

The “Preselected Recipients” Trap

What a grant guidelines page won't tell you — a real case from our screening process

What the public page said

A private foundation's grant guidelines page reads like an invitation. A named Executive Director, listed by email, encourages applicants to “reach out” and “make the connection” before applying. The page walks through four clear focus areas, a real dollar range (\$1,000–\$50,000), fixed quarterly deadlines, and a full section titled “Suggestions for Improving Your Application” — practical, generous advice on how to write a stronger proposal.

Nothing on that page suggests the door is closed. Everything about it says: *we want to hear from you.*

What the 990-PF actually said

Every private foundation in the U.S. is required to disclose, on its own IRS Form 990-PF, whether it accepts unsolicited requests for funding. It's a single checkbox, buried in Part XIV or XV of the filing, far from the polished language on a website.

On this foundation's most recent 990-PF, that box was checked: **the foundation only makes contributions to preselected organizations and does not accept unsolicited requests.**

In plain terms — despite everything the public page implied, this foundation does not review applications from organizations it hasn't already chosen. The guidance, the encouragement to call the Executive Director, the tips for a stronger proposal — none of it changes that the real, legally disclosed answer was already no.

Why this matters

A small nonprofit taking that page at face value could easily spend real hours on this: researching the foundation's giving pattern, drafting a full proposal, gathering financial statements and board bios, scheduling a call with the Executive Director, and waiting through a full quarterly review cycle — for an application that had no real path to being read, let alone funded.

For a well-resourced organization, that's a wasted afternoon. For a small nonprofit running lean, with no development staff and a handful of volunteer hours to spend on fundraising each month, it can mean an entire grant cycle spent on a door that was never open — while a real, viable opportunity sat unpursued in its place.

An important distinction: an application portal is not proof of openness

It's worth being precise here, because it's easy to overcorrect. Having an online application form does not, by itself, prove a foundation is open to unsolicited requests — and a checked “preselected only” box does not always mean the application process on the website is fake or deceptive.

Some foundations maintain portals used exclusively by organizations they've already selected or invited — a structured way for existing or renewing grantees to submit budgets, reports, or formal requests. To an outside reader, that can look identical to a general “apply here” page, even though it was never meant for new, uninvited applicants.

What made this case a real discrepancy, not just a misread, was the *language* surrounding the application — not the mere existence of a form. This page encouraged applicants to reach out *before* applying, which implies the foundation doesn't already know them. It offered a full section of tips for writing a *stronger* application, aimed at first-time or unfamiliar applicants, not organizations renewing an existing relationship. Its evaluation criteria were framed competitively, for an open, unknown pool of applicants, not a short list of known partners.

Those are the details that separate a real discrepancy from an ordinary invited-grantee portal. The lesson isn't “distrust every online application” — it's “read the checkbox first, and then read the surrounding language carefully before assuming either way.”

A second confirmatory signal: look at more than one year

The checkbox is the fastest way to check, but it isn't the only signal available. Pulling two or three consecutive years of a foundation's 990-PF and comparing the recipient lists tells its own story.

A foundation genuinely open to new applicants usually shows real turnover — new organizations appearing year to year alongside its long-standing partners. A foundation that's functionally closed, whether or not the box is checked, often shows the opposite: the same names, in the same amounts, repeating year after year, with little or no room for anyone new.

This is worth doing even when the checkbox says a foundation *does* accept unsolicited requests. A box can be checked correctly and still describe a foundation that, in practice, hasn't added a genuinely new grantee in years. Multi-year review catches that gap — a foundation can be honest on paper and still be, in effect, closed.

The pattern, and why it's not rare

This isn't an isolated case. Foundations update their public pages inconsistently, sometimes years behind their actual internal policy. A page can be written to sound open and inviting for genuine brand or community-relations reasons, while the foundation's real practice — the one it's legally required to

disclose to the IRS — has quietly shifted to invitation-only.

The direction can run the other way too — see Issue 02, where a foundation's public page actually *undersold* how open it really was. The public page is not a reliable source of truth in either direction. Only the primary filing is.

The takeaway

A grant guidelines page tells you what a foundation wants you to believe about itself. A 990-PF tells you what it has sworn, under penalty of perjury, is true.

Before any nonprofit spends real time on an application, the question isn't "does this page sound welcoming?" It's: **"What does their own 990-PF say?"**

This is exactly the gap Unsealed Intelligence exists to close — real funder screening against primary source documents, not marketing pages, before a single hour goes into a proposal that never had a chance.

Real Grant Files is a recurring series from Unsealed Intelligence, a service of EJAH Business Consulting & Co.

unsealedintelligence.com