Proposal Writing Basics

Cathy Brown
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The Fund Raising School
Lilly Family School of Philanthropy at IUPUI
Types of Funders

**Private/Independent Foundations**
- Family Foundations
- Operating Foundations
- Corporate Foundations

**Public Foundations/Public Charities**
- Community Foundations

Government Agencies

Other Funders
- Fraternal Organizations
- Churches
- Clubs
- Professional Societies

Types of Funding

**Grants**
- Traditional format
- Donor Advised Funds (DAF)
- Endowment
- Corporate
- Government

Other funding mechanism trends
- Loans
- Investments
- Earned income/social enterprise
Grant or Sponsorship

**GRANTS**

*Partnership* is important

*Operative* in nature

Driven by *shared missions*

Duration is often 1 to 3 *years*

Requires reporting on deliverables
  - Interim and/or final reports
  - Focused on outcomes, objectives, financials

**Purpose**
  - Enhances/supports mission
  - Provides net revenue

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**SPONSORSHIPS**

*Visibility* is important

*Transactional* in nature

Driven by *marketing*

Duration is often *"day of"

Often no required reporting on deliverables
  - Outlined at inception
  - Focused on delivering or receiving benefits

**Purpose**
  - Offers access to identified audience
  - Provides net revenue
Foundation Landscape

Top 5 subject areas by dollar amount

- Health: 28%
- Education: 24%
- Human services: 12%
- Community and economic development: 12%
- Arts and culture: 8%

Top 5 populations served by dollar amount

- Economically disadvantaged people: 34%
- Children and youth: 23%
- Women and girls: 7%
- Ethnic and racial groups: 7%
- People with disabilities: 3%

Top 5 support strategies by dollar amount

- Program development: 41%
- General support: 20%
- Research and evaluation: 15%
- Policy, advocacy, and systems reform: 10%
- Capacity-building and technical assistance: 8%

Key Facts on U.S. Nonprofits and Foundations, 2020
Project/Program Development
Building the Case - Addressing the Need

**PROBLEM / OPPORTUNITY**
- Explain
- Any data?
- Any supporting research findings?
- How is this aligned with your strategic plan?

**SOLUTION**
- Describe program or service to be funded
- Include any current output /outcome data
- Stories
- Testimonials

**RESULTS**
- Anticipated results from the program or service (or portion of program or service) funded by this grant
- How gathered and by who?

**IMPACT**
- How this grant will address the problem/opportunity
- Through the program or service of the nonprofit
- Deriving the expected results
## Defining Impact = CHANGE

<table>
<thead>
<tr>
<th>NEED</th>
<th>ACTION</th>
<th>SOLUTION</th>
<th>IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial barriers prohibit highly qualified students from attending or completing degree</td>
<td>Reduce barriers through scholarships</td>
<td>Scholarships</td>
<td># of graduates with less student debt and equitable access; decrease in drop out rate</td>
</tr>
<tr>
<td>Wait list of students to participate in after school tutoring program</td>
<td>Increase staff; keep current staff to deliver more programs</td>
<td>Hire and keep qualified staff at competitive wage</td>
<td>Increased # of students reading at grade level</td>
</tr>
<tr>
<td>Inadequate space for sets, equipment, proper maintenance</td>
<td>Renovate building</td>
<td>Capital Campaign to grow capacity to store and maintain props, equipment</td>
<td>Higher quality performances, lower cost due to reuse of sets, proper equip maintenance, etc.</td>
</tr>
</tbody>
</table>
Developing the Plan

1. NEED
2. Goals & Objectives
3. Activities
4. Outputs
5. Outcomes & Impact
6. Budget & Budget Narrative
7. Timeline
8. Evaluation
9. IMPACT
Develop Your Story

A big, compelling idea that is inspiring

↓

The Problem or Opportunity +

↓

Your Solution +

↓

Your Results =

↓

IMPACT - How the project and funder make a difference
Funder Match
Finding Funders – What to look for

- Previous funding awards
- Commitment to your funding needs
- Geographic limitations
- Range of award size
- Types of organizations they fund
- Special population groups supported by awards
- Award restrictions
- Other sources of information
- Match or cost-sharing grants or opportunities
- Matching or cost-sharing requirements
- Reporting Requirements
990 Primer

Public charities Form 990 includes:
- Charity assets
- Total donations and grants received
- Board and top staff members
- Whether the charity makes grants

Private foundation Form 990-PF includes:
- Assets
- Financial activities
- Trustees and officers
- Complete list of grants awarded for the specified fiscal year

Public Charities with under $50,000 in gross receipts Form 990N includes:
- Legal name of organization
- Location
- Employer Identification Number (EIN)
- Principal officer's name

Candid  https://learning.candid.org/resources/knowledge-base/what-is-a-990-990-pf
Finding Funders

Digital Resources – Candid
• Foundation Directory Online (subscription)
• FDO Quickstart – (free)
• Foundation Landscapes (free)
• Philanthropy News Digest – search RFPs (free)

Other Digital Resources
• Grants.gov – government grant resources (free)
• Grant Station free enewsletter (subscription)
• Grant Scape (subscription)
• Grant Advisor – read & write reviews of foundations (free)
• Grantwatch – can do basic search free (subscription)
• Global Giving – Covid-19 grants (free)
• State Nonprofit Associations
Proposal Creation
LOI – Letter of Intent/Interest/Inquiry

- To generate interest
- Request materials for a grant
- Outline the project scope
- Usually signed by director
- Reviewed by foundation
- If approved - invited to submit full proposal

- Typically, no more than three pages - present the need or problem, the proposed solution, and organization's qualifications

Creating the Story

- Online applications have character limits! Every word serves a purpose, supports the story
- Know your audience
- Stories have flow
  - Attention: What problem do you solve?
  - Interest: Why are you passionate about solving the problem?
  - Competence: What qualifications do you have for solving the problem?
    - We are...
    - We can...
    - We have already done...
- Action: What do you want the reader to do?
- Emotion is good

**Problem + Solution = Transformation**
Basic Proposal Format

✓ Summary Statement
✓ Statement of Need
✓ Program Description
✓ Evaluation
✓ Budget
✓ Program Sustainability
✓ Organizational Strength and Capability
✓ Conclusion
✓ Appendices

Follow the foundation’s guidelines

Do NOT include anything that is not requested!
Proposal Tips

Should be **READABLE**
- Be concise – shorter paragraphs are preferred
- Link people, ideas, and budgets together
- Avoid jargon
- Try not to use footnotes

Should be **INFORMATIVE**
- Start and end with a summary
- Don’t assume that the entire proposal will be read
- Explain the budget – ask for what you need and justify what you ask for

Should be **PERSONAL**
- Tell a story and connect with the reader
- Start with a solution rather than with a problem
- People aren’t statistics

Michael Stachowiak
Director of Grant Development & Administration
Proposal Tips

Good proposals...

✓ Are concise and clear in what the program is trying to achieve
✓ Generate visible results within the grant period
✓ Have a concrete plan for measuring outputs and outcomes
✓ Have a completed and well-thought out budget
✓ Explain why your non-profit is the right one for the job
✓ Explain how your non-profit will leverage our grant dollars
✓ Value collaboration, learned and lived experience, and best practices

Community Impact Team
Community Foundation for Martin and Palm Beach Counties
Common Mistakes to Avoid

- Not following instructions
- Failing to thoroughly research the funders’ interests
- Focusing the proposal on the needs of your organization
- Careless editing
- Preaching to the choir
- Not asking for the money
- Asking for the wrong amount
- Submitting sloppy budgets
- Submitting a proposal late
- Not asking for a grant
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https://philanthropy.iupui.edu/TheFundRaisingSchool

https://philanthropy.iupui.edu/professional-development/tfrs-at-your-desk