Resource Mobilisation & Proposal Writing

Prepared by: Lisa Thompson-Smeddle

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Purpose of the Manual

This manual has been prepared for NGOworkers in the South African context who have a desire to learn about diversifying resource streams, writing successful proposals and successful fundraising. The first section covers resource mobilisation in a broad sense, and the second section covers fundraising and proposal writing.

Broadening Resource Streams

There are many strategies NGOs can employ in order to mobilise resources for improved service delivery. Too often NGOs complain about not having enough funding or enough resources to accomplish their goals, and too often NGOs rely on singular funding streams from donors, which are provided over limited time periods. Some resource mobilisation strategies are listed below.

Learn from the Private Sector

Tapping into the power of the private sector and business economics can be more effective than solely appealing to altruism. NGOs are increasingly changing their views on philanthropy and are moving away from viewing the private sector as the enemy. Successful NGOs are finding ways to work with markets and help business "do well while doing good." NGOs can influence business practices, build corporate partnerships, and develop earned income ventures- all ways of leveraging market forces to achieve social change on a broader scale.

CASE STUDY

Inspire Evangelists

Great non-profits see volunteers, sponsors and influential spokespeople as more than a source of free labour and membership dues. They create meaningful ways to engage individuals in emotional experiences that help them connect with the group's mission and core values. They see volunteers, donors, and people of influence not only for what they can contribute to the organization in terms of time, money, and guidance but also for what they can do as evangelists for their cause. They build and sustain strong relationships to help them achieve their larger goals.

Create Pilots

Overly ambitious projects can fail if not properly planned and if systems and structures are not in place. Large-scale projects should be broken into smaller, more manageable pieces. A phased approach to project delivery, with interim goals and deadlines for project teams to work toward, provide accountability throughout the project lifecycle. Conducting small pilots is an effective approach to managing a longer-term journey of growth and change. For example, it is arguably better to test a particular methodology for the delivery of HIV/AIDS services in a community of 350 people before attempting to a roll out for 350,000. With that said, it is also important that project teams should not expect everything to be absolutely perfect before moving forward.

The Need for Advocacy

High-impact organisations don't just focus on doing one thing well. They may begin by providing great programs, but many realize that they cannot achieve systemic change through service delivery alone. Adding policy advocacy programs to organisational strategic plans in order to lobby government and change policies and legislation can improve broad sectoral impact. Other non-profits start out doing advocacy and later add grassroots programs to supercharge their strategy. Ultimately, all of them bridge the divide between service and advocacy, and become good at doing both. And the more they advocate and serve, the greater the levels of impact they achieve.

Activity: **Share some stories of success of resource mobilisation with funders – what did you do?**

Successful Fundraising

There are a few steps that should be taken prior to writing and submitting a proposal to a donor. Submitting a proposal to a donor without doing some research and investigation about the donor, and without knowing what you want to achieve is like cold calling – and it rarely achieves results.

Know the donor

There are two aspects to what you need to know about a donor:

- You need an understanding of what the donor wants in terms of goals, mission,concerns, who and what they fund
- You need to know the practical details of format, timing, budgetary allotments, etc.…

Remember that writing a funding proposal is a “selling” process. Donors are “buyers” with a particular agenda.Your overall agenda cannot be too different fromthat of the donor. For example, if your organization supports the legislation of abortion, it does not makesense to send a funding proposal to a pro-life church donor.It also means that your proposal must convince the donor that supporting your project islikely to lead to a successful intervention, one it can be proud to claim involvement with.

How to Approach Funders

- *Don’t be shy* - If you don’t know the potential donor, write them a brief email or letter introducing yourself and the programme.You can send attachments the prospect can read it at their leisure. Tell the prospect to expect a call from you for an appointment. Be sure to follow up promptly.
- *Remember, funders are people*, and more often than not prefer direct contact with the organizations and projects they fund.
- *Set up an appointment*. Face to face is always better. Never ask for a major contribution until you at least speak to the potential donor. Make specific

plans to follow up on your visit. Don't just say “We hope to hear fromyou.” Say: “We'll call you the week of such and such, if that fits with your schedule.”

- *More calls mean more successes.*The more calls for appointments you make, the more likely you are to meet your funding goals. Don’t worry about rejection. Proceed to the next call.
- *Read the newspapers* - tender responses and calls for proposals are listed in the major newspapers. Scan the papers regularly to find agencies that need the services you can provide
- *Be honest*—it’s the best policy
- *Honor all partners* – failure to communicate appropriately with partners and to represent them properly can kill deals
- *Be direct* – show respect for busy people and don’t take too much of their time. Get to the point.
- *Have a budget amount in mind before you walk in the door*
- *Listen to suggestions* - Sometimes the prospective donor has a good idea that you haven’t thought of. Seize it. It may lead to an innovative project!
- *Know your organizational goals*
- *Don’t let excuses kill the deal*
- *Make sure someone senior closes the deal*
- *Follow up* - Don’t forget to thank the donors for their commitments. Most people can’t get enough attention. Ask fellow employees to do the same. Remember: The end of one project is the beginning of the next!
- *Foster lifelong donor relationships* through consistent, targeted communication
- *Share results and information*
    - Disseminating "best practices" information throughout the organization, and to funders.

Relationship Do's and Don'ts

Remember that success in resource mobilization is often about the relationship. Keep in mind these relationship do's and don'ts!

- Remember to always speak on equal terms with funders
- Treat donors with respect and curiosity
- Follow through on everything that you say you will do
- Meet all donor deadlines
- Listen well
- Know who you are talking to. Learn their name and position
- Learn how to communicate with people from different backgrounds as you will be meeting lots of different people
- Don't use too much flattery
- Don't speak in a 'poor us' way
- Don't act desperate or complain about having no money – the donor might think you don't have the capacity to handle money
- Don't call a potential resource provider too often or talk for too long
- Don't hurry or rush the funder – but do keep in contact and follow up on requests
- Remember that funders are people too!!

Some tips for the conversation:

- Use questions to get started
- Listen well and patiently
- Don't deny objections but find a positive way to answer them
- Don't ask until you feel the time is right – then ask for the specific amount

- Always base your appeal on facts rather than emotion
- Mention if you have support from other donors
- Offer a written proposal if necessary
- Be flexible and understanding
- If the answer is no, try to find out what the reasons were and if there are ways that this can be changed to yes.
- Suggest a follow up meeting if necessary.

What information can I give the funder at a meeting?

- Annual reports (which would include financial reports)
- Stories/Case Studies/Photos
- Testimonials/ Letters of support
- A standard short description of your project. Can be in pamphlet form. This should include your vision and mission and a brief history.
- Newspaper articles/ press coverage about your organization
- Business cards

Activity: Break into pairs. One person must play the role of the funder and the other person must play the role of the donor. Use the following guidelines for your discussion:

<u>Common Questions Funders Ask</u>

- **Does the project fill a need?**
- **Does the person in charge seem capable of doing the project?**
- **Does the applicant indicate a depth of awareness of the subject area in which the project will operate**
- **What is the track record of past work by the applicant?**
- **How does the project fit into overall program?**
- **Is the budget realistic and reasonable?**
- **Is the project in response to a problem or is it simply a means to get**

funding?

- **What sets you apart from other companies?**
- **Does the application raise more questions than it answers?**
- **Does the applicant promise too much?**
- **Does the application read like a rescue mission?**
- **Does the reader get a picture of how the project can be evaluated?**
- **Does the applicant indicate the factors of excellence in the operation of the agency?**

<u>Good Questions to ask Funders</u>

- **What are your areas of interest for funding?**
- **What other projects or organizations have you funded in the past?**
- **What are your criteria/ requirements for supporting an organization?**
- **When do you accept proposals?**
- **What is your budget cycle (annual, every 3 years, 5 years)?**
- **What is the application process?**
- **When are your application deadlines?**
- **Who is the correct person to contact and what are their contact details?**
- **What are your areas of geographic interest?**
- **What are your funding criteria/ proposal requirements?**
- **Any there any special accountability needs?**
- **What are the reporting requirements?**
- **Are there any possibilities of donations in kind?**

Some of the things that might influence a funder to give to one organization over another are:

- Demonstrated accountability (financial and programme)
- Proven track record
- Well-presented cause that clearly explains the need
- Clear and well-thought out vision and mission
- A good strategic plan which shows how resources are used to meet objectives

- Good accounting systems in place. Even a small organization should show care in how it handles its money
- A system of monitoring and evaluation of programmes
- Carefully selected leadership, board and experienced staff
- Transparency within the organization
- What makes yourorganizationunique

Successful Proposal Writing

A proposal must convince the prospective donor of two things:

- that the problem you wish to address is of significant magnitude and,
- you have the means and the imagination to solve theproblem or meet the need

Proposal Types

- Unsolicited - You may submit an unsolicited proposal at any time, although there may be target submissiondates set to meet particular review panel meetings.
- A response to a specific program within a specific donor agency – these should be written against the program guidelines issued by the agency. These programs have recurring deadlines which youmust meet to have your proposal considered.
- A response to a Request for Proposals (RFP) - To respond to an RFP, your proposed project would have to fit the needs described in thespecific

work statement developed by the funding agency. An RFP has a specific deadline;if the proposal arrives late, it normally will not be considered.

- A response to a tender – tender ads are placed in local newspapers and, again, the instructions must be followed completely.

After you have written a proposal, itcould take awhile (even a year or longer) to obtain the funds needed to carry out the proposed project. And even a perfectly written proposal submitted to the right prospect may be rejected.

Rules for Proposal Writing

Be Concise

Though not all proposals are short, a good rule of thumb is to be brief (where appropriate) and concise. For example, if an agency asks for a “concept paper” it should not be longer than 4 or 5 pages. Place yourself in the shoesof the people that you are approaching. They will not want to plow through page after page of material that may be redundant or only interesting to you.A concise proposal demonstrates your respect for the time that they have tocommit to your application and your ability to succinctly outline your request.

Be passionate and positive

Write persuasively and confidently - you're selling a concept that will have a very positive impact.

Avoid using conditional language like:

- "We would like to . . ."
- "We may include . . ."

- "Possible results might be . .

Instead, march boldly forward in your proposal with positive language such as:

- "We will . . . "
- "Programs will include . . ."
- "The results will be . . ."

Write for each funder

Though it is possible to have a funding “package” (policies, strategic plans, financial strategies, etc…) each funding application should be contextualized.

Funders will help you. Call them and ask questions - but be sure you've done your homework first and that you're notasking a question already answered in their literature.A proposal should reflect planning, research and vision. The importance ofresearch cannot be overemphasized, both in terms of the funders solicited and the types of funds requested.

If the funder provides a format, follow it carefully. The most successful proposals are those which clearly and concisely state thecommunity's and organization's needs and are targeted to donors which fundthat field, a reflection of careful planning and research.

Don’t use jargon! Use simple, clear, concise sentences. Writing is about 20% of the issue in grants acquisition.

There are factors all funders consider "highly important":

✓ Project purpose

- ✓ Feasibility
- ✓ Community need for the project
- ✓ Applicant accountability
- ✓ Competence – applicant's ability to manage the project successfully

Other factors also considered important include:

- ✓ Project language and logic: not too narrow, not rambling, well focused, detailed but not redundant
- ✓ Probable impact
- ✓ Money required
- ✓ Community buy-in and support
- ✓ Innovative solutions
- ✓ Realistic - not too ambitious
- ✓ Well-documented
- ✓ Exciting
- ✓ Current & relevant

The Proposal

Proposals for international and local funding can differ from organization to organization, and can vary based on the donor's requirements. However, most successful proposals include the topics listed below.

Unsolicited proposals or proposals that are called for by donors without the use of a particular format should include the following.

Cover Page

The coverpage should have the name of the project you wish to fund, who the proposal is being submitted to, who it was prepared by and when.

SECTIONS OF A PROPOSAL

All proposals should include a cover letter written to the specific funder.

- Title/ Cover Page – the name of the organisation, contact details, name of the programme etc
- Letter of Intent
- Proposal summary (executive summary)
- Statement of need (also called a problem statement)
- Programme Description – describes your goals, objectives, your method, etc...
- Project plan for funding period – milestones over a certain delivery period, with costings
- Monitoring and evaluation plan
- Organisational information –history, structure, board of trustees etc. This can be included here or earlier in the proposal
- Budget

Letter of Intent

A letter of intent, or a cover letter should be written on your letterhead, and should:

- ✓ Have the funder's name, title, and address
- ✓ Be directed to the individual responsible for the funding program (notaddressed "To Whom It May Concern", "Dear Sirs", etc…)
- ✓ Provide a briefoverview of the organization and its purpose
- ✓ Describe the need the project intends to meet (including target population,statistics, example)
- ✓ Provide a brief description of the project
- ✓ Include the amount requested (if required by funder)
- ✓ Be one page in length
- ✓ Include the name and phone number of the contact at the organization

- ✓ Include a thank you and next step to be taken (we will phone you in the next week to follow up)
- ✓ Should not exceed two pages
- ✓ Be signed by the person who can speak with authority on behalf of theorganization

Executive Summary

(Statement of your case and summary of the entire proposal)

This section must capture the attention of the funder and it must clearly and concisely summarize the request. It should provide the reader with a framework that will help him/her visualize the project. Theremainder of the proposal will then serve to deepen and amplify the visionpresented in the summary section at the beginning. Write the summary after you've written everything else.

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 a brief statement of the problem or the need your agency hasrecognized and is prepared to address
- Includes at least one sentence on objectives
- Includes at least one sentence on methods
- Includes total cost, funds already obtained and amount requested in thisproposal
- Is brief (in most cases it can be limited to a maximum of one page)
- Is clear and interesting

If the funder reads beyond the summary, you have successfully piqued theirinterest. Your next task is to build on this initial interest in your project byenabling the funder to understand the problem that the project will remedy.

Problem Statement or Statement of Need

(Why this project is necessary)

Present the context

Donors have many demands on their resources and have to decide where best touse them, in terms of geographical area, region, problem or challenge. This meansthat you need to contextualize your project in such a way that you show that the problem oropportunity being addressed fit the donor concerns, particularly with international donors who may not understand the local context.

The context includes:

- Country, region, area details (location in region, government, population etc);
- Poverty information, including information on the state of the economy,employment/unemployment;
- Gender issues;
- Disability statistics
- Health and education statistics,
- Environmental concerns, etc…

A problem statement or statement of need assessment should also meet the following criteria:

- Describes the target population or area to be served

- Defines the community problem to be addressed and the need in thegeographical 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 - like case studies (appendix)
- Is supported by statements from authorities or media articles (appendix)
- Is stated in terms of clients' needs and problems - not the applicant's
- Is developed with input from clients and beneficiaries
- Is as brief as possible
- Is interesting to read
- Is free of jargon
- Makes a compelling case

You want the need section to be succinct, yet persuasive. First, decide which facts or statistics best support the project. Be sure the data you present are accurate. Second, give the reader hope that your program can offer solutions. Third,let the reader know how your program addresses the need better than other organizations without demeaning other organizations. Market your “edge.” You’ll also need to describe how your workcomplements, but does not duplicate, the work of others.

Program Description

The program description should include the following:

Goals and Objectives

This section of the proposal describes the outcomes of the project in measurableterms. It is a succinct description of what the organization hopes to accomplishand by when. Each goal should be clearly stated and have an associated timeframe.

Program goals and objectives should meet the following criteria:

- At least one objective for each problem or need committed to in the problemstatement
- Objectives can be called outcomes
- Objectives are not methods
- Describe the population that will benefit from the program
- State the time by which objectives will be accomplished
- Objectives are measurable and quantifiable

Objectives are the measurable outcomes of the program. They define your methods. Your objectives must be tangible, specific, concrete, measurable, andachievable in a specified time period. Grant seekers often confuse objectives with goals, which are conceptual and more abstract. Objectives should be SMART (specific, measurable outcomes that are realistic and achievable over a specific period of time).

S	**specific**
M	**measurable**
A	**action-oriented and achievable**
R	**realistic**
T	**time-bound**

For the purpose ofillustration, here is the goal of a project with a subsidiary objective.

Goal: Our capacity building program will help communities better understand the needs of those with mobility disabilities.

Objective: Our training program will train 500 community members to become therapists for those with mobility disabilities in nine provinces over the next year. Of this 500 we will target a minimum of 15% to train others in the same fashion, over the following six months, thus increasing the amount of skilled therapists in each province.

The goal in this case is abstract: helping communities understand those with mobility disabilities, while the objective is muchmore specific. It is achievable in the short term (one year and six months) and measurable(training 500 community members and a minimum of 75 trainers). With competition for Rands so great, well-articulated objectives are increasinglycritical to a proposal's success.

There are at least four types of objectives:

Behavioral- A human action is anticipated.

Example: More than 500 community members will become therapists for people with mobility disabilities.

Performance - A specific time frame within which a behavior will occur, at anexpected proficiency level, is expected.

Example: 75 of the trainees will be selected to train others, based on their ability to help others understand how to be effective therapists.

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

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

the greatest success.

Product -- A tangible item results.

Example: A manual will be created to be used in training the therapists.

By means of the objectives, you have explained to the funder what will be achieved by the project. The methods section describes the specific activitiesthat will take place to achieve the objectives. It might be helpful to divide ourdiscussion of methods into the following: how, when, and why.

ACTIVITY

Break into pairs. Make a list of the goals and objectives of your program. Differentiate between behavioral, process, performance and product objectives.

GOALS

OBJECTIVES

Methodology

(A step-by-step outline of the development and implementation of the project)

This section describes the activities to be conducted to achieve the desiredobjectives. It also includes the rationale for choosing a particular approach.Generally, a straightforward, chronological description of the operations of theproposed project works most effectively. The methodology section should meetthe 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

Program Design: A Plan of Action

For each objective, a specific plan of action should be laid out. It shoulddelineate a sequence of justifiable activities, indicating the proposed staffing andtimetable for each task. This section should be carefully reviewed to make sure thatwhat is being proposed is realistic in terms of the applicant's resources and timeframe.

It should outline the following:

1. The activities to occur along with the related resources and staff needed to operate the project.
2. A flow chart, a table or a Gantt chart (see example below) can be drawn up to describethe milestones, deliverables and timeframes and staff/consultants allocatedfor activities.

	Task description:	Person:	Start date:	Complete date:	Feb 5	10	13	14	15	16	26	March 1	April 2	10	May 15	20	23	24	25	30	Jun 1	5	8	30	Jul 1	8	10
NEP1	Discuss and summarise project requirements.	Team	5 February	10 February																							
NEP2	Cleary define project specification.	Project manager	10 February	13 February																							
NEP3	Check and agree on proposed specifications.	Team	14 February	14 February																							
NEP4	Clearly define time and cost.	Project manager	by	15 February																							
NEP5	Set up schedule for reporting and feedback.	Team & Project manager	by	15 February																							
NEP21	Hold a briefing session with all stakeholders	Project Manager & team	16 February	16 February																							
NEP6	Supervise project operation.	Project manager	15 February	30 June																							

The Need for Advocacy

Often the promise of helping change the system to enable change for the disabled or victims of, for example, HIV/AIDS may seem unglamorous or completely impossible.

Donors must be shown clearly how their dollars can help more people moreeffectively by advocating changes in laws, or reducing discrimination against disabled

people, or making self-help a reality.

Here are more quick tips in addition to those above, that may help with this difficult

task:

• Share success stories of effective advocacy, either by a group or an

individual.

• Show how many people will be affected by your advocacy work.

Monitoring and Evaluation

A monitoring and evaluationplan takes a broad view of a project's activities; in essence, it answers these questions:

- How will you assess impact?
- How will you measure the project's success and effects?
- What do the "critical success factors" for gauging the project's impact tell you?

- What difference will the project make?

Evaluation procedures areincreasingly important to potential funders.Designing a monitoring and evaluation process for each project will enableyour organization to measureproject objectives and determine a time-frame for expected results. The system should include procedures for monitoring theprogress of the project, reporting on the progress, and evaluating the status of the activities.

Evaluation can be qualitative (positive changes in the attitudes of a community toward people with disabilities) or quantitative (how many wheelchairs were delivered in a community). One can also measure the product (how solidly built is the wheelchair) and the process (how are recipients is involved in deciding which wheelchair is appropriate). Either or both might be appropriate to your project. For alltypes of evaluation you will need to describe the manner in which evaluationinformation will be collected and how the data will be analyzed.

The evaluation section should meet the following criteria:

- ✓ Explainshow you will monitor the project's performance on an ongoing basis
- ✓ Describes the critical features of the project and how they will be measured
- ✓ Describes how data will be gathered and the process of data analysis
- ✓ Tells who will be doing the evaluation and how they were chosen
- ✓ Explains any test instruments or questionnaires to be used
- ✓ Shows how evaluation will be used for program improvements
- ✓ Describes any evaluation reports to be produced

The evaluation plan includes periodic project reviews intended to summarize the major lessonslearned during the course of a project's life-cycle, its activities, and impact on beneficiaries.

In order to monitor and evaluate the project successfully and share the findings, it is important todevelop a project reporting system. Project *reporting* includes periodic documentation of yourprogress. Reports may include financial updates, implementation status reports, and periodicevaluations. The report should be written for the project manager, executive director, and financedepartment-as well as beneficiary groups, donors, other organizations, and the government thathas interest in the ongoing progress of the project.

Qualifications of the Organization

This section describes the applicant agency and its qualifications for funding andestablishes its credibility. The programs and accomplishments of theorganization will be examined in light of how they address current demographics,social issues, specific constituencies, etc. In addition to convincing the funder ofthe extent of the need for the proposed project, the agency must alsodemonstrate that theirs is the appropriate agency to conduct the project. In thissection, the organization should demonstrate that it has the means and the means to solve the particular problem or meet the need, and it must explain why the organization should be chosen over other organizations. Much of this information can be conveyed easily by attaching a brochure or otherprepared statement.

You can allude to the following in the summary but most of the information should appear in the appendix. The qualifications 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 (eg number of people reached through your program)
- Offers quotes/endorsements in support of accomplishments (from the people you are helping, professionals who can attest to the value of your work, respected business leaders, etc..) Extract the best quotes onto a singlepage instead of copying a stack of separate letters.
- Press clippings
- Describes qualifications of key staff members
- Leads logically to the problem statement
- Give the reader a feel for the makeup of the board (include the full board list in an appendix.)
- If your agency is composed of volunteers or has an active volunteer group,describe the function that the volunteers fill.

ACTIVITY: Imagine "What if our agency didn't exist?" Write down your thoughts and share them with the group.

Budget

When developing a budget, list every cent it will taketo run the entire project. Don't forget support staff, copying charges, postage,memberships, telephone charges, meeting costs, and all the "hidden" expenses.Then think, what part of this budget do you need to request from the funder.

Put together an itemized list for the part of the overall budgetyou're requesting from the funder, the request budget. Budgets should show income as well as expenses and are best drawn up in spreadsheets (like excel).Sources of income should include other committed funders as well – if they are co-funding the same project.

A budget should meet the following criteria:

- ✓ Tells the same story as the proposal narrative
- ✓ Is detailed - includes project costs that will be incurred at the time of the program'simplementation
- ✓ Includes all items asked of the funding source
- ✓ Includes all items paid for by other sources
- ✓ Includes all volunteers
- ✓ Includes all consultants
- ✓ Includes indirect costs where appropriate
- ✓ Is sufficient to perform the tasks described in the narrative

For a project with paid staff and external consultants, provide the rates for all levels of work to be performed on the project (for example, in-house support staff may work on a R5,000 per month rate and consultants may work on a R2,500 per day rate).

Marketing the budget

More and more donors do not want to fund salaries and overheads. In cases like these there are right and wrong budget designations.

The Wrong Designations

"The money is:

- for our salary, rent and phone bills."
- to reach our goal of X dollars."
- because we have a deficit."
- for core costs and overheads."

Very seldom will you be able to get substantial sums of money for core items

The Right Designations

Write in terms of solutions

- number of people helped by your solution;
- total hours of service they require;
- types of problems solved.

Line items for these types of designations could include things like:

- Project Management
- Project Assistance
- Consultancy hours (or days) required for X (problem to be solved)
- Research

- Mentoring and coaching

Include Core Costs and **legitimately "hide" items that donors may not want to fund.**

Forget about the idea of `overhead costs'. There is no such thing. Every cent youinvest is spent to make the projects work.Build the unappealing costs into the projects. Note that these projects are yourorganization's core activities, not just special add-on works.Allocate *every* expense to a project or program.

Relate costs to a specific number of services: the `unit cost'. If project no 1 Provides wheelchairs for 100 people, the cost of the wheelchairs themselves may be R500,000, but the whole cost of delivering the service, providing therapists, administrative support and overheads may come to R750,000. All of these costs must be calculated into the budget in order for the wheelchairs to be provided.

Budget an additional 10% for contingency costs into each of the projects. This provides a bit of "wiggle room" in case there are additional, unforeseen fees.

Separate projects

List all the different activities your group will undertake next year. You may call them`projects' or `programs', or any other name.Uncover hidden line items that may typically be listed in your overheads. Does the executivedirector, for example, talk to journalists or service clubs? Identify that as a separateproject called `public education'. Seek funding for this important work.Don't include only *new* projects created just for funders. Focus on existingprograms, too.

Look at how one of the world's best fundraising organizations explains this. Here'swhat UNICEF wrote in one of its fundraising appeals:

"$253 provides a pump for fresh water in a village"

Note this is an odd number. If it was rounded out to $250, it would be lessbelievable.

“$100 provides enough oral rehydration salts to save the lives of a thousand malnourished children.”

That's very impressive, very emotional. Look at how many lives can be saved. Muchbetter than discussing the problems of nutrition and sustainable development, ordiarrhea and death.

“$75 provides enough vaccines to immunize 2,500 children against diphtheria, whooping cough and tetanus.”

“$44 provides Vitamin A protection against blindness for 1,200 children.”

Note the odd numbers again. And the number of children being helped goes up as then dollars go down.

“$20 provides writing pads for 300 schoolchildren.”

What a visual image that is. Far more effective than saying “school supplies”, or“support our literacy program”.

Remember: Don't talk about what you will spend the money on. Talk about whatthe money will achieve!

While the example that follows is over-simplified to prove a point in limited space,it highlights key methods.

THE WRONG WAY: “Disability Support Group needs $5,000for 4 month's salary, $2,000 for postage, $1,500 for printing, and $1,000 for rent,phone bills and other overheads. We are advocates for disabled people concerned withpublic building accessibility, among other issues.”

THE RIGHT WAY: “A drunk driver hit 19-year-old Judy while she was riding herbicycle. She survived, but she is paralyzed. After therapy, Judy got out of the hospitalonly to discover a new problem. The office where she had been working was notwheelchair accessible. Neither was her church, or the fitness club where she used to

work out. Needless architectural barriers make the tasks of daily life an almostoverwhelming challenge in our community for people with limited mobility.“This story has a happy ending. With help from donors like you, our group showedJudy how to get ramps installed, washrooms modified, and other changes so she couldget on with her life. Three weeks ago she called to say she got a promotion.“You, too, may be affected by a disability that will restrict your mobility during yourlife. One person in four will be. Thisproject may help all of them, as well as future generations.“You can help improve life for other people like Judy who need access to publicbuildings. Here's the plan: an innovative professional education campaign will cost aslittle as $20 to reach one of 5,000 influential architects and city planners. Will yougive $20 to help people like Judy?”

Sample Budgets

Budgets can be simple or very detailed, depending on the project. Local budgets with small sums of money may require comparatively fewer line items than larger projects which must account for large sums of money, or international budgets that require calculations for exchange rates, etc… . The budgets below are examples of real project budgets. One project was run for the City of Cape Town and is relatively simple. The other budget is for an international donor agency, the UNDP. Both were built in excel. Again, in the case of international donations, one must take into account exchange rates (euro to rand, dollar to rand, pound to rand, etc….) and issues like VAT.

Project Management Tip

All terms of references and contracts written against international budgets must be VAT inclusive

City of Cape Town Budget for Discussion Papers Project	Yr. Projection	Spent to Date	Owed	Net Avail	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09
					Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Income CCT	**199,000**						**199000**							
Set up Project TORs														
Source Consultants, write project TOR	15,000	-14,692	**0**	**308**	-14692									
Sectoral Reports														
Water and Sanitation	10,000	-10,000	**0**	**0**								-10000		
Energy	15,000	-15,000	**0**	**0**					-2500	-2500	-5000		-5000	
Transport														
Housing	10,000	-10,000	**0**	**0**						-10000				
Architecture and Building Materials	10,000	-10,000	**0**	**0**								-10000		
Urban Form	10,000	-10,000	**0**	**0**						-10000				
Green and Open Space	10,000	-10,000	**0**	**0**								-10000		
Urban Agriculture	6,000	-6,000	**0**	**0**									-6000	
Social Justice	10,000	-10,000	**0**	**0**							-5000			-5000
Economic and Industrial Development	10,000	-10,050		**-50**				-5050						-5000
Municipal Finance	10,000	-8,000	**0**	**2,000**							-8000			
Ecological Footprint	10,000	-10,000	**0**	**0**							-10000			

Solid Waste	10,000	-10,000	**0**	**0**					-10000					
Peer Review Process														
4 X Peer Reviewers	24,000	-26,419	**0**	**-2,419**					-5000	-11419	-5000	-5000		
Theatre	10,000	-10,000	**0**	**0**						-5000			-5000	
Project Support														
Project Coordinator	19,000	-16,155	**0**	**2,845**								-10800	-5355	
Project Management Fee	10,000	-10,000	**0**	**0**										-10000
Total	**199,000**	-196,316	**0**	**2,684**	-14692	0	0	-5050	-17500	-38919	-33000	-45800	-21355	-20000
Shortfall/surplus					-14692	-14692	184308	179258	161758	122839	89839	44039	22684	**2684**

Intended Outputs	Output Targets	Indicative Activities	Inputs (US$	Time Frame
Intended Outcome:	Show that there are credible levels of resources and ways to capture related financial flows to support an innovative, integrated governance approach to deliver sustainable urban development in the Cape Town region. More sustainable resource use will be used to help finance reductions in greenhouse gas emissions and to support a variety of pro-poor social development investments.			
Strategic Areas of Support:	Public Private Partnerships for Clean Development Mechanism (CDM) operations			
Partnership Strategy:	SI, UNDP and E-Systems will collaborate with the City of Cape Town (CCT) government, representatives of the Provincial and National governments in South Africa, a range of public, private, and civil society actors in the Cape Town region. Consultations will be formalized with stakeholder advisory boards, in which UNDP's South African office will participate, and linkages will be built with a range of public and private donor groups, both at the bilateral and international levels. In addition, other UNDP programmes and resource mobilization options will be explored in areas related to CDM/energy, wastes, and water, and in support of Millenium Development Goals.			
1 Complete background analysis and develop several projects involving waste-energy/biofuels, with CDM options defined.	1 Deliver report that reviews policy, costs, employment, and pollution aspects of using biogas, biodiesel, and bioethanol based gel options 2 Design several demonstration projects for the 3 fuels options with CDM aspects 3 Biogas Supply options from wastewater and organic solids wastes at Athelone site 4 Develop Biodiesel demonstation effort and policy document for CCT 5 Develop testing and marketing program for biogel stoves	1.1 Resource assessments - supply and demand 1.2 Agricultural inputs, including water consumption 1.3 Transport inputs - production models 1.4 Options for fuels utilisation 1.5 Biofuels production waste product(s) re-use 1.6 Indicative assessment of job creation potentials 1.7 Integration of and between technologies - identification of projects within CCT 1.8 Comparative assessments between integrated alternatives and the business as usual 1.9 Pollution and GHG implications 1.10 Follow up Actions and Recommendations 1.11 Project Design: Biogas/CDM project, Biodiesel supply/demand contracts, Biogel Stove 1.12 CDM Aspects 1.13 Linkages with CCT Urban and Sustainable Human Development Strategies	132,000	March -November 06
2 Strengthen Analytical Capabilities and Links to Urban and Sustainable Human Development strategies	1 Deliver Summary Report on present and future of Energy, Water and Waste use 2 Deliver Summary Report of Key Technical, Financial and Political Issues for a transition to more sustainable resource use, reducing greenhous gas emissions reductions, reducing poverty, and strengthen local capacity. 3 Deliver Summary Strategy endorsed by City of Cape Town	2.1 Unified Energy Waste, Water Project and Policy Data Base 2.2 Baseline Analysis: Energy, Waste, & Water (EWW) Flows 2.3 Synthesis Workshops with Technical Groups, Citizens, and Various Stakeholders 2.4 CCT Linkages with emerging City Development Strategy (CDS) & Long Term 2.5 Synthesis Report , Strategy and Financing Issues e.g. links with Danida funds, GEF conference, etc.	85,833	March -November 06
3 Establish Cape Town Sustainable Urban Resources Forum (SURF): Develop permanent long-term capacity to incorporate energy, waste, water efficiency and greenhouse gas minimisation into community development, government, residential and commercial property development, and investment planning.	1 Create permanent SURF office, successfully managing several pilot projects, and 2 Develop plan with CCT a plan for larger CFL marketing. 3 Develop plan with CCT a plan for new sustainable business incubator (e.g. insulation 4 Develop plan with CCT for energy , water, waste monitoring selective houses (N2 mo	3.1 Establish office 3.2 Establish human capital data base of all firms, consultant, universtiy groups 3.3 Establish project data base of all related efforts in Western Cape region. 3.4 Provide technical support for Boschendal property development 3.5 Provide technical support for Philippi mixed income-mixed use development 3.6 Discuss with CCT development of Sustainable Building Codes 3.7 Discuss with CCT large scale roll out of CFLs, biogel stoves, ceiling insulation, other 3.8 Establish monitoring programme to get baseline energy, waste, water data from housing, commercial sites.	52,166	March -November 06
		BUDGET TOTAL	270,000	

Program Sustainability

(Long term program management and funding)

The *sustainability*of a project should describe how the impact of the project will be continued after the project hasconcluded. It addresses these questions:

- What will happen to the project after the proposed activities completed?
- How will the project be managed when funded activities are completed?
- How will the project be funded in the future?
- How will beneficiaries/government agencies/communities or others carry on the work?
- What other materials are needed to support the project long term?

The section on program sustainability can also suggest the need for further funding and further proposals.

Conclusion

Every proposal should have a concluding paragraph or two. This is a good placeto call attention to the future, after the grant is completed. If appropriate, youshould outline some of the follow-up activities that might be undertaken to begin to prepare your funders for your next request. Alternatively, you should state howthe project might carry on without further grant support.This section is also the place to make a final appeal for your project. Brieflyreiterate what your nonprofit wants to do and why it is important. Underscore whyyour agency needs funding to accomplish it. Don't be afraid at this stage to use abit of emotion to solidify your case.

Bibliography

References to research studies or literature in the proposal must be properly referenced in the text of the proposal and a short bibliography should be included if literature has been referenced.

Appendices

Some attachments are recommended in all proposals, while others may beincluded at the author's discretion. Appendices may include:

- Verification of NPO status
- Tax clearance certificates
- Names, affiliation and qualifications of officers and Board of Directors
- Financial statements for last completed fiscal year (audited, if available)
- Current general operating budget and special project budget (if applicable)
- Illustration of clients served (include stories to make your assistance real))
- List of other current funding sources
- Biographies/CVs of key personnel
- Articles / endorsements (only a couple)
- Diagrams for equipment or building requests
- The organization's policies, by-laws and/or strategic plans
- Detailed budget (in excel, for example)

Add the attachments / appendices into your table of contents, and make sure the appendices match the text (if you say “see Appendix A” in the text, the attachment should be named “Appendix A” as well) so the reader can quickly find the needed material.

Before sending your proposal off, run a spell check, check for accuracy and ask other people to read it and make comments. Make a check list of things that need to be done before sending. See example below.

Things to check before sending	Yes/ No
Is this the required format that we used?	
Did we include a cover page with correct contact information?	
Did we provide some organizational history?	
Have we described our beneficiaries?	
Is it obvious that there is a real need in our community?	
Have we shown our previous experience and success?	
Is our programme well explained with clear objectives?	
Did we include realistic timeframes?	
Have we shown how the community is involved and how they will benefit?	
Is there a realistic budget?	
Are our activities related to our budget?	
Did we describe our financial policy well?	
Did we include the documents requested (NPO Certificate, annual report, constitution etc)	
Have we done a spell check?	

Follow up

So, you have sent a proposal that meets all the donor criteria, and you have submitted it in goodtime. You might get a quick response. You might not. Time drags on and you are not surewhere your stand.Grant review procedures vary widely, and the decisionmakingprocess can take anywhere from a few weeks to a couple of years.

What can you do?

Make sure your proposal has arrived and been received by the donor. Then you wait. Aftera reasonable period of time (this should be determined either by when the donorrepresentative told you that you could expect a response, or if are you not sure about when toexpect an answer, after about a month or six weeks), you should follow-up on the proposal.

You could do this either:

- By telephoning the donor representative to ask how your application is doing, and bywhen you should expect a response; or
- Following up in writing to ask how your application is doing, and by when you shouldexpect a response.
- Such follow-ups should be:
    - Politely worded and pleasant;
    - Persuasive rather than aggressive.

Remember that the donor does not owe you anything. You may hope that donorrepresentatives will be helpful and treat you with respect, but there is no guarantee.Nevertheless, you cannot afford to get a reputation for being demanding or for treating donorgrants as your “right”. You do not want to alienate the donorcommunity.

Even if the answer is “no” at the end of the process, this does not mean that you havereached the end of your relationship with the donor. There are often good reasons for a “no”answer, and you are entitled to ask for a reason for rejection, if one is not offered.

Somepossible reasons for refusal include:

- The donor’s criteria for giving grants are not met by your proposal;
- The proposal is not seen as being in a priority area for the donor (geographical orissue priority);
- The proposal does not, for some reason, impress the representative who did theinitial screening;
- The donor does not have sufficient funds available at this time to support theproposal.

The more you know about the reasons for refusal, the less likely you are to make the samemistake the next time. Remember to do your homework. Sending an inappropriate proposalis a waste of everyone’s time.

Rejection letters

Follow up on rejection. Most companies are so flooded with requests they do not respond at all to those whomthey will not help. If the company writes back to tell you that available funds are allocated for this year,check back with them. Ask when to re-apply. Their letter may be a polite way of saying `no'. It might also be a genuine expression of regret that the funds are committed. Ifthe latter is the case, it would be a shame not to re-apply at the right time.

If you receive a rejection that is worded in a friendly manner, you may wish to contactthe donations officer and ask for any suggestions he or she might be able to offer. Ask ifthere is a better way to approach that company. Ask if there are other companies thatmight be more appropriate.Drop a short note to any company that has rejected you, thanking them for the time ittook to consider your proposal. In the future you may want to re-apply. Begin cultivatinga good relationship with them early.Keep a record of all those who turn you down and those who give. Note what youasked for and how you asked. Careful analysis may reveal patterns that can help youimprove your batting average

Elements of Strong Proposals and Common Weaknesses

The following summarizes characteristics of strong proposals, and common weaknesses orshortcomings of proposals:

Elements of Strong Proposals	Common Weaknesses
1. Comprehensive and well thought through – goals and objectives clearly stated	**1. Objectives not clear** Failure to explain how the projects objectives meet clearly identified need/s
2. Concise	**2. Poor writing style, contains unclear, unnecessary language**
3. Budget is realistic and justified	**3. Budget not realistic and not related to objectives:** Failure to explain what the donor is actually purchasing (funding). Failure to convince the donor that the project is 'value for money'
4. Strong case for your organization managing the project efficiently	**4. Failure to explain context and how your project and organization stand out** Failure to convince the donor that there is a high likelihood that the project willsucceed within the specified timeframe, that benefits will be delivered, goals,objectives and work plan are realistic.
5. Strong case for long term impact – even after the project ends	**5. Failure to address issues of sustainability and impact**

6. Contains relevant support documentation	**6. Failure to provide enough supporting evidence**

After receiving the grant

Work at building up a strong relationship with this donor so that,when the time comes, you have a good chance of having other successful proposals and offorming an ongoing relationship with the donor that is beneficial to both parties.

- Thank the donor for the favourable response**.** You need to respond in a way that showsthat you value the donor's commitment and support.
- Keep the donor up-to-date on what is going on in the project and/or the organization.This means sending regular reports and information that may be of use or interest tothe donor.
- Invite donors to your events – even if you think they may not be able to come.
- Meet the reporting requirements of the donor. This means providing the rightinformation (narrative and financial), in the right format, at the right time
- Be available for meetings with representatives of the donor. Be ready to answerquestions, organize field trips, and/or explain details. Wherever possible, get donorrepresentatives into the field where they can meet the people whom the donorcontribution is actually helping.
- Keep communication open at all times.
- Make sure that you know what the donor is hoping to get from the relationship, andthen provide it.

In this way, the donor/project relationship becomes areal partnership.