

Our Approach to Shaping, Funding, and Managing Grants

At the Bill & Melinda Gates Foundation, we take a collaborative approach to grantmaking. We work in partnership with applicants to develop proposals that align with both our strategic priorities and the applicant's focus and capabilities. This is an interactive process, building on the strengths of both organizations to shape a well-crafted grant that will achieve the intended results.

Our level of engagement varies significantly depending on the grant size, complexity, and risk. Appropriate partnership with our grantees is critical and good communication is essential for achieving results. We encourage our grantees to communicate openly with us about the grant progress, our partnership, and any questions or concerns that arise during the course of the grant. We commit to doing the same.

Process Overview

Our grantmaking process starts with an idea or concept that ties directly to our strategic priorities. After a program officer develops an idea and identifies an applicant, the program officer works with the applicant to develop a proposal and a funding recommendation. If we approve the proposal, the program officer manages the grant through periodic communications, reporting, and site visits.

Each stage in this process is outlined below. The length of time for each stage varies significantly based on such factors as the capacity and geographic location of the applicant organization and the complexity of the grant.



Stage 1 – Generate Ideas and Identify Applicants (1 to 6 months)

Program staff identifies ideas and concepts in support of our strategic priorities. We shape these through internal exploration and conversations with practitioners, researchers, policymakers, and others in the field.

When an idea or concept is sufficiently formed, a program officer will begin outreach to applicants. We use one of three approaches to identify applicants—direct solicitation, a letter of inquiry (LOI), or a request for proposal (RFP).

- **Direct solicitation:** When we have a good understanding of the field and know that a particular organization is well-suited to do the work, we will reach out to that organization to directly request a letter of inquiry or grant proposal.
- **Letter of inquiry (LOI) for exploring ideas:** When we have a broader pool of interested organizations, we will invite applicants to submit an LOI setting forth a more specific idea or concept for the work. Criteria for the LOI may also be posted on www.gatesfoundation.org. LOI responses are discussed with leadership and tested for strategic alignment, likelihood of success, and reasonableness of budget and milestones. We may decide to request additional information, request a full proposal, or decline the idea.
- **Request for proposal (RFP):** When we want to broaden our network or award multiple grants for a project, we solicit public or private RFPs. Public RFPs are posted on our web site; private

RFPs are directed to specific organizations who are invited to apply. The review and selection process for RFPs varies widely and is described in each RFP.

Stage 2 – Develop and Analyze Proposal (3 to 6 months)

- When an applicant is selected to develop a proposal, we will provide the relevant proposal guidelines and templates.
- The applicant will then craft a proposal and budget, working in partnership with us to ensure alignment with our strategic priorities and the applicant’s goals.
- The program officer will review the proposal and budget with internal and external experts, and work with the applicant to integrate any recommended changes.
- Our grants management staff will conduct due diligence on the applicant organization to confirm tax status, determine how to structure the grant, and assess risk.
- Depending on the complexity of the grant, our legal team or financial management team may also participate in the analysis and development of the proposal.

Stage 3 – Determine Funding Decision and Develop Grant Agreement (1 to 3 months)

- When the grant proposal is ready for funding review, the program officer will prepare a proposal analysis and recommendation (PAR) for internal review.
- A foundation executive will review the proposal, budget, and PAR, and approve or decline the grant. The number and level of reviews are determined by the dollar value of the grant—the higher the dollar value, the greater the number and level of reviews.
- If the grant is approved, we will prepare a grant agreement that includes the intended grant results, payment schedule, and reporting requirements.
- The grant agreement must be signed by both the foundation and the grantee before the funded activities can begin.

Stage 4 – Manage Grant and Measure Progress

- In partnership with the grantee, the program officer will develop a plan for ongoing management of the grant. Our engagement with the grantee will be driven by the complexity and strategic significance of the grant.
- The grantee is responsible for tracking and reporting on the work done in the field, and keeping us informed through the submission of periodic reports.
- The program officer is responsible for monitoring the performance of the grant and working to understand key learnings—through conversations with the grantee, review of progress reports, and site visits. For more complex or riskier grants, the program officer may also comment on specific deliverables, coordinate discussions with related organizations, participate on advisory committees, and occasionally take a seat on the board.
- If challenges arise during the course of a grant, the program officer is responsible for understanding the context and engaging collaboratively and creatively with the grantee to address them, while managing conflict honestly and directly.
- At the end of the grant, the grantee will submit a final report, summarizing the results achieved and lessons learned.

Guided by the belief that every life has equal value, the Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people’s health and giving them the chance to lift themselves out of hunger and extreme poverty. In the United States, it seeks to ensure that all people—especially those with the fewest resources—have access to the opportunities they need to succeed in school and life. Based in Seattle, Washington, the foundation is led by CEO Jeff Raikes and Co-chair William H. Gates Sr., under the direction of Bill and Melinda Gates and Warren Buffett.

For additional information on the Bill & Melinda Gates Foundation, please visit our web site: www.gatesfoundation.org.

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