

## What is a Letter of Inquiry?

- A form of outreach to a prospective donor to find out whether they would welcome a grant application.
- Also often called a letter of interest.
- Can be brief and simple or more elaborate—depending on the donor.

If you've heard about a foundation that supports projects like yours, and you want to apply for a grant, the first step is often to submit a letter of inquiry (LOI), also called a letter of interest.

Many grantmakers want to learn a bit about the organization or project before reviewing a full grant proposal. At best, LOIs can save both the grantseeker and the grantmaker time. It's a way of saying, "Is this project or nonprofit a potential good fit for a grant from you?"

Since every grantmaker has their own preferences, the LOI process can vary. A funder you meet at a conference might invite you to submit an LOI and give you some pointers about what to include. Or you might check out the website of a prospective foundation to see if they outline their grants process. Some foundations tell you right there whether they require an LOI first, and if so, what it should contain. If you're making an unsolicited ask of a smaller or less publicly visible funder, you might reach out with a phone call first to ask about their LOI preferences, or simply send a brief LOI via email.

A brief LOI is a one- or two-page letter that introduces your organization and/or project, summarizes the funding you are seeking and any funds you have already raised, and asks if you can request a grant. It's common to include a dollar amount, based not only on your needs, but also on your research into what size grant this funder might realistically give to a project like yours.

Some funders, especially larger and more formal ones, have more elaborate LOI processes. In this case, beyond introducing your organization and project, you might also be required to answer a series of specific questions and submit information like



audited financials and budget spreadsheets. But if they want such information at the LOI stage, they'll let you know.

Beyond replying with a simple “yes” or “no,” some funders will respond to an LOI with further information and guidance. They might share that while they wouldn't fund one aspect of the project you've proposed, they would be interested in hearing about another. Or they might invite you to apply for a grant of X amount instead of Y amount. If they are interested in receiving a grant application, they will usually instruct you to take the next step of their grant application process.

Like every interaction with a funder, the LOI process is an opportunity to build a relationship with a grantmaker. No matter how they respond to your first LOI, you never know where that relationship might lead.

#### **You may also want to check out:**

- [How do foundations make grantmaking decisions?](#)
- [What are In-Kind Contributions?](#)

