

# Organizational Readiness Checklist

Grants, contracts, and growth all depend on the same foundation: strong organizational infrastructure. Complete this diagnostic once for your organization as a whole, then use the results to build your capacity plan.

## HOW TO USE THIS CHECKLIST

- 1 Complete this diagnostic for your organization as a whole — not for a specific grant, contract, or deadline.
- 2 Check each box that is true today.
- 3 If an item does not apply to your organization or activities, mark N/A.
- 4 Items marked Required represent core legal or administrative foundations generally expected of an operating organization and cannot be marked N/A. Confirm requirements applicable to your entity and jurisdiction.
- 5 Items marked with a star are essential to strong, sustainable operations. Prioritize these first.
- 6 Every unchecked box is a gap. Carry your priorities into the Capacity Action Plan on the last page.

## 1. LEGAL & ADMINISTRATIVE FOUNDATION

*Are we legally formed, compliant, and properly documented?*



- |                                                                                                                                                                                        |                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| <input type="checkbox"/> We are formed as a legal entity and in good standing with the state, with annual reports and renewals filed.                                                  | REQUIRED ★                   |
| <input type="checkbox"/> We have a valid EIN and file required annual information returns or tax returns on time.                                                                      | REQUIRED ★                   |
| <input type="checkbox"/> Our governing documents (articles of incorporation, bylaws, or operating agreement) are current, signed, and on file.                                         | <input type="checkbox"/> N/A |
| <input type="checkbox"/> We hold all required state and local registrations, licenses, and permits for where we operate, including charitable solicitation registration if applicable. | <input type="checkbox"/> N/A |
| <input type="checkbox"/> We are registered in SAM.gov with an active UEI and hold any other registrations needed to receive government funding, if applicable.                         | <input type="checkbox"/> N/A |
| <input type="checkbox"/> We carry appropriate insurance for our size and activities, and we have a documented record-retention policy.                                                 | <input type="checkbox"/> N/A |

Checked \_\_\_\_ N/A \_\_\_\_ / 6

## 2. GOVERNANCE & LEADERSHIP

*Do we have the leadership structure to guide the organization?*



- |                                                                                                                                                              |                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| <input type="checkbox"/> We have a governing board, or, for a business, a clear ownership and leadership structure, with defined roles and responsibilities. | <input type="checkbox"/> N/A ★ |
| <input type="checkbox"/> Current bylaws or an operating agreement describe how the board or ownership operates and makes decisions.                          | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We have a written conflict-of-interest policy, and leaders disclose conflicts as they arise.                                        | <input type="checkbox"/> N/A ★ |
| <input type="checkbox"/> The board or leadership team meets regularly, and minutes or records of decisions are kept.                                         | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> Governance — setting direction and oversight — is clearly separated from day-to-day management.                                     | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We have a succession plan for key leadership and board positions.                                                                   | <input type="checkbox"/> N/A   |

Checked \_\_\_\_ N/A \_\_\_\_ / 6

### 3. FINANCIAL MANAGEMENT

*Do our systems hold up to outside scrutiny?*



- |                                                                                                                                                               |                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| <input type="checkbox"/> We use a consistent bookkeeping system and a standard chart of accounts.                                                             | <input type="checkbox"/> N/A ★ |
| <input type="checkbox"/> We prepare an annual organizational budget and compare actual results to it at least quarterly.                                      | <input type="checkbox"/> N/A ★ |
| <input type="checkbox"/> We produce timely financial statements and reconcile all bank and credit accounts monthly.                                           | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We track restricted and unrestricted funds separately and can report on each.                                                        | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We have internal controls in place, including separation of duties and defined approval authority for spending and procurement.      | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We file required tax returns and financial reports on time, and we are prepared for an audit or financial review if one is required. | <input type="checkbox"/> N/A   |

Checked \_\_\_\_ N/A \_\_\_\_ / 6

### 4. PROGRAMS & OPERATIONS

*Can we consistently deliver what we say we deliver?*



- |                                                                                                                                |                                |
|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| <input type="checkbox"/> Our programs or services are clearly defined, with a description of who we serve and what we deliver. | <input type="checkbox"/> N/A ★ |
| <input type="checkbox"/> We have written operating procedures for our core programs and services.                              | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> Staff and volunteer responsibilities are documented, and people understand their roles.               | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We develop budgets for individual programs, not just the organization as a whole.                     | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We maintain accurate, secure records for the participants, clients, or customers we serve.            | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We have a risk-management plan and a system for monitoring how well programs are implemented.         | <input type="checkbox"/> N/A   |

Checked \_\_\_\_ N/A \_\_\_\_ / 6

### 5. STRATEGY & IMPACT

*Do we know what we are trying to achieve, and how we will know?*



- |                                                                                                                              |                                |
|------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| <input type="checkbox"/> We have a clear mission statement and a set of organizational priorities that guide our decisions.  | <input type="checkbox"/> N/A ★ |
| <input type="checkbox"/> We set measurable goals for our programs and organization.                                          | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We define outcome measures — what changes for the people we serve — not just outputs or activities. | <input type="checkbox"/> N/A ★ |
| <input type="checkbox"/> We collect data consistently to track progress toward our goals.                                    | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We gather feedback from the communities, clients, or customers we serve.                            | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We review results at least annually and use them to improve programs and plans.                     | <input type="checkbox"/> N/A   |

Checked \_\_\_\_ N/A \_\_\_\_ / 6

### 6. FUNDING & REVENUE

*Is our revenue base stable enough to plan around?*



- |                                                                                                                                  |                                |
|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| <input type="checkbox"/> Our revenue comes from more than one source, and we understand our reliance on any single funder.       | <input type="checkbox"/> N/A ★ |
| <input type="checkbox"/> We maintain a grant or contract calendar that tracks opportunities, deadlines, and deliverables.        | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> Fundraising or business-development responsibilities are clearly assigned.                              | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We understand what is required to be ready for government contracting, if that is part of our strategy. | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We generate earned revenue where appropriate to our mission and model.                                  | <input type="checkbox"/> N/A   |
| <input type="checkbox"/> We plan for cash flow, and we understand the true, full cost of delivering our programs.                | <input type="checkbox"/> N/A ★ |

Checked \_\_\_\_ N/A \_\_\_\_ / 6

## 7. PARTNERSHIPS & EXTERNAL READINESS



Can we explain who we are and how we fit into our broader ecosystem?

- |                                                                                                                                                   |                              |   |
|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---|
| <input type="checkbox"/> We know which partnerships we need and what each partner contributes, expects, and decides.                              | <input type="checkbox"/> N/A | ★ |
| <input type="checkbox"/> We use MOUs or other written agreements for formal partnerships, where appropriate.                                      | <input type="checkbox"/> N/A |   |
| <input type="checkbox"/> We can produce letters of support or point to reference relationships when needed.                                       | <input type="checkbox"/> N/A |   |
| <input type="checkbox"/> We maintain referral relationships with other organizations that serve our community.                                    | <input type="checkbox"/> N/A |   |
| <input type="checkbox"/> We have current communications materials, including a clear, consistent organizational description.                      | <input type="checkbox"/> N/A |   |
| <input type="checkbox"/> Our website and contact information are current, and we can explain our role within the broader ecosystem we operate in. | <input type="checkbox"/> N/A |   |

Checked \_\_\_\_ N/A \_\_\_\_ / 6

### CAPACITY SNAPSHOT

Count your checked and N/A boxes for each section. Sections with the most unchecked boxes are where your gaps concentrate — start your action plan there.

|                                      |                           |
|--------------------------------------|---------------------------|
| 1. Legal & Administrative Foundation | Checked ____ N/A ____ / 6 |
| 2. Governance & Leadership           | Checked ____ N/A ____ / 6 |
| 3. Financial Management              | Checked ____ N/A ____ / 6 |
| 4. Programs & Operations             | Checked ____ N/A ____ / 6 |
| 5. Strategy & Impact                 | Checked ____ N/A ____ / 6 |
| 6. Funding & Revenue                 | Checked ____ N/A ____ / 6 |
| 7. Partnerships & External Readiness | Checked ____ N/A ____ / 6 |

**!** Start with any unchecked Required items. These represent core legal or administrative foundations and should be addressed first. Confirm requirements applicable to your entity and jurisdiction.

## CAPACITY ACTION PLAN

Turn your gaps into next steps. For each priority tier, list what needs to change, who owns it, and by when.

| IMMEDIATE <i>Required items, and anything that puts legal or financial standing at risk</i> |               |                    |             |
|---------------------------------------------------------------------------------------------|---------------|--------------------|-------------|
| GAP IDENTIFIED                                                                              | ACTION NEEDED | RESPONSIBLE PERSON | TARGET DATE |
|                                                                                             |               |                    |             |
|                                                                                             |               |                    |             |
|                                                                                             |               |                    |             |
|                                                                                             |               |                    |             |

  

| NEAR-TERM <i>Essential (star) items, and gaps that limit your next funding or growth step</i> |               |                    |             |
|-----------------------------------------------------------------------------------------------|---------------|--------------------|-------------|
| GAP IDENTIFIED                                                                                | ACTION NEEDED | RESPONSIBLE PERSON | TARGET DATE |
|                                                                                               |               |                    |             |
|                                                                                               |               |                    |             |
|                                                                                               |               |                    |             |
|                                                                                               |               |                    |             |

  

| LONGER-TERM <i>Everything else — build these into next year's plan</i> |               |                    |             |
|------------------------------------------------------------------------|---------------|--------------------|-------------|
| GAP IDENTIFIED                                                         | ACTION NEEDED | RESPONSIBLE PERSON | TARGET DATE |
|                                                                        |               |                    |             |
|                                                                        |               |                    |             |
|                                                                        |               |                    |             |
|                                                                        |               |                    |             |

This checklist is a self-assessment to help you understand and strengthen your organization's infrastructure. It is not a legal, financial, tax, or compliance determination, and it does not guarantee eligibility for any funding, contract, or program. Requirements vary by jurisdiction, funder, and industry, so confirm specifics with the appropriate professional or authority.

### Need help building your capacity?

EDF provides technical assistance and capacity-building support to help organizations, businesses, and community-based initiatives strengthen governance, financial management, programs, and the systems needed to manage resources and grow successfully.