responsible for overall project performance and oversees writing and research projects for a slate of nonprofit clients. The Grant Plant recently surpassed \$11 million in funds raised for New Mexico nonprofits. Aly has thirteen years of experience in grant and resource development for nonprofit organizations, including prior development positions at Animal Humane Association of New Mexico and Tree New Mexico. A native of the state, Aly attained her Executive Master of Business Administration and a Bachelor of Arts in Psychology from UNM.

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