How to Develop and Write a Grant Proposal

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Summary

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Developing a Grant Proposal

Preparation

A well-formed grant proposal is one that is carefully prepared, thoughtfully planned, and concisely packaged. The potential applicant generally seeks first to become familiar with all of the pertinent program criteria of the funding institution. Before developing a proposal, the potential applicant may refer to the information contact listed in the agency or foundation program description to learn whether funding is available, when applicable deadlines occur, and the process used by the grantor agency or private foundation for accepting applications.

Grant seekers should know that the basic requirements, application forms, information, and procedures vary among grant-making agencies and foundations. Federal agencies and large

- Staffing needs, including use of existing staff and new hires or volunteers; and

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Federal agencies are required to report funding information as funds are approved, increased, or decreased among projects within a given state depending on the type of required reporting. Also, grant seekers may consider reviewing the federal budget for the current and future fiscal years to determine proposed dollar amounts for particular budget functions.

The grant seeker should carefully study the eligibility requirements for each government or foundation program under consideration (see for example the Applicant Eligibility and Rules and Regulations sections of the CFDA program description). Federal department and agency websites generally include additional information about their programs. CFDA program descriptions and websites include information contacts. Applicants should direct questions and seek clarification

project as a result of funding should be highlighted, for example, statistical projections of how many people might benefit from the project's accomplishments.

Introduction: Presenting a Credible Applicant

In the introduction, applicants describe their organization and demonstrate that they are qualified to carry out the proposed project—they establish their credibility and make the point that they are a good investment, in no more than a page. Statements made here should be carefully tailored, pointing out that the overall goals and purposes of the applicant are consistent with those of the funding source. This section should provide the following:

- A brief history of the organization, its past and present operations, its goals and mission, its significant accomplishments, any success stories.

- Reference should be made to grants, endorsements, and press coverage the organization has already received (with supporting documentation included in the appendix).

- Qualifications of its professional staff, and a list of its board of directors.

- Indicate whether funds for other parts of the project are being sought elsewhere; such evidence will strengthen the proposal, demonstrating to the reviewing officer that all avenues of support have been throughly explored.

- An individual applicant should include a succinct resume relating to the objectives of the proposal (what makes the applicant eligible to undertake the work or project?).

Problem Statement or Needs Assessment

This section lays out the reason for the proposal. It should make a clear, concise, and well-supported statement of the problem to be addressed, from the beneficiaries' viewpoint, in no more than two pages.

The best way to collect information about the problem is to conduct and document both a formal and informal needs assessment for a program in the target or service area. The information provided should be both factual and directly related to the problem addressed by the proposal. Areas to document are as follows:

- Purpose for developing the proposal.

- Beneficiaries—who are they and how will they benefit.

- Social and economic costs to be affected.

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- Remaining alternatives available when funding has been exhausted. Explain what will happen to the project and the impending implications.

- Most important, the specific manner through which problems might be solved. Review the resources needed, considering how they will be used and to what end.

One of the pitfalls to be avoided is defining the problem as a lack of program or facility (i.e., giving one of the possible solutions to a problem as the problem itself). For example, the lack of a medical center in an economically depressed area is not the problem—the problem is that poor people in the area have health needs that are not currently being addressed. The problem described should be of reasonable dimensions, with the targeted population and geographic area clearly defined. It should include a retrospective view of the situation, describing past efforts to ameliorate it, and making projections for the future. The problem statement, developed with input from the beneficiaries, must be supported by statistics and statements from authorities in the fields. The case must be made that the applicant, because of its history, demonstrable skills, and past accomplishments, is the right organization to solve the problem.

There is a considerable body of literature on the exact assessment techniques to be used. Any local, regional, or state government planning office, or local university offering course work in planning and evaluation techniques should be able to provide excellent background references. Types of data that may be collected include historical, geographic, quantitative, factual, statistical, and philosophical information, as well as studies completed by colleges, and literature searches from public or university libraries. Local colleges or universities which have a department or section related to the proposal topic may help determine if there is interest in developing a student or faculty project to conduct a needs assessment. It may be helpful to include examples of the findings for highlighting in the proposal.

1. The activities to occur along with the related resources and staff needed to operate the project ("inputs").

2. A flow chart of the organizational features of the project: describe how the parts interrelate, where personnel will be needed, and what they are expected to do. Identify the kinds of facilities, transportation, and support services required ("throughputs").

3. Explain what will be achieved through 1 and 2 above ("outputs"), that is, plan for measurable results. Project staff may be required to produce evidence of program performance through an examination of stated objectives during either a site visit by the grantor agency or foundation, and/or grant reviews which may involve peer review committees.

4. It may be useful to devise a diagram of the program design. Such a procedure will help to conceptualize both the scope and detail of the project.

Example:

Draw a three-column block. Each column is headed by one of the parts (inputs, throughputs, and outputs), and on the left (next to the first column) specific program features should be identified (i.e., implementation, staffing, procurement, and systems development). In the grid, specify something about the program design, for example, assume the first column is labeled inputs and the first row is labeled staff. On the grid one might specify under inputs five nurses to operate a child care unit. The throughput might be to maintain charts, counsel the children, and set up a daily routine; outputs might be to discharge 25 healthy children per week.

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5. Carefully consider the pressures of the proposed implementation, that is, the time and money

these points. Also, for federal programs, consult the "Criteria For Selecting Proposals" section of the CFDA program description to determine the exact evaluation methods to be required for a specific program if funded.

Future Funding

The last narrative part of the proposal explains what will happen to the program once the grant ends. It should describe a plan for continuation beyond the grant period, and outline all other contemplated fund-raising efforts and future plans for applying for additional grants. Projections for operating and maintaining facilities and equipment should also be given. The applicant may discuss maintenance and future program funding if program funds are for construction activity; and may account for other needed expenditures if program includes purchase of equipment.

Budget Development and Requirements

Although the degree of specificity of any budget will vary depending upon the nature of the project and the requirements of the funding source, a complete, well-thought-out budget serves to reinforce the applicant's credibility and to increase the likelihood of the proposal being funded. The estimated expenses in the budget should build upon the justifications given in the narrative section of the proposal. A well-prepared budget should be reasonable and demonstrate that the funds being asked for will be used wisely. The budget should be as concrete and specific as possible in its estimates. Every effort should be made to be realistic, to estimate costs accurately,

Some hard to pin down budget areas are: utilities, rental of buildings and equipment, salary increases, food, telephones, insurance, and transportation. Budget adjustments are sometimes made after the grant award, but this can be a lengthy process. The applicant should be certain that implementation, continuation, and phase-down costs can be met. Costs associated with leases, evaluation systems, hard/soft match requirements, audits, development, implementation and maintenance of information and accounting systems, and other long-term financial commitments should be considered.

A well-prepared budget justifies all expenses and is consistent with the proposal narrative. Some areas in need of an evaluation for consistency are as follows:

- Salaries in the proposal in relation to those of the applicant organization should be similar.

- If new staff persons are being hired, additional space and equipment should be considered, as necessary.

- If the budget calls for an equipment purchase, it should be the type allowed by the grantor agency.

- If additional space is rented, the increase in insurance should be supported.

- In the case of federal grants, if an indirect cost rate applies to the proposal, such as outlined by the Office of Management and Budget (OMB) in Circulars such as numbers A-122, A-21, and A-87 (see http://www.whitehouse.gov/omb/grants/grants_circulars.html), the division between direct and indirect costs should not be in conflict, and the aggregate budget totals should refer directly to the approved formula.

- If matching funds are required, the contributions to the matching fund should be taken out of the budget unless otherwise specified in the application instructions.

In learning to develop a convincing budget and determining appropriate format, reviewing other grant proposals is often helpful. The applicant may ask government agencies and foundations for copies of winning grants proposals. Grants seekers may find the following examples of grants budgets helpful:

- Budget Information, Instructions and Forms
  http://www.neh.gov/grants/guidelines/pdf/BudgetInstructions.pdf

- Foundation Center: Examples of Nonprofit Budgets
  http://foundationcenter.org/getstarted/faqs/html/samplebudget.html

- Getting Your Grant Proposal Budget Right http://nonprofit.about.com/od/foundationfundinggrants/a/grantbudget.htm

- Grant-writing Tools for Non-Profit Organizations: Full Proposal Budget
  http://www.npguides.org/guide/budget.htm

- Proposal Budgeting Basics
  http://foundationcenter.org/getstarted/tutorials/prop_budgt/index.html

- UWRF Grants Office: Budgets (University of Wisconsin)
  http://www.uwrf.edu/grants/budgets.htm

In preparing budgets for government grants, the applicant may keep in mind that funding levels of federal assistance programs change yearly. It is useful to review the appropriations and average grants or loans awarded over the past several years to try to project future funding levels: see "Financial Information" section of the CFDA program description for fiscal year appropriations and estimates; and "Range and Average of Financial Assistance" for prior years' awards. However, it is safer never to anticipate that the income from the grant will be the sole support for larger projects. This consideration should be given to the overall budget requirements, and in particular, to budget line items most subject to inflationary pressures. Restraint is important in determining inflationary cost projections (avoid padding budget line items), but the applicant may attempt to anticipate possible future increases.

For federal grants, it is also important to become familiar with grants management requirements. The CFDA identifies in the program description OMB circulars applicable to each federal program. Applicants should review appropriate documents while developing a proposal budget because they are essential in determining items such as cost principles, administrative and audit requirements and compliance, and conforming with government guidelines for federal domestic assistance. OMB circulars are available in full text on the Web at http://www.whitehouse.gov/ omb/grants/grants_circulars.html.

Grant-writing Tools for Non-Profit Organizations (Non-Profit Guides)
   http://www.npguides.org/
   Sample proposals: http://www.npguides.org/guide/sample_proposals.htm

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   http://www.epa.gov/ogd/recip-3(ie)11.6(n)24.1(t/ti)19.5(ps.)-8.5(h)24.1(t)-23.9(m)41.3