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So You Want To Be a Grant Writer...

DISCLAIMER: This outline is a general guide. Be sure to contact an attorney if you have questions or specific issues that need to be addressed.

Grant funding can transform an organization's entire outlook by providing access to funding opportunities that may have once seemed out of reach. A "grant" is a term for money received by an organization for a specific purpose. Grants can be awarded by foundations, charities, some charitable sectors of corporations, and various levels of government and agencies. Funding opportunities exist in so many different fields for so many different reasons, like agriculture, conservation, sustainability, community and economic development, historic preservation, diversity and inclusion, and more. And unlike loans, grants are typically not expected to be paid back. But to be awarded them, organizations have to go through a grant application process, and this is where professional grant writers can come in. Grant writers can be individuals or organizations, and they have a strategic and legal understanding of the necessary components to draft, submit, and ultimately receive successful grant applications.

In Pennsylvania, grants and grant writing are governed by the [Solicitation of Funds for Charitable Purposes Act](#), and contracts between grant writers and those they are soliciting on behalf of may require certain specific language and clauses, as well as potential registration requirements of the writers (both individuals and organizations), depending on the type of grants/solicitations and the type of work involved. Below are a few important notes about how the law applies to professional fundraisers/grant writers and some other ways grant writers can protect themselves and remain compliant. This resource is specific to Pennsylvania individual grant writers (which can be entities or individuals). You can learn more about the requirements for charities that solicit funds from Pennsylvanians [in our blog post here](#).

1. Registration requirements

Under the Pennsylvania [Solicitation of Funds for Charitable Purposes Act](#), those contracting with organizations, whether they're consulting about or soliciting funds directly on behalf of charitable organizations, must register as professional solicitors or fundraising counselors (depending on what they're doing; the difference is explained below) and file an annual registration (and pay a fee) every year after this with the Pennsylvania Bureau of Corporations and Charitable Organizations. Under the Act, this registration requirement says it applies to those aiding charitable organizations, which the Act defines as those granted 501(c)(3) status under the Internal Revenue Code or an organization with a similar mission. Counselors/solicitors (those helping organizations obtain funds) must register *prior* to soliciting for charitable organizations in Pennsylvania or aiding the organization in doing so. If they do not register, they can be fined up to \$1,000 per violation and assessed additional penalties of up to \$100 per day. Registrations must be renewed annually.

Solicitor vs. Counsel: what's the difference? The difference between a professional solicitor and a fundraising counsel basically comes down to who is asking for money and who has control of the money.

A counselor *advises* the organization on management, strategies, writing, and more so that the organization itself can go solicit funds or submit a grant application. This may include helping with applications for grants and other funding but the application submission would come from the organization. A professional fundraising counsel would merely be providing counsel around strategy, writing, and more. Section 162.8 of the [Solicitation of Funds for Charitable Purposes Act](#) governs counselors.

A solicitor, on the other hand, can be the one *actually doing* the fundraising and holding the funds themselves. Counsels cannot at any time have custody or control of the contributions, their compensation must not be related to the specific contribution dollars the organization receives, and the charity must have control and approval over the content and volume of all solicitations. In these three cases, they must register as solicitors. Section 162.9 of the [Solicitation of Funds for Charitable Purposes Act](#) governs solicitors.

In both cases, it is important to note the fundraiser is paid to do this work but is not an employee or volunteer of the organization, but rather a contractor, so neither definition includes a bona fide salaried officer or regular, non-temporary employee of a charitable organization so long as that individual is not employed or engaged as professional fundraising counsel or as a professional solicitor by any other person. The main difference is that counsels do not directly solicit, and professional solicitors do, but as you can see there are also some nuances, so it's important to know which definition you fall into.

It is very important to read the [Solicitation of Funds for Charitable Purposes Act](#) to better understand these requirements BEFORE providing services to charitable organizations. Additionally, these pages from the Pennsylvania Department of State provides helpful information on the process and where to register for each:

- fundraising counsels:
<https://www.dos.pa.gov/BusinessCharities/Charities/Resources/Pages/Information-for-Fundraising-Counsels.aspx>.
- professional solicitors:
<https://www.dos.pa.gov/BusinessCharities/Charities/Resources/Pages/Information-for-Professional-Solicitors-.aspx>

2. Contract language and submission requirements

It's always a good idea to have a written contract between the organization you're a contractor with, to outline the relationship and what is expected of you. But fundraising counsels and professional solicitors **must** have contracts, and they must also submit their contracts with the organization they are working with to Pennsylvania for approval PRIOR to beginning work on the contract. The contracts must also contain certain information and clauses, including how the solicitor or counselor will be compensated and whether their pay will be contingent upon the success of the grant or a percentage of it, and they must be approved by the state before they can be used. The sections of the [Solicitation of Funds for Charitable Purposes Act](#) governing the requirements for counselors (§162.8) and solicitors (§162.9) is where the specific language required for the contracts can be found.

3. Starting a Grant Writing Business

Helping organizations obtain funding through grant opportunities can be a rewarding career. If you're starting a grant writing business on your own, it's important to work with an attorney to make sure you understand the specific rules surrounding your services, funding sources, clients you'll be working with, and more. The laws regulating the solicitation of funds and charitable contributions can be complicated and very fact-specific. An attorney can help you with the registration requirements that apply to you specifically, and what approvals you need to have before you can start work. A few other ways an attorney can help you get started:

- [Entity formation](#), such as starting an LLC, and operating the entity [to protect yourself from personal liability](#)
- Contract drafting, to make sure your contract is compliant with the legal requirements for grant writing and that the
- Legal research, to understand the work you intend to do and what types of specific registration you need
- [Employee onboarding](#) and independent contractor requirements, if you intend to expand your team
- Much more!