

## Overview of GiveWell's grantmaking process for potential grantees

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### GiveWell's model

GiveWell is a research organization that raises and directs funds from donors. When we make a grant, funding comes either from donations made directly to GiveWell to distribute, or from a donor to whom we recommend the grant. Unlike an endowed foundation that draws on its own assets, we have meaningful uncertainty ( $\pm 30$  percent) about exactly how much funding we'll raise in a given year.

### How we decide whether to recommend a grant

Rather than set budgets for specific programs, we aim to direct funding to the programs that we believe will produce the most impact per dollar—in other words, the most cost-effective programs. We also factor in other considerations, such as the potential learning value of a grant, option value for the future, and how likely it is that the program costs would be covered by another funder.

When we have more funding to direct, the cost-effectiveness that we consider for grants tends to be lower, and vice-versa when we have less funding to direct. Our current "[cost-effectiveness bar](#)" for funding is 10 times as cost effective as direct cash transfers ("10x").

Some factors that affect our decision of whether or not to recommend any given grant are not in a potential grant recipient's control. Core considerations include:

- The estimated cost-effectiveness of a given opportunity,
- The amount of funding we are able to direct overall within a given period, and
- The estimated cost-effectiveness and size of other funding opportunities to which we could direct funding.

## When we decide whether to recommend a grant

At the beginning of an investigation into a potential giving opportunity, we will ask about the program's timelines. We encourage you to share any context that you think is relevant to the decision of when to make a grant recommendation.

GiveWell's outreach team often presents giving opportunities to individual donors who may be interested in supporting specific areas of work. Depending on the level of funding available, we may also consider fundraising to individual donors for particular opportunities that might not otherwise clear our cost-effectiveness bar. After beginning deeper investigation into a grant opportunity (see [Step 3](#) below), we will let you know if we are planning to fundraise for the grant via this channel. This usually involves drafting a summary of the grant opportunity to share individually with major donors. We ask that you let us know if there are any sensitivities we should be aware of when sharing information about the potential grant.

## Our goals when working with partners

We know that the GiveWell funding model is unique and we want to enable new partners to be able to make an informed decision about engaging with us. We aim to be as transparent as possible about:

- The costs of engaging with us (i.e., what we'll ask for to make our decision) so you can estimate the costs to your organization of engaging;
- The likelihood that you will receive a grant, and if you do, how large it will be;
- The amount of time we expect the investigation will take; and
- Scenarios for the long-term costs (i.e., time investment) and benefits (additional funding) that could result from an initial investigation.

We also aim to ensure that at the end of our investigation, you feel satisfied about your decision to participate in our process, whether or not you ultimately receive a grant. Even before starting an investigation, we are happy to discuss what would make this engagement worthwhile regardless of the outcome. We may have flexibility regarding:

- The timeline of the investigation,
- The timing of a funding recommendation,
- The structure of a potential grant (e.g., duration, possible exit grants), and
- Remuneration for the time required to participate in GiveWell's processes.

## Stages of our grantmaking process

We strive to minimize the burden on organizations through our grantmaking process. Our grantmaking process starts with an initial investigation during which we request a small amount of information from you. If the grant seems promising as our investigation progresses, we will request more information.

Our grantmaking process follows these steps:

1. [Initial investigation](#)
2. [Leadership approval on plan for deeper investigation](#)
3. [Deeper investigation](#)
4. [Conditional approval](#)
5. [Grant made](#)

We generally prioritize making grants based on their estimated cost-effectiveness. A detailed breakdown of our decision-making criteria is available on our [website](#). At each stage of our process, we make prioritization decisions that take into account: (a) whether our estimate of the cost-effectiveness of the program is above the bar we have set, (b) how much funding an organization could absorb at a cost-effectiveness level above our bar (in the short and long term), and (c) how much of our staff time we expect further investigation to require.

### Step 1: Initial investigation

We start our grantmaking process by having one to two conversations with an organization about the program we're considering investigating in depth.

During these conversations, we'll ask high-level questions aimed at understanding how the program operates, its impact, and the potential funding needed. We're interested in better understanding organizations' priorities: if you had additional funding, how would you spend it?

Because we aim to minimize the amount of your time we take at this stage, we generally ask that you only supply us with existing supporting documentation (such as monitoring and evaluation reports from prior work), rather than creating new documents such as project proposals. *We strongly encourage you to check in with us before creating anything new at this stage, unless we specifically ask for it.*

### Step 2: Leadership approval on plan for deeper investigation

After the initial investigation, the grant investigator and GiveWell leadership will decide to either (1) plan for deeply investigating the grant or (2) deprioritize additional research into the grant.

If the preliminary case for the grant appears promising, we will want to conduct deeper research to inform our analysis as we consider whether to recommend a grant.

During the investigation process, we will keep you updated on our progress and open questions.

## Step 3: Deeper investigation

As the investigation progresses, we'll typically have a series of conversations over two to six months and request additional supporting documentation. Some examples of supporting documentation that we might request include:

- monitoring and evaluation from past programs,
- baseline data on key indicators,
- budgets, and
- your plans for the grant period.

For new programs without an established track record, we may request a written description of the project plan and/or planned monitoring and evaluation. We may work with you to develop these as the investigation progresses.

We strive to understand who the other potential funders of the program are and the likelihood that our funding would either displace or leverage theirs. We will contact other organizations and experts that can help round out our understanding of the space in which you operate, and we may ask for your help in making connections. We will also build a detailed cost-effectiveness model to estimate the impact of the grant.

If we ultimately recommend a grant, the materials from this investigation will provide the documentation supporting our case for the grant. We generally request permission to [publish](#) all of these materials on our website, in line with our [value of transparency](#). However, grant recipients have the opportunity to edit, redact, or decline for us to publish materials.

If at any time during this investigation it becomes clear that the grant is unlikely to meet our criteria, we will end our investigation, inform you, and offer a call to discuss our rationale. We don't want to take any more of your time than is strictly necessary for our review.

## Step 4: Conditional approval

Following our deeper investigation, the grant investigator will recommend to GiveWell leadership that the grant receive funding; we call this stage "conditional approval." Conditional approval is not a *guarantee* of funding, but it is extremely likely that funding will be received pending final due diligence.

## Final due diligence

After conditional approval is granted, the final due diligence process begins. This step will vary depending on how the grant is funded. We fund grants in two primary ways, listed below. How we choose to fund a grant depends on a number of factors, including the urgency with which funds need to be received by the grantee, individual donor interest in supporting the grant, the size of the grant, and the type of program it supports (e.g., technical assistance, direct delivery, policy advocacy, etc.).

The ways we fund grants are:

1. By using funds that GiveWell holds. In this case, we are both the recommender and funder of the grant.

*Due diligence:* GiveWell's final due diligence process involves different steps for U.S.-registered organizations and non-U.S.-registered organizations.

For U.S.-registered organizations, we will confirm your organization serves a charitable purpose that is recognized by the IRS and that you are in good standing with the IRS.

For organizations that aren't registered in the U.S., we will review your registration and charitable mission, as well as confirm that your board members and key employees are not on money-laundering or terrorism watch lists.

2. By making recommendations to other funders. In this case, we are the recommender of the grant, but not the funder. Most commonly, we recommend that [Open Philanthropy](#), a major philanthropic grantmaker with which we work closely, fund grants we recommend.

We also regularly recommend grants to the [Effective Altruism \(EA\) Global Health and Development Fund](#), which is managed by GiveWell CEO Elie Hassenfeld in collaboration with GiveWell's research team.

In addition, we fund grants by making recommendations to individual donors and foundations, who may give through GiveWell or may prefer to make a direct donation to an organization.

*Due diligence:*

- Open Philanthropy: Open Philanthropy describes its due diligence process [here](#). Note that Open Philanthropy generally does not pay grants directly, but instead submits formal recommendations to its external funding partners, such as the [Silicon Valley Community Foundation](#) or the [Good Ventures Foundation](#), who

then conduct legal due diligence and a formal approval process to determine whether or not to fund the grant. Grantees may hear from these funding partners directly.

- **EA Global Health and Development Fund**: The Fund's standard due diligence questions may be found [here](#).
- **Other funders**: Other funders may have their own due diligence processes. Our expectation is that any questions that these funders ask will be for fiduciary compliance. If they ask for details of the grant purpose, impact, or cost-effectiveness, the organization receiving the grant should refer them to GiveWell.

## Step 5: Grant made

### Grant disbursement

How a grant is disbursed will vary depending on the mechanism through which it is funded.

### Announcing the grant to the public

#### For all grants, regardless of funder

Once a grant recommendation is finalized, we'll want to share the news with our audience. We publish public write-ups on the rationale for each grant we recommend. You can see past write-ups [here](#). Organizations will have a chance to review our write-up and any relevant source material, including notes from our conversations, before we publish them, and may request to keep information confidential. We also ask for the chance to review grant recipients' public communications about the grant.

#### For grants not directly funded by GiveWell

- **Grants funded by Open Philanthropy**: After we publish our grant write-up, a summary will be cross-posted on the Open Philanthropy website as well as the website of [Good Ventures](#), which partners with Open Philanthropy.
- **Grants funded by the EA Global Health and Development Fund**: Basic grant details will be published on the [EA Fund website](#) along with a link to the corresponding GiveWell grant report.
- **Other funders**: Funders outside of GiveWell may have their own requirements regarding public communications about the grant, although in our experience their requirements have generally closely aligned with our own and typically do not require additional input.

## After the grant is made

### Grant follow-up

Once we recommend a grant, we follow its progress. We often do this by scheduling regular check-in calls with grant recipients and by working with organizations to determine key milestones we'll want to discuss. Together, we'll set a schedule for (1) receiving reports on program indicators, and (2) financial reporting. We'll discuss and get feedback on plans for follow-up before funds are disbursed.

Our grantmaking process is iterative, in that we expect to learn from each grant we make and to use what we've learned to make future grant decisions. We typically draft "learning agendas" for grants so that we can track progress on open questions we have, and we'll work with you to clarify what we hope to learn.

#### Required reporting if the grant is funded by GiveWell

We ask for basic annual reporting, which will generally involve a simple financial accounting at the end of each fiscal year you hold grant funds, indicating how grant funds were spent, as well as an annual summary of grant activities.

#### Required reporting if the grant is funded by Open Philanthropy, the EA Global Health and Development Fund, or other funders

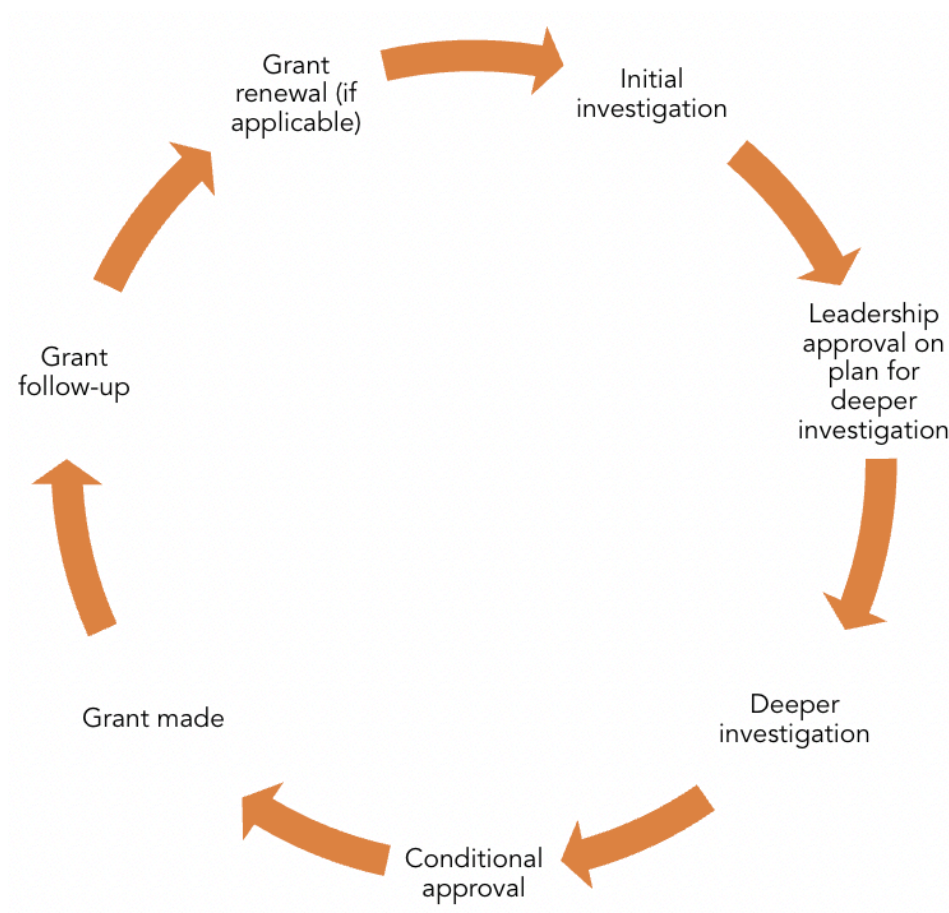
Funders outside of GiveWell may have their own requirements around reporting. In our experience, other funders' reporting requirements have generally closely aligned with our own and require limited additional input.

#### Follow up for GiveWell learning purposes (all grants)

In addition to required compliance, we will want to follow up with you to understand how the grant is going. We'll ask to connect with you periodically on calls and will request updates on specific program indicators. As noted above, we'll discuss and get your feedback on plans for follow-up before funds are disbursed.

### Grant renewal investigation (if applicable)

In many cases, we'll recommend a grant with the expectation that we may want to provide additional funding in the future to continue the program or expand its scope or reach. In the event we decide to start an investigation to provide additional funding, it will follow steps similar to those laid out above: a brief initial investigation into what additional funding would achieve, leadership approval on a plan for deeper investigation, a deeper investigation, conditional approval, and, ultimately, if it meets our grantmaking criteria, another grant.





## Answers to common questions about our grantmaking process

How long does GiveWell's grantmaking process typically take, from the initial conversation to the decision to recommend the grant?

The length of our grantmaking process can vary depending on a number of factors, including whether we've previously investigated the program area or theory of change, the size of the grant, the urgency of the need, and more.

We will share our expectation for how long a grant investigation may take and will solicit your input about the feasibility of that timeline. If an investigation falls behind schedule, we strive to provide timely and transparent updates. We may provide interim or bridge funding while we conduct a more detailed investigation.

A data request we got from GiveWell will be really time-consuming to complete. Do we need to complete it?

We don't always have a strong sense of whether a given request of ours is time-intensive for organizations we work with. If we're asking for information that would take a significant amount of your time to put together, we ask that you check in before completing the request. We might be able to proceed without it, or together figure out another way to answer our question.

In general, we seek a collaborative process with organizations. While we know it may feel difficult to push back on a request or to provide feedback during a grant review process, this kind of engagement is one of the best ways for us to improve—in fact, *we view critical feedback as a positive attribute* when we're assessing organizational strength. If at any time you have feedback for us, please tell the grant investigator.

Will we be required to create a proposal in order to receive funding?

Yes, toward the end of the grant investigation process, we may ask you to put together a very short proposal of the program, including a written description of the project plan and/or planned monitoring and evaluation. We view this as a final step to ensure we are aligned on the details of the grant period plans.

Where possible throughout the grant investigation, we aim to use your existing materials to understand your program. If we need specific information that isn't in your existing materials, we will work with you to figure out the best way to share that information.

Should we try to minimize overhead in our budget request?

We're not interested in minimizing overhead costs—we're interested in maximizing impact. We believe that certain kinds of overhead spending, such as hiring staff and paying for high-quality

monitoring and evaluation, can make a large difference in an organization's ability to conduct effective work. Please ask for what you need in order to carry out your program successfully.

GiveWell's estimate of my organization's cost-effectiveness is an important input into its decision-making. Can we review GiveWell's cost-effectiveness model and provide feedback?

The information we ask you to provide as part of the grant investigation will inform our cost-effectiveness model inputs and approach. As part of our investigation, we will sometimes review our cost-effectiveness model with you and allow you to provide input. This process typically begins once we have a complete draft of our cost-effectiveness model, toward the end of our deeper investigation in step 3. We're happy to schedule a call with you to walk through our model and solicit your suggestions for updates or changes.

What does GiveWell publish about grants?

When we recommend and you receive a grant, we will share the case for the grant publicly. The grant page will reflect that we've decided to recommend a grant because we think funding your organization represents an opportunity to have a lot of impact. It will also include our major open questions and reservations about the grant, along with how or whether we expect to answer those.

As part of publishing our write-up, we will ask your permission to publish supporting documents. In some cases, the grant investigator may ask for your permission to publish notes from conversations about the grant. *In every case, you will have a chance to review everything that we plan to publish, including the write-up itself, and to let us know if we should remove anything for confidentiality reasons or edit anything for accuracy.*

Previous grant write-ups are available [here](#).

Will GiveWell write a "bad" review of my organization if we don't end up getting a grant?

No. As of 2021, we only publish write-ups of grants we recommend—not those we investigated and chose not to recommend.