

3.2 Developing a Funding Proposal

Description:

This tool provides step-by-step guidelines on how to create a funding proposal.

How it can be used:

A proposal is a request for financial assistance to implement a project and must justify what you want and why. How elaborate your proposal is will depend upon the resources being requested and the size of the project. Modify the following steps to reflect your project as you develop your next funding proposal.

Plan your Proposal

Your proposal demonstrates how your project is worthy of funding. Remember that there are usually many other organizations competing for funds. Use clear, concise language and diagrams or charts to illustrate key points.

In order to tailor your proposal to the funder, don't hesitate to communicate with them; think of them as a resource. Confirm whether they are looking for a full proposal or a letter of intent. Will they review your draft proposal and provide feedback? Find out how decisions are made. Ensure that you fully understand their funding proposal guidelines.

Develop your Funding Proposal

These are the key components of a funding proposal; however, the funder may have provided a different template or set of guidelines. Using what the funder provides, be as comprehensive as possible.

1. Cover Letter

The cover letter explains that you are sponsoring the project and needs to be signed by an authorized person from your group. The letter should include information about your organization and a brief overview of the project and why it is needed. Your letter should be maximum one page and written clearly and concisely.

2. Title Page

Your title page is the front cover of your proposal and includes the date, project title, location(s) of the project, name of your organization, (reference to a specific fund if relevant) and to whom it's being submitted.

3. Executive Summary

Although this follows next in the proposal, this is the last section that you write. It is a concise summary of the entire proposal. Aim for half a page (one page maximum). Summarize the project goals and objectives, main partners and key recommendations. This is the section that many executives will read and make a decision whether to keep reading. Ensure your project is clearly explained.

4. Project Description

The project description section is 1-2 pages and covers the following:

- issues and needs of the project

- relevance and value to the community and the evidence that backs this up
- goals and objectives of the project
- target group for the project and how they are involved
- activities that will achieve the objectives
- expected results
- key partners, their roles and contributions

5. Background

The background section answers why your project is needed. Describe the problem, the magnitude, and the factors that compel you to develop this project. Identify the target group and any partners who are working with you. This section essentially justifies the proposal. Keep it clear and brief.

6. Goals and Objectives

The goal of your project should be to solve the problem described in the background. Outline your overall goals and your specific objectives.

Goals are more general and describe longer term desired outcomes such as 'teenage pregnancy rates are reduced'. Objectives are measurable, finite and more specific; an example would be '20 youth are trained as peer counsellors by June 30'. Write in the active tense and plan for up to three objectives for each project goal.

7. Target Group

This section describes the beneficiaries of the project. Indicate who they are, how many there are, their characteristics, locations, and reasons for vulnerability. Demonstrate how the target population was involved in the development of the project. (Include consultations details as an Appendix).

8. Partners

Describe the role of your partners, how and why they are involved and what each partner will contribute to the project. Ensure the details are worked out with all partners before completing your proposal.

Get letters of support from organizations that support your project. Letters should show a clear understanding of the project and why they support your work. Include letters from project partners which describe their role and commitment to the project. (Include letters of support as an Appendix)

9. Project Activities

Your project activities explain how you will reach your objectives. Provide information on who will do what, when, where, with whom, and why. Describe 1-3 activities to achieve each objective. An example of an activity could be 'develop a youth peer counsellor training manual'.

10. Workplan and Timeline

Describe the stages of the project, outline the activities in sequence and identify dates. Include the resources that are needed for each activity, such as work space, human resources and equipment. Will there be products from the activities such as PSAs, posters, or handbooks? Using a diagram or chart helps to make it clear.

11. Costs and Benefits Analysis

This section is where the costs and benefits of the project are described as a narrative, (your detailed budget should be included as an Appendix). Demonstrate how the cost of the project will result in significant benefits to your target population. Include high level budget totals and the outcomes you plan to achieve. Be prepared to link the costs (inputs) with the products (outputs) and overall benefits (outcomes). Describe who benefits, how they benefit, how the benefits justify the cost and what the average cost per beneficiary is expected to be. For example, 'for a total cost of \$10,000, we will train 20 youth to be peer counsellors (an average cost of \$500 per youth), which has been shown to reduce teen pregnancies by 30%.

12. Monitoring/Reporting/Evaluation

This section describes your due diligence related to the project. How you will monitor the progress, how you will report to the funder and target population, and how you will evaluate the project.

Describe how, when and what you will monitor and report to the funder and target group. Focus on the outputs and results that are being achieved. Plan to submit regular reports (including expenditures) and a final report. The final report should include the same topics as the monthly reports, plus 'Lessons Learned' which describes the impact of the project. Keep your report brief but honest and analytical.

Your evaluation plan will describe what you will measure, how you will measure it and how you will verify the achievements. What are your indicators of success? What tools will you use (e.g., surveys, interviews)? How will you disseminate your results?

13. Your Organization

Briefly describe your organization's goals and activities, note its experience in working with projects of a similar nature and identify its capabilities and resources. Describe the personnel who will be working on the project and who will be in charge. Job descriptions and an organizational chart are helpful.

14. Budget

The budget is a realistic estimate of all costs involved in the project. Break the costs down into categories and include any other sources of income (funding and in-kind) that are targeted toward the project. Follow the funder's guidelines in what they will or will not fund. While you'll refer to your budget throughout your proposal, remember to include your detailed budget as an Appendix.

15. Appendices

Keep your proposal brief and easy to read by including some documents as Appendices. Suggestions would be lists, diagrams, letters of support, detailed budget, and job descriptions. Review your proposal for any details that could be included as an Appendix. Your funders will thank you.

Tips

- Share your draft with others to get feedback
- Avoid jargon and always explain acronyms
- Use examples that support your comments
- Offer a sample letter to help your supporters draft their letters of support
- Check your spelling, punctuation, grammar, facts, and formatting
- Call to make sure the funder received the proposal
- Check on status of proposal in 3-4 weeks; if your proposal is turned down, find out why