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# MICROGRANTS

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**Command those who are rich in this present world not to be arrogant nor to put their hope in wealth, which is so uncertain, but to put their hope in God, who richly provides us with everything for our enjoyment. Command them to do good, to be rich in good deeds, and to be generous and willing to share. In this way they will lay up treasure for themselves as a firm foundation for the coming age, so that they may take hold of the life that is truly life.**

— 1 Timothy 6:17-19 (NIV)

## Story and Stats

As the primary caregiver for her young grandson, Nancy was struggling to make ends meet during the COVID-19 pandemic.

Between adjusting to helping with his remote learning schedule, rapidly losing income and contracting COVID, Nancy was getting desperate and falling behind on bill payments. Eventually, her electric and gas companies threatened to turn her utilities off if the full payments were not received soon.

Because she applied and was approved for a micro grant, Nancy was able to keep the lights and heat on in her house, allowing her grandson to continue schooling from home and keeping them both warm and safe during quarantine.

So many families like Nancy's are just one unexpected circumstance away from disaster.

**In fact, it is estimated that 40% of Americans are only a single missed paycheck from poverty. More than 1 in 10 households were behind on monthly bills this past year, and a third of households don't have even a basic savings account to draw from in times of emergency.**

This knowledge puts into perspective just how delicate most families' financial situations are, and access to a micro grant ministry could be the difference between their plummet into poverty or their survival.





## Introduction

When people experience economic hardship, churches and ministries have an opportunity to meet needs in a unique way. Although other agencies and organizations may have deeper financial resources, people of faith understand that we can offer more than just financial security.

This resource was created by Send Relief missionaries who work with the Graffiti Network in New York City to help other churches and ministries develop a system to leverage financial resources. More information about the principles and best practices developed within the Graffiti Network over decades of ministering to people in need can be found at [UpsideDownLife.org](https://UpsideDownLife.org).

There are many questions that arise when starting a ministry, and this guide seeks to provide helpful guidance in five easy steps:

- **Step 1: Planning**
- **Step 2: Awareness**
- **Step 3: Screening**
- **Step 4: Determination and Payment**
- **Step 5: Follow-up**

Utilizing the five steps, best-practices and principles in this guide will open doors to minister to the deeper needs of the soul of your community.

# Step 1: Planning

Before taking any steps to establish a micro-grant ministry, make a commitment to the following principles:

- Value Leaders
- Make Partners
- Set and Follow Policies
- Double-Up on the Follow-Up

## Value Leaders: Focus on Self-Care

A long-term focus necessitates the prioritization of self-care among those providing help. Proper boundaries and sufficient Biblical rest are the only ways to ensure perseverance. Short-term interactions pale in comparison to the benefit of long-term relationships. Self-care may feel selfish but is actually selfless.

## Make Partners: Focus the Mission

For most churches and organizations, it is unrealistic to be all things to all people. With a limited focus, you can better work alongside community partners and reduce duplication. It can be hard to say “no,” but the result is doing a few things well and effectively.



## Set and Follow Policies

- **Focus on the long term:** Meeting any and all immediate needs is tempting. However, meeting an immediate need without a strategic focus may not be in a community's long-term interest. We also risk being driven by our own emotions. Instead, decision-making should be based on what is sustainable for everyone involved. We want to be a light, not lightning.
- **Develop a process:** Structure is love. We should be driven by compassion and prayer. The most compassionate way to meet tangible needs is to define a process and stick to it. It is also the most effective way to be fair. A process will discourage manipulation and will ensure that quieter people are not overlooked. A uniform process creates an expectation, which leads to healthy relationships. A process is also the best way to counteract bias. With a process, you can be intentional instead of merely reactive.
- **Keep data systematically:** Mercy ministries are most effective when you are involved in people's lives. A system of gathering data will bring accountability to all people involved in a helping relationship and expand the helper's understanding of the situation. Data is also the best ways to involve financial givers who cannot be involved directly.
- **No direct funds:** For many people, receiving a check or cash is harmful. There is no fair or flawless way to identify those people. A "no direct funds" policy promotes healthy relationships through consistent and fair expectations. Most needs can be met through goods, services or direct payment to a third party. This policy is held by the vast majority of seasoned ministers to tough or economically diverse neighborhoods.

## Double Up on the Follow Up

- **It's about big change, not big numbers:** Only help as many people as your church or ministry can follow up with.
- **Relief and release:** Providing relief by meeting tangible needs is important and Biblical. There may be times of simply showing God's love in tangible ways through relief. However, it should never stand alone. There should always be an intentional interplay between relief and release, with release as the ultimate goal. Release ultimately is defined as freedom from sin through Jesus Christ and spiritual growth.



## Step 2: Awareness

### Questions:

- How will people be aware of the service?
- How will the ministry be aware of needs?

### Solution:

- Establish an outreach program to assess the holistic needs of individuals.

### Best Practices:

- Collect contact information of individuals at ministry events.
- Develop an outreach team to make phone calls to check in on the well-being of contacts. Consider using the church's existing deacon ministry as the outreach team.
- Train outreach team to ask questions regarding individual's holistic well-being (physical, mental, emotional, social and spiritual). Offer immediate prayer for needs, but keep in mind the policy of "under-promise, over deliver." Outreach team should not make promises on assistance that can be provided.
- Create a system to collect the data and information gathered by the outreach team.
- Remember the following principle:  
Serve the unserved. Since there may be some very large programs supported by other agencies, look for the people falling through the cracks.

# Step 3: Screening

## Questions:

- How do we know what is needed?
- How do we make sure we aren't being taken advantage of?

## Solution:

- Create an easy application that is done in an interview format to make contact with individuals and hear their stories.

## Best Practices:

- Create a form and train screeners to gather information with compassion and care. Forms should be simple and contain at least the following questions:
  - What is the problem that created this need?
  - What is being requested?
  - What action will the organization take?
- When appropriate, request written documentation to substantiate the request.
- Information should be gathered regarding other programs and resources available in the region. Screeners should work to connect the individual with these other resources.
- Screeners should offer spiritual support and prayer.

## Remember the following principle:

- The bigger the city, the more personal we need to become. It is often more important to hear a person's story than to grant their request.

# Step 4: Determination and Payment

## Questions:

- How do we know whether to make the grant?
- How do we determine how much to grant?
- How do we ensure fairness and prevent abuse?

## Solution:

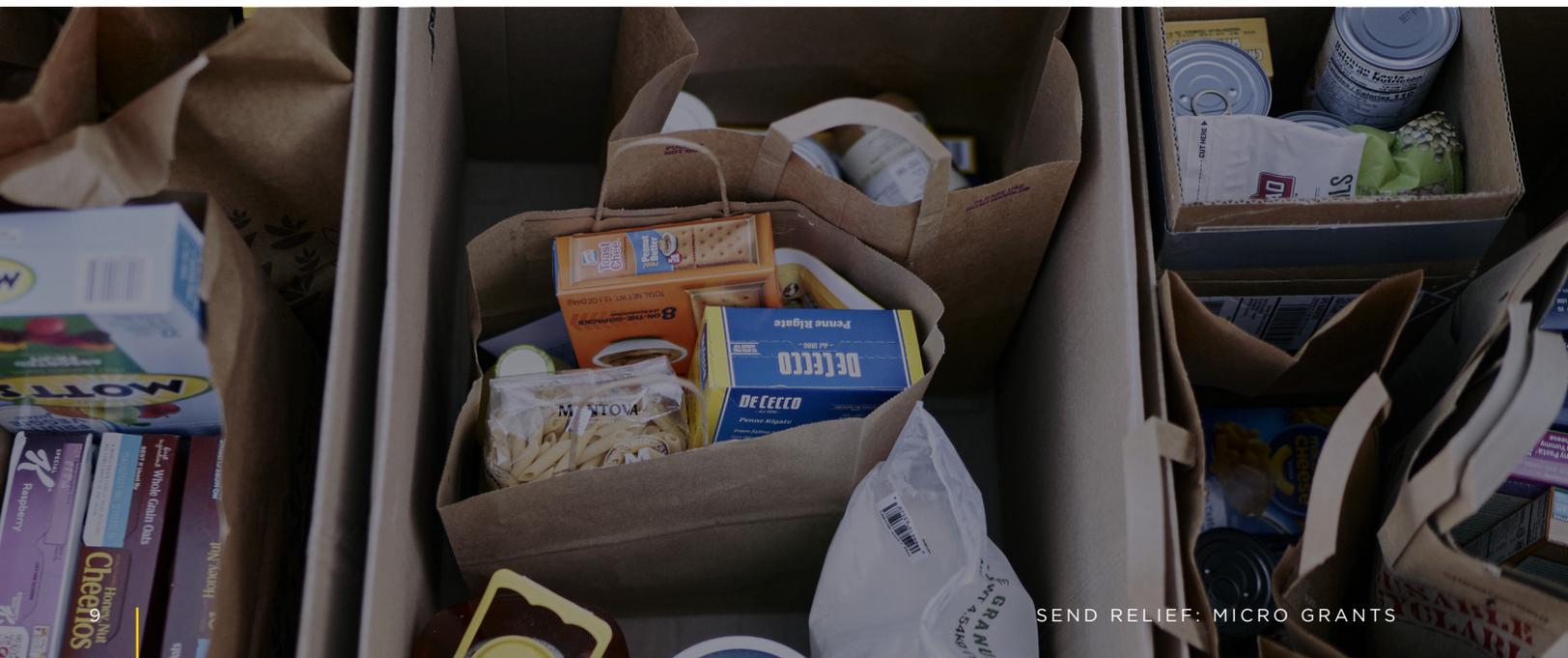
- Establish criteria and work with a team.

## Best Practices:

- Limit financial assistance to a specific dollar amount.
- Grant determinations should use the “rule of three” in which approval of the grant involves a group majority. Consider a procedure that requires two signatures or a record of two approvals.
- Make funds available directly to vendors.
- If paying rent or other bills, take into consideration the individual’s ability to make future payments. If unable to do so, help individual with other resources, budgeting assistance or finding employment.

## Remember the following principle:

- Kindness crosses cultures—it’s not about the size of the gift that makes a difference but the kindness connected to the gift. Small grants allow a ministry to focus on relationships.



# Step 5: Follow-Up

## Question:

- After we make a grant, what do we do next?

## Solution:

- Follow up to walk alongside individuals by offering ongoing support, assistance with other resources and opportunities for a relationship with Jesus.

## Best Practices:

- Understand other government and agency resources that are available and assist a person navigating those bureaucracies.
- In some cases, consider providing additional, larger grants to individuals who are taking appropriate steps and allowing ongoing support.
- Offer support groups to individuals dealing with job loss or grief.
- After the major crisis is over, have a time to gather, remember and celebrate.
- Connect individuals to other ministries in the church.
- Be aware and willing to create new ministries that grow out of this initial ministry to help meet future needs (ESL, GED classes, job training).

## Remember the following principle:

- It's about big change, not big numbers. Only help as many people as the church or ministry can follow up with.

We know that ministering to large groups of people can feel overwhelming at first, but having a system in place to organize bigger compassion projects such as micro-grant ministries and food distributions can help make the process run smoothly for all parties. To help you get started, we have included sample food box and benevolence forms, along with the necessary action steps to follow up with! Feel free to customize the samples below to fit your church or ministry's needs.

## Sample Phone Outreach Instructions

Set aside time to make phone calls. Prior to making calls, begin your time with scripture reading and prayer. Tune your ears to God.

### If a contact does not answer the phone:

- Leave a voicemail and follow up with a text stating: *"My name is \_\_\_\_\_ and I am making phone calls for \*insert ministry name\*. Call or text me back if you have any prayer needs or need any help."*
- Make a note of your voicemail and text in a team shared document. Call again at a later time.

### When placing phone call and someone answers, consider these talking points:

- *Hello my name is \_\_\_\_\_. I am with \*insert ministry name\*.*
- Ask - *"How are you doing?"*
- Ask - *"Are you in need of anything?"*
- Ask - *"Is there anything you would like us to pray for?"*
- Confirm their contact information and fill in any missing information.
- If you are comfortable, pray with them on the phone. If not, let them know you will pass the request on to staff.
- Inform them of any announcements and opportunities to connect with your ministry.
- Ask if you can call them again in the future.
- Remember, under-promise over-deliver. Don't make any promises on services that can be provided. Before confirming ability to deliver services, emphasize that you need to check with your ministry's leadership.

**Document all communications. Make sure to write clear notes for any request needed. Include name, need and prayer request. For any urgent needs or prayer concerns, contact a designated ministry leader.**

## Sample Grocery Box Form

### Personal Information

Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Recipient Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Number in household: \_\_\_\_\_

Has anyone in your household been directly affected by COVID-19? \_\_\_\_ Yes \_\_\_\_ No

### Resource Awareness Questionnaire

1. Would you like more information about meals available at schools? \_\_\_\_ Yes \_\_\_\_ No
2. The city has resources available for those directly affected by COVID-19; would you like more information? \_\_\_\_ Yes \_\_\_\_ No
3. Does your household have any other pressing or urgent needs due to loss of income? \_\_\_\_ Yes \_\_\_\_ No
4. Can I or someone else at my ministry follow-up with you by phone? \_\_\_\_ Yes \_\_\_\_ No
5. Can I take a moment to pray for you? \_\_\_\_ Yes \_\_\_\_ No

### Notes

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### General Guidance

- Take notes, paying particular attention to how you or someone else might follow up at a later time.
- Under-promise, over-deliver—your ministry may have additional resources to assist, but do not make any promises.
- Take time to listen—sometimes a person just needs to be heard.
- If there is a concern or need which you are unsure how to address, refer the individual to leadership.
- Be willing to take time assisting the individual, walking them through any of the processes—the bigger the city, the more personable we need to become.
- Don't forget to follow up with the individual at a later time.

### If the answer is “Yes” on the Resource Awareness Questionnaire:

1. Take notes on any financial needs, paying particular attention to needs that might benefit from receiving a benevolence grant. Provide this information to leadership. Do not make any promises.
2. If permission is given to follow up, schedule a time in your personal calendar to give the person a phone call.
3. Ask, “How can I pray for you?” Take time to listen, paying attention to spiritual needs. If the opportunity arises, share the gospel. Don't forget to pray!

## Sample Benevolence Grant Form

### Personal Information

Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Recipient Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Number in household: \_\_\_\_\_

Has anyone in your household been directly affected by COVID-19? \_\_\_\_ Yes \_\_\_\_ No

### Information about Need

What is owed?

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Who is owed? (contact information)

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What is the normal form of payment?

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Action Taken

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## Sample Resource Awareness Questionnaire

1. Would you like more information about meals available at schools?  Yes  No
2. The city has resources available for those directly affected by COVID-19; would you like more information?  Yes  No
3. Would you like information about applying for cash assistance?  Yes  No
4. Would you like more information regarding the IRS stimulus check?  Yes  No
5. Would you like more information regarding applying for unemployment?  
 Yes  No
6. Does your household have any other pressing or urgent needs due to loss of income?  
 Yes  No
7. Can I or someone else at my ministry follow up with you by phone?  Yes  No
8. Can I take a moment to pray for you?  Yes  No

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**SEND Relief**

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