

Elements of a Grant Proposal

Credits to The Center for Nonprofit Management ()*

A proposal must convince the prospective donor of two things:

1. that a problem need of significant magnitude exists, and
2. that the applicant agency has the means and the imagination to solve the problem or meet the need

When no specific format or guidance is given by the funding source, it is safe to generally assume that the proposal should be no more than 15 pages in length (single-spaced) and should include the following sections:

- Qualifications of the Organization
- Problem Statement or Needs Assessment
- Program Goals and Objectives
- Methodology
- Evaluation
- Future Funding
- Budget
- Appendices

Letter of Inquiry/Intent

Some foundations/corporations prefer a letter of inquiry to determine whether the applicant falls within the foundation's guidelines. In this case, an inquiry letter used instead of a cover letter and proposal. It is very succinct, and attachments are not included. If the funder determines the organization and project fit within it's scope, the organization will be directed to submit a complete proposal. If not, a decline letter is usually issued at that time. A letter of inquiry should meet the following criteria:

- Includes funder's name, title, and address
- Is directed at the individual responsible for the funding program
- Provides a brief overview of the organization and its purpose
- Includes the reason for the funding request
- Includes the amount requested (if required by funder)
- Describes the need the project intends to meet (including target population, statistics, example)
- Provides a brief description of the project
- Lists other prospective funders for the project
- Includes thank you and next step to be taken
- Does not exceed two pages (one page is recommended)

- Includes name and phone number of contact at the organization
- Is signed by the person who can speak with authority on behalf of the organization

Full Proposal

Cover Letter

The cover letter serves as the organization's introduction and should always accompany a proposal. A cover letter should meet the following criteria:

- Includes funder's name, title, and address
- Is directed at the individual responsible for the funding program (is not addressed "To Whom It May Concern", "Dear Sirs", etc.)
- Provides a brief overview of the organization and its purpose
- Includes the reason for the funding request
- Includes the amount requested (if required by funder)
- Does not exceed two pages (one page is recommended)
- Includes name and phone number of contact at the organization
- Is signed by the person who can speak with authority on behalf of the organization

Summary (1/2 page)

This section clearly and concisely summarizes the request. It should provide the reader with a framework that will help him/her visualize the project. The remainder of the proposal will then serve to deepen and amplify the "vision" presented in the summary section at the beginning. A summary should meet the following criteria:

- Appears at the beginning of the proposal
- Identifies the grant applicant
- Includes at least one sentence on credibility
- Includes at least one sentence on problem
- Includes at least one sentence on objectives
- Includes at least one sentence on methods
- Includes total cost, funds already obtained and amount requested in this proposal
- Is brief (limited to several paragraphs, half a page at most)
- Is clear
- Is interesting

Qualifications of the Organization (1-2 pages)

This section describes the applicant agency and its qualifications for funding and establishes its credibility. The programs and accomplishments of the organization will be examined in light of how they address current demographics, social issues, specific constituencies, etc. In addition to convincing the funder of the extent of the need for the proposed project, the agency must also demonstrate that theirs is the appropriate agency to conduct the project. In this section, the organization should demonstrate that it has the means and the imagination to solve the particular problem or meet the need.

A proposal will often sink or swim based on the need for the project and the project methodology, not on the accomplishments of the overall organization. Therefore, an agency should not make the mistake of devoting half of its proposal to the history or programs of the agency.

The proposal should address the projects and programs the organization intends to undertake over the next twelve to fifteen months. If growth is projected in the program, anticipated goals should be stated, as should any new projects to be undertaken. If a detailed program description or annual report exists, it should be included as the first item in the proposal appendices. The qualifications of the organization section should meet the following criteria:

- Clearly establishes who is applying for funds
- Briefly addresses the rationale for the founding of the organization
- Describes applicant agency's purposes and long-range goals
- Describes applicant's current programs and activities
- Describes applicant's clients or constituents
- Provides evidence of the applicant's accomplishments
- Offers statistical support of accomplishments
- Offers quotes/endorsements in support of accomplishments
- Supports qualifications in area of activity in which funds are sought (e.g. research, training)
- Describes qualifications of key staff members
- Provides other evidence of administrative competence
- Leads logically to the problem statement
- Is as brief as possible
- Is interesting

Problem Statement or Needs Assessment (3-4 Pages)

When seeking funds, a specific problem area or need should be addressed. This is a critically important section of the proposal. Information based on objective research, not subjective impressions, should be provided to justify the need or problem. This data, however, should not be

voluminous, but sufficient to demonstrate that a problem or need exists. A problem statement or needs assessment should meet the following criteria:

- Describes the target population to be served
- Defines the community problem to be addressed and the need in the geographical area where the organization operates
- Is related to the purposes and goals of the applicant agency
- Is of reasonable dimensions - not trying to solve all the problems of the world
- Is supported by relevant statistical evidence
- Is supported by relevant anecdotal evidence
- Is supported by statements from authorities
- Is stated in terms of clients' needs and problems - not the applicant's
- Is developed with input from clients and beneficiaries
- Is not the "lack of a program", unless the program always works
- Makes no unsupported assumptions
- Is as brief as possible
- Is interesting to read
- Is free of jargon
- Makes a compelling case

Program Goals and Objectives (1 - 2 pages)

This section of the proposal describes the outcomes of the grant in measurable terms. It is a succinct description of what the organization hopes to accomplish. Program goals and objectives should meet the following criteria:

- At least one objective for each problem or need committed to in the problem statement
- Objectives are outcomes
- Objectives are not methods
- Describes the population that will benefit from the program
- States the time by which objectives will be accomplished
- Objectives are measurable and quantifiable (if at all possible)

TYPES OF OBJECTIVES

There are at least four types of objectives:

Behavioral - A human action is anticipated.

Example: Fifty of the seventy children participating will learn to swim.

Performance - A specific time frame within which a behavior will occur, at

an expected proficiency level, is expected.

Example: Fifty of the seventy children will learn to swim within six months and will pass a basic swimming proficiency test administered by a Red Cross-certified lifeguard.

Process - The manner in which something occurs is an end in itself.

Example: We will document the teaching methods utilized, identifying those with the

greatest success.

Product -- A tangible item results.

Example: A manual will be created to be used in teaching swimming to this age and

proficiency group in the future.

Methodology (4 + Pages)

This section describes the activities to be conducted to achieve the desired objectives. It also includes the rationale for choosing a particular approach. Generally, a straightforward, chronological description of the operations of the proposed project works most effectively.

The methodology section should meet the following criteria:

- Flows naturally from problems and objectives
- Clearly describes program activities
- States reasons for the selection of activities
- Describes sequence of activities
- Describes staffing of program
- Describes clients and client selection
- Presents a reasonable scope of activities that can be accomplished within the time and resources of the program
- Provides a timeline of activities (if possible)

Evaluation (1 - 2 Pages)

Proposals must include a plan for determining the degree to which objectives are met and methods are followed. This section is extremely important as funders pay particular attention to evaluation methods since they need help determining whether a proposed project represents an intelligent investment for them. The evaluation section should meet the following criteria:

- Presents a plan for evaluating accomplishment of objectives
- Presents a plan for evaluating and modifying methods over course the program
- Tells who will be doing the evaluation and how they were chosen
- Clearly states evaluation criteria
- Describes how data will be gathered
- Explains any test instruments or questionnaires to be used
- Describes the process of data analysis
- Shows how evaluation will be used for program improvements
- Describes any evaluation reports to be produced

Future Funding (1/ 2 page)

This section describes a plan for continuation beyond the grant and/or the availability of other resources necessary to implement the grant. In equipment/capital requests, many funders require organizations to demonstrate how the on-going cost of operations and equipment maintenance will be met. A statement about future funding sources is also advisable for the maintenance equipment. The section on future funding should meet the following criteria:

Presents a specific plan to obtain funding if program is to be continued

Describes how maintenance and future program costs will be covered (if applicable)

Describes how other funds will be obtained, if necessary to implement the grant (include individual solicitation efforts specifically aimed at this project)

Includes list of other funders approached on behalf of project (name of funder, date of proposal submission, amount requested, current status)

Has minimal reliance on future grant support

Is accompanied by letters of commitment (if necessary)

Does not indicate that the agency will approach the funder for additional money

Budget

All proposals should include a budget which clearly delineates costs to be met by the funding source and those provided by other parties and outlines both *administrative* and *program costs*. If a proposal is for a specific project, separate budgets for the general operating budget and the special project budget should be included. Budgets should show income as well as

expenses and should be structured in columnar form, listing the expense on the left and the dollar amount in the right column, according to general accounting/bookkeeping principles. Budgets should not be submitted in narrative form.

Budget expense information should delineate personnel costs such as salary and benefit information, and non-personnel expenses such as facility costs (rent/mortgage, utilities, maintenance, taxes), fundraising expenses, travel, postage, equipment costs, supplies, and insurance. These should be reflected in both the expense and income columns.

Sources of income should be listed separately as part of budget information. Sources should be actual funders, not merely prospects. However, pending proposals may be listed separately, if desired. Sources for funding may include fees for service, government funds, corporate/private grants, individual donations, etc. A budget should meet the following criteria:

- Tells the same story as the proposal narrative
- Is detailed in all aspects
- Includes project costs that will be incurred at the time of the program's implementation
- Contains no unexplained amounts for miscellaneous or contingency
- Includes all items asked of the funding source
- Includes all items paid for by other sources
- Includes all volunteers
- Includes all consultants
- Details fringe benefits, separate from salaries
- Separately details all non-personnel costs
- Includes separate columns for listing all donated services
- Includes indirect costs where appropriate
- Is sufficient to perform the tasks described in the narrative.

Appendices

Some attachments are recommended in all proposals, while others may be included at the author's discretion. If a recent article or endorsement has been written about your organization, and if it is germane, it may be included as an attachment to the proposal. Generally funders will look at only one or two articles/endorsements. Therefore, your organization must carefully select the best recent article/endorsement to submit. Additional attachments can be included at the author's discretion. Appendices may include:

- Verification of tax-exempt status (generally the IRS determination letter)
- Names and affiliation of officers and Board of Directors members
- Financial statements for last completed fiscal year (audited, if available)
- Current general operating budget and special project budget (if applicable)
- List of clients served (if appropriate)
- List of other current funding sources
- Biographies of key personnel (only if requested)
- Articles/endorsements (no more than two)
- Diagrams for equipment or building requests
- Organization's by-laws

Format and Appearance

There are different forms and formats for proposals. Sometimes these style aspects are at the author's discretion. However, the author should research the prospective funding source to know the funder's usual requirements.

Funders often have specific requirements for the format of the proposal they will consider. It is the responsibility of the organization to submit the proposal in the required form, if there is one. Some funders issue specific grant applications which organizations must submit as the proposal. These are typically discussed in the funder's published guidelines or in research directories. A proposal should always be concise, no more than 15 pages single-spaced. (Consider the page length indicated after each section the recommended maximum length.)

In addition to the contents of the proposal, its appearance is important. Foremost, a proposal should be presented neatly. The cover letter should be typed on the nonprofit organization's letterhead, followed by the proposal and attachments, respectively. Since proposals are not voluminous, it is not necessary to include an index or table of contents.

Proposals should not be submitted with binding (like a book), as funders often dismantle the proposal and make copies of it when referring it to a review committee for consideration. To assemble a proposal, an organization should consider using staples or a folder to contain the proposal and attachments. Funders do not judge a proposal on its weight, but on its contents and presentation. Thus, it is important to assemble the proposal in an organized, concise, and attractive manner.

Conclusion

In summary, a proposal should reflect planning, research and vision. The importance of research cannot be overemphasized, both in terms of the funders solicited and the types of funds requested. The appropriate format should be used, and the required attachments should be included.

The most successful proposals are those which clearly and concisely state the community's and organization's needs and are targeted to donors which fund that field, a reflection of careful planning and research.

In writing and/or evaluating a proposal, the following conclusions drawn from a University of Pennsylvania study may be useful. A study team investigated the criteria foundations and government agencies consider most important when reviewing proposals for community-based projects. They concluded that there are five factors all funders consider "highly important":

- project purpose
- feasibility
- community need for the project
- applicant accountability
- competence

Other factors also considered important include:

- project logic
- probable impact
- language
- money needed
- community support

Although there is some disagreement about the factors which are considered unimportant, funders generally agreed that the least important factors in assessing a proposal are:

- working relationships
- advocates
- minority status
- social acceptability
- prior funding
- influence of acquaintances

References:

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Francisco: Zimmerman, Lehman & Associates; 1994.