PROPOSALS FOR FUNDING

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How to get money out of donor organizations

1. Introduction:

A proposal is a request for financial assistance to implement a project. For a community project, it may be used to seek approval from the community members (the community itself being the most important donor). You may use these guidelines to seek project funding from any donor. We recommend that you aim for multiple sources of funding. If you have only one source of funding, you may become dependent upon that one source.

A proposal is not just a "shopping list" of things you want. A proposal must justify each item in the list of things you want, so that a donor agency can decide if it wants to provide some or all of those things. You must know (and be able to communicate) exactly what you want to do with these things, and that is why you should design a project to carry out what you want to achieve.

It is important to carefully formulate and design your project. It is equally important to write a proposal which will attract the necessary funding. Proposal writing is a skill which requires some knowledge and practice.

Your project proposal should be an honest "sales" document. It's job is to inform and to convince. It is not a place to preach, boast or to deceive. If you are convinced it is a good idea and should be supported, your project proposal should honestly report it to decision makers who weigh its merits against other donation commitments. It should clearly indicate how and when the project will end, or become self supporting. Proposals should be neat and tidy, preferably typewritten, and without any extraneous or unnecessary information.

How elaborate your proposal is should depend upon the amount of resources being requested and how big the total project is. Modify these guidelines to fit the project and proposed donor.

The project proposal must reflect the background work you have already done and should be logically set out. It is not enough to write a letter stating your request. You have to demonstrate the need and prove that the project is worthy of funding. Remember that there will be many other organizations and individuals competing for the funds.

Use clear concise and simple language which says exactly what is meant. If necessary use diagrams or charts to illustrate key points. Use appendices to avoid crowding the body of the proposal and the flow of the narrative. Tailor your presentation to the agency approached. Express a willingness to be interviewed personally by the funding agency once they receive and read your proposal request.

And, especially . . .
Do not be discouraged if your proposal is not accepted. Find out why, and try another agency.

2. Plan Your Project (Practical Vision):

Perhaps you and your associates have many ideas of things you want to do; you see a need to reduce illiteracy, to reduce poverty, to provide safe drinking water, to improve the level of health, to provide training for disabled persons, and many other things. You must, however, choose a project that is very specific, limit your goal to a single desired solution to the highest priority problem.

Involve the whole community. In choosing your project, call a meeting and do not neglect to include the people who have been often neglected in the past, women, disabled, the very poor, those who have no voice in the way things are decided in the community. Make sure that the people who are supposed to benefiting your project feel that this is their project, for their benefit, and that they may contribute to it because it is theirs.

It is not enough, however, to choose your goal. Good planning is needed, identifying your available or potential resources, generating several strategies and choosing the most viable one, deciding how you are going to monitor (watch) the project to ensure that it stays on track (ie it continues to be consistent with your original desires) , ensuring that the accounting is both transparent and accurate, and deciding what is to be done when (a schedule) . A bit of research about the location, the population characteristics, the situation, the existing facilities, is needed in order to objectively describe the background to the project. Involving the community and the beneficiaries in this research is the best way to ensure that it is valid.

With the community or target group, use [Brainstorming Principles and Procedures](#) to outline a Plan or [Project Design](#). Without allowing criticism, ask group members to contribute to each step of a brainstorming group process: what is the priority problem (list all, even the foolish statements; then rank them in order of priority) , facilitate the group to understand, therefore, that the goal is the solution to that identified problem. Help them to generate objectives (finite, verifiable, specific) from that general goal. Identify resources and constraints, then generate several alternative solutions, choosing the most viable. Other documents are available to explain the brainstorming process in more detail but this was a brief sketch.

With your background work behind you, you will want to start drafting your proposal. We highly recommend that you obtain resources (funds) from several sources. Do not let your organization or group become dependent upon a single donor.

Before you begin to write your proposal, keep in mind the following points:

- It is necessary to find out in advance what sources of funding are available, through governments, United Nations agencies, some international NGOs or private foundations.
- Most donors look for the degree of local initiative in the project proposal, the utilization of the available resources within the country itself and the plans for the project to be self-supporting once the initial funding has been spent.
- Your project should be practical, not too costly, and have the potential for being repeated in other situations.

- Increasingly, funding agencies are looking for integrated approaches to development projects. This means that you will want to see to what extent your project supports and supplements existing activities, and is designed to overcome identified problems.
- Almost all UN and government agencies, foundations and private voluntary agencies have their own proposal format, that they will want you to follow. If you are not in contact with a local or regional representative, write a letter requesting information as to proper procedures, application format and funding requirements. While format varies, the same information is asked for by all agencies and foundations.
- Find out the budgeting cycle of the agency, whether annual, quarterly or ongoing. Check to see if there is a closing date for application.

3. Project Structure (Outline of Your Proposal):

These (structure) guidelines are not intended to tell you what to write, but rather how to write the proposal. If you are responsible for writing the proposal, then it is because you are the "expert" (in the best sense of the word). If you are responsible, then you know what you want to achieve and the best way to achieve it. In any event, don't panic at the prospect and don't be put off by the technical jargon that unfortunately is frequently used.

Do not try to write the proposal by yourself. Ask for help from your friends and colleagues, programmer, manager, staff and those who can assist in either concepts or in style. Think of preparing a proposal as a written form of "dialogue" in which each successive draft is a continuation of the process.

The chapters of your proposal do not necessarily have to be written in the order presented here, but what is written in each chapter must relate in specific ways to what is written in the other chapters. Make sure that you put the right content in the right chapter. Make sure that each topic relates to the others and to the proposal as a whole.

4. Title Page (Cover):

This is a single page; the front cover of the proposal. It should include:

- Date;
- Project title;
- Locations of the project;
- Name of the organization; and
- Any other necessary single line information.

The abstract or executive summary follows the title page, but the proposers should not think about that now, read on about the other sections of the proposal first.

5. Background (Causes of the Problem):

This section is expected to answer why your project is needed. Here you will want to give a description of the situation and focus on factors which prompted the formulation of your proposed project. Tell how the need for this project was identified and who was involved in developing the project. Explain your project's origin or context.

It is most advisable to involve the whole community in identifying priority problems; that is called "participatory research."

The first thing the background does is to identify the problem. That means it must name the problem and locate the problem. It indicates the target group (beneficiaries), the sector, the magnitude, and other actors who are working to solve that problem. It also indicates the extent to which the problem has been solved by the other actors, and what has been so far accomplished by your group.

While examining the problem(s) to be addressed, several questions should arise here. What is the condition of the target group to justify the donor donating money and perhaps seconded staff? A history of the community, your group, or the project is not essential, but a brief outline can be useful. More importantly, what conditions, or what changes in conditions, are envisaged that would lead to any donor agreeing to fund your project?

You may wish to include:

- Project area (Issues and problems, not descriptions);
- Reasons for making this proposal;
- Circumstances leading up to the project; and
- Broader plans or strategies of which it is a part.

If yours is a project that is not starting fresh, the background will also indicate any changes in your project since it began.

Remember that the background chapter describes the factors leading to the problem that your project intends to solve. Everything in this section should be justification to approve the project and the requested funding assistance. Long histories and analyses would be detrimental here.

6. Goals & Objectives (Solution = Output):

The goal of your project should be to solve the problem or problems described in the background. Goals and objectives must relate to the previous chapter, by stating what is the solution to those above problems. You need a set of (general) goals, and sets of (specific) objectives.

Start with "goals" which are general, long term, broad desires. From those goals generate specific "objectives" which are verifiable, measurable, finite, and have specific dates of achievement. For example: "To reduce illiteracy," is a goal; while "To teach basic literacy skills to 20 clients by March 2," is an objective.

You will want to be as specific as possible in stating the objectives of your project. They should be written in terms of the end results you expect in the project, not how you will achieve these results. Those results must be verifiable (ie. you can clearly show that they have been achieved, and they can be confirmed by outside observers) .

When selecting the goals and objectives for the project, remember the nature of the donor you ask; what kinds of solutions are sought? The donor does not want to contribute to dependency, so is not interested in funding charitable services which may take the pressure of obligation off those authorities who should look after the rights of the local people. Most donors are not simply a source of funds for carrying out routine "operations." They are interested in supporting activities which highlight the needs of the most vulnerable and distressed, and promote self reliance, ethnic harmony and development.

7. Beneficiaries (Target Group):

In this chapter you describe the beneficiaries or target groups in some detail. You may also add indirect or secondary beneficiaries (eg people trained to help the primary beneficiaries). This can be an expansion of the topic mentioned in your background section; indicate their number, characteristics, reasons for vulnerability, locations, and so on.

Most donor agencies will be more predisposed towards your project if you can demonstrate that the beneficiaries have participated in the choice and design of the project. (An appendix can list meetings of beneficiaries, listing details such as dates, locations, times, topics discussed, speakers, and lists of beneficiary group members who attended. Refer to the appendix in this chapter; do not include it here; put it at the end of your proposal).

8. Targets and Activities (Inputs):

This chapter identifies the inputs in your project, ie what resources (cash, personnel and actions) will be put into your project.

First, start with examining possible strategies to reach the objectives mentioned above. In each case you have to link with the previous chapter. The best project proposal lists two, three or four different strategies and discards or rejects all but one of these, and says why. Then it goes on to say, "Given the objectives and strategies, what activities must be implemented or started to use that strategy and reach the objectives?"

Target means, "How much, to whom, where and by whom?" – In other words, "Who does what?" For example, what kind of training will you provide, for how long, and how many people will be involved? What specific skills will be taught and what kind of follow up activities are planned?

Indicate what kinds of jobs are being done in the project. Refer to your appendix for key job descriptions. Always refer those activities to how they will achieve the objectives mentioned above. Even the activities of the support staff must be justified in that they must be employed so as to allow the operational staff to reach their targets.

9. The Schedule (Each Action When):

In this section you describe in sequence the activities you plan in order to achieve your objectives.

If you can be so specific as to give dates, even if approximate, all the better. You may wish to use a diagram or bar chart to mark out the calendar events.

Include in the work plan the phasing of the project; how one stage of the project leads to the next.

How long will support be needed?
(When will the project end, or when will the project be locally self supporting?)

10. The Organization (Profile):

This section describes the (perhaps changing) organization and management structure needed to carry out the activities described above. The "O" in "CBO." Diagrams are very useful in this.

Describe briefly your organization's goals and activities. Be specific about its experience in working with problems of a similar nature, what its capabilities and resources are in undertaking a project of this nature.

The abilities and experience of your organization's members, your human resources, may well be your greatest asset. Indicate the kind of assistance your organization expects to receive from possible collaborating agencies. Attach additional organizational information, such as an annual report, if available.

Explain:

- How will it be done?
- Who is responsible for the project?
- Who will implement (who will do it)? and
- Who will direct the implementation of the project?

Who runs the project? Who is in charge of the overall organization? Who is responsible for its overall implementation (in contrast with responsibility for its design and its monitoring, and in contrast with the separate actors, separate agencies, and separate locations) ? Will that change? These can be spelled out in the proposal. See Organizing byTraining for participatory methods of developing the organization.

Do not overlook the activities (labour) of volunteers who contribute to the project. Although they might not be paid staff, they are resources, and contribute resources to the project.

11. Costs & Benefits (Analysis):

In a proposal, the chapter called costs and benefits is not the same thing as a line by line budget with numbers indicating amounts of money. (The line by line budget should be put as an appendix at the end of the document, not in the text).

Here in the text of your project proposal, the chapter on costs and benefits should be analytical and narrative, and relate to the previous chapters. It should discuss those budget lines that may need explanation (eg purchases, expenses or needs which are not immediately apparent or self explanatory).

You should try to make a cost benefit analysis, ie relate the quantity of the objectives reached, to the total costs, and calculate a per unit cost (eg the total cost divided by the number of children taught literacy will be the per unit cost of teaching literacy) .

Summaries or totals of the following information may help some donors to decide:

- local costs;
- external costs;
- methods of financing;
- local versus foreign exchange needed;

- all non-financial contributions by the local community (each costed with a money equivalent);
- methods to obtain supplies (where and how purchased); and
- proportion of total costs requested in this proposal.

As well as the costs (including the amounts asked for in the proposal), you should make some comparison between the costs (inputs) and the value of benefits (outputs). The following could be answered:

- Who benefits?
- How do they benefit?
- Justifications for the project?
- What are the specific outputs of the project?
- What is the average total cost per beneficiary?
- Will value of benefits exceed costs of inputs (or vice versa)? By how much?

When the objectives are qualitatively different from each other (eg number of new parent committees formed and the number of children taught literacy) , then some arbitrary but reasonable division of "per unit" cost must be calculated.

The budget totals should be indicated in this section, then refer to appendix for the detailed budget. Other sources (donors and the amounts) must be mentioned. The total amount requested should appear here in narrative text.

12. Monitoring (Observing):

Monitoring should be done by:

- the affected community, represented by the local committee;
- Your agency or organization (specify who in it) ; and
- Your donors.

How will achievements be measured?
How will they be verified?

Monitoring and follow-up should be built into the project activities. Part should be continuous self evaluation by you (the implementing agency).

The monitoring and receiving of reports from the project to the donor must be worked out and put into your project proposal. The monthly reports should be designed and reviewed as to usefulness to the donor for its ongoing planning and programming for the whole country.

One thing is for sure; there should be emphasis in reporting the results, or outputs, ie the effects of the project on the target group or beneficiaries. There is no harm in also reporting activities if the reports are brief. The reporting of achieved results, as compared to planned objectives as defined in your project proposal, is essential.

See Monitoring

13. Reporting (Communicating the Observations):

In any agency-funded project, accounting and accountability are very important. This applies to most donor agencies, UN, governmental or NGO.

In your proposal, your reporting procedures should describe: "how often, to whom, including what?" You may want to discuss this with the prospective funding agency since reporting and evaluation requirements vary among agencies, and are dependent upon type of project.

Evaluating your own project while it is under way will help you and your donors see your progress and accomplishments and the choices available for future action. Careful reporting of your project in progress is an invaluable resource for others who attempt projects of a similar nature.

Your proposal should indicate what reports will be submitted. These include regular ongoing reports, and a final report. Short, frequent reports (eg weekly sitreps) may include only events and activities. Longer reports should indicate the results of the project activities (not just activities) , an evaluation or assessment of how far the objectives were reached, reasons why they were not, and the impact or effect on the beneficiaries (target group) .

Reports should be prepared and submitted optimally every month. The proposal should indicate what reports are to be submitted and with what frequency and content. Each project (if your group is proposing more than one project) requires a separate report (two or three pages of text plus needed appendices).

A detailed monthly narrative report should include how far each of the intended objectives has been reached, what were the reasons they were not fully reached, and suggestions and reasons about changing the objectives if they were found to need changing. The narrative report can include information about events and inputs (what actions were undertaken, see below) , but should emphasize outputs (the results of those actions in so much as they lead to achieving the stated objectives) . Attention should be paid to the number and location of beneficiaries. The monthly report would best be organized into sections corresponding to the sections of your proposal.

A detailed monthly financial report should include what moneys were received and from where, what moneys were expended, listed line by line according to the budget categories in the proposal, reasons for over- or under- spending, and an assessment of how well the expenditures contributed to reaching the stated objectives of the project.

The final report should include the same topics as the monthly reports, plus a section called "Lessons Learned," and a section indicating the impact of the project on the target community and surrounding areas. The report should be concise (brief but complete).

The reports should be honestly self critical and analytical. See the module on Report Writing.

The same principles and guidelines for narrative reports should apply to the financial reports. The monthly budget outcomes of the project are as important to programming as the statements are to the accounting. Explanations of deviations from planned expenditures should accompany the budget outcomes.

14. Appendices (Attachments):

The text of your proposal should be a single, brief yet complete argument from beginning to end — easy to read. Because many important details will make the text too convoluted and difficult to read, they should be put into appendixes at the end.

Typical of documents to put in appendices are:

- lists;
- diagrams;
- detailed budget;
- job descriptions; and
- any other necessary detailed documents.

When you have written your first draft of the project proposal, go through it and look for any descriptions of details in your text that may draw the reader away from the smooth flow of the argument. Move them to an appendix, and in their place put a brief note about them and ask the reader to look in the appendix for the details.

Now read the document again. With those details tucked away in an appendix, does the flow of argument become smoother, yet not weakened by their absence in the text? Yes? Good! You've just found another way to make use of the appendices.

Appendices can include any other material that will allow officers of donor agencies to decide whether or not to approve funds. The purpose of the appendices is to be able to include all the necessary and important details (which the meticulous reader will examine) , but not in the text of your document where you want a smooth flowing, brief argument. It tucks those details away for use when wanted.

15. Detailed Budget:

The line-by-line budget should be put in an appendix. Each line on your detailed budget should have the total costs for one budget category. The lines should be grouped into similar kinds of costs (eg salaries, vehicles, communications, fuels, transport).

If you can, distinguish between non expendable items (ie equipment that can be used again later) and expendable (ie supplies that get used up).

The budget should be a realistic estimate of all costs involved in implementing and operating the project. If possible demonstrate the potential for eventual self support, or support from other resources other than the one to which you are applying. Costs estimates should be broken down in to logical categories (line items) such as: salaries; supplies and materials; equipment; travel and per diem; rent; telephone.

Voluntary contributions made to the project by you and members of your organization should be listed and estimated as closely as possible in cash terms, or shown as "no charge." Specify physical facilities that are available or, are to be made available for the project. Specify your organization's existing equipment and supplies that will be used for this project. Include any other inputs to be used for this project from government or from other organizations.

Often, funding agencies prefer to match grants, or assist with part of the total budget rather than give the entire sum. Therefore it is suggested that you show the total budget when applying, and indicate when you expect or hope to get other funding assistance.

16. Abstract (Executive Summary):

Write this part last. This is the section on which a potential donor will read and make that vital preliminary decision: whether or not to seriously consider assisting.

This should not be written, or even contemplated, until all above sections are written. Avoid writing it as an introduction. Think of it as a concise summary and conclusion.

The optimum size is half a page; the absolute maximum size is one page. Any longer and it is in danger of not being read or considered. It should summarize only the key recommendations and be written for busy board members or executives who may read up to fifty of them and may not initially read anything more than the executive summary for each proposed project.

Ironically, while you write the abstract last, you then put it directly after the front or title page of your proposal.

and when you finish writing it: . . .

Now that you have written your draft proposal, hand it around for comments and suggestions. View the proposal critically and be prepared to do some rewriting and rethinking if necessary.

17. Some Final Guidelines Comments:

The most likely projects to be funded will be rapid, sustainable, small scale, low budget interventions for the most pressing needs identified by the communities.

Often proposals will be evaluated as to how they will contribute to wider, integrated sustainable development of the geographical area.

Active participation of women in identification, implementation and monitoring of a proposed project should be encouraged. The proposal should clearly describe the number of women involved in project design and implementation, and as beneficiaries.

Any projects that are part of larger or longer term plans must indicate other (preferably secured) funding sources to ensure continuity and sustainability.

Projects which are developmental, promote self reliance, and are ultimately locally sustainable have a higher chance of being funded. Your estimate of when the project could be self sustaining should be indicated in your proposal.

The success of projects requires the co-operation of all segments of the target community. There must be a sense of community "ownership" of the projects (including both local residents and displaced persons affected) . That means there should be some initial activity of "community development mobilization," "social animation" or similar community facilitation to ensure all members of the affected community participate in decisions concerning the proposed project. Active participation of the community as a whole (all members) in identification, assessment and implementation of the project is usually a prerequisite for approval.

A good project should be replicable. That means it should be possible to implement the same project in other communities.

Accounting and accountability are very important.

Many of the resources of those beneficiaries can be hidden by the concern we may have for their plight, but this can be deceptive. The hidden resources of your target group usually include skills and wisdom, and surprisingly many material resources, both capital and supplies. Your objective as a mobilizer and trainer should be to stimulate a process of uncovering hidden resources among the beneficiaries and encourage a social process of reducing dependencies and increasing self reliance.

Good Luck! Do not get discouraged!

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