



Module 2 – Grant seeking and Proposal Writing

Learning Objectives

- To understand the different kinds of mechanisms to obtain funding
- The Do's and Don't of Grant seeking
- Elements of effective proposal writing

How to find a grant?

There are **three common mechanisms** for obtaining funding for NGO-related activities:

1. Private fundraising (foundations, corporations and private individuals)
2. Public fundraising (governments and international institutions)
3. Alternative fundraising (own resources and self-generated revenue)

1. Private fundraising

There are many differences between independent funders, including the distinction between organized funders and “non-organized” ones. Foundations and corporate funders are mostly professionally staffed, while individual philanthropists rely not on staff but on volunteers. In addition, it is important to keep in mind that some foundations only employ a small staff in order to concentrate their resources on their funding activities. Grant-seekers should note that every day each independent funder receives many applications and may not have the time to look properly at each one. To help funders and their staff it is important that grant-seekers carefully prepare their applications.

What is a foundation?

Foundations:

- are separately constituted non-profit bodies;
- have their own dependable source of income, usually but not exclusively from an endowment or capital;
- have their own governing board;
- use their financial resources for educational, cultural, religious, research, social or other public-benefit purposes;
- use their financial resources either by making grants to non-profit organizations or by operating their own programs and projects¹

It is not always easy to look for funding with US-based foundations. One key resource is the Foundation Center (www.foundationcenter.org). Most Foundation Center publications and services focus on U.S.-based foundations and their grants to nonprofit organizations. However, the Center's Guide to Funding for International & Foreign Programs may be useful for those searching for grants from U.S. foundations for organizations and/or programs located outside of the United States. The Guide includes a geographic index to countries and

¹ Source: European Foundation Centre, Brussels (Belgium)



regions of the world as well as a subject index where you can look for terms that describe your organization's program/services.

Other Foundation Center items of interest include (these can all be found on the Foundation Center website):

* **For International Visitors:** a special section of the Foundation Center's Web site consolidates information related to international audiences.

* **Grants for International and Foreign Programs:** lists descriptions of more than 10,500 recent grants of \$10,000 or more awarded by more than 600 foundations – grants with a total dollar value of over \$2.2 billion.

* **The Foundation Directory Online Subscription Services:** allow you to perform online searches on nearly 80,000 funders. Use the term "International" in the "Geographic Focus" field to focus on foundations with international interests. You can also search by individual country or region by selecting the appropriate term from the "Fields of Interest" field.

* **FC Search:** The Foundation Center's Database on CD-ROM enables searchers to quickly isolate grant makers with an international focus, by entering "International" in the "Geographic Focus" field. You can also search by individual country or region by selecting the appropriate term from the "Fields of Interest" field.

* **International Grant making III:** An Update on U.S. Foundation Trends presents key findings on the dimensions and patterns of international giving in the 1990s by U.S. private and corporate foundations. Highlights from International Grant making III are also available in PDF format.

* **The Foundation Center's Grant maker Web Sites directory:** a searchable listing of Web sites arranged by type of grant maker: private foundations, corporations, grant making public charities and community foundations. You can search each by subject or by geographic region (except community foundations which are arranged alphabetically by state).

* **The International Philanthropy section of the Center's Links to Nonprofit Resources:** offers annotated links that may be of value to foreign nonprofits, including links to international organizations similar to the Foundation Center.

Beyond Foundation Center resources and services, there are Internet sites that offer information specific to your search for funding for organizations and/or programs located outside of the United States. For this reason, you may want to use one of the many Internet search tools, such as Google, to locate resources of special interest. Sometimes you just need to spend several hours searching on the web for such sources and if you really need the funding, it is certainly worth the time.

Here are several additional sources to help you get started:

The Grantsmanship Center (<http://www.tgci.com/>) has several resource lists for International Funding. Regions covered include Africa; Asia, Australia, New Zealand, &



Pacific Islands; Canada; Mexico, Central America, Caribbean, & South America; Europe; and The Middle East.

United States International Grant makers, part of the Council on Foundations, has a section for grant seekers, including an online affidavit, online forms, and laws and codes from various countries. This site is helpful for determining the legal requirements of international grant making. Free registration is required to access the site.

FundsNet offers links to grant makers with international funding interests in its International Grants and Funders and Canada, Australia and United Kingdom sections.

Also try **Funders Online**, an initiative of the European Foundation Centre Orpheus Program.²

Corporations

A corporate citizenship program (also called a corporate giving program or corporate social responsibility) is a grant-making program administered within a profit-making company. Corporate giving programs usually do not have separate endowment and their annual grant totals are generally directly related to current profits. In addition, some companies make charitable contributions through both corporate giving and a company-sponsored foundation. Corporate funders are fast becoming a more noticeable and accessible source of support for citizens' associations, particularly for those non-profit organizations prepared to use lateral thinking in identifying their funding needs. They also offer more varied forms of support than are traditionally provided by foundations.

Organizations, which can define their needs in terms other than mere financial support, can tap into a rich vein of valuable aid. This aid naturally largely comprises direct financial support but, no less importantly, can include:

- sponsorship
- training
- gifts of equipment or supplies
- employee volunteering
- matching of employee donations
- in-kind staff³

Individual donors

Just like foundations and corporate funders, many private individuals give to their communities simply because they consider it to be the right thing to do. Deciding how to give is the hard part. Philanthropists are wealthy individuals with general philanthropic concerns or interested in particular causes. The major difference between the philanthropic individual and other independent funders is that they do not operate within an organization or company. Not having a particular mission or goal, they are very flexible in their giving policy.

² From Foundation Center website

³ From T-Kit on Funding and Financial Management



Despite a strong charitable impulse, most wealthy individuals enter the philanthropic sphere with little experience. Many still practice chequebook philanthropy i.e. simply providing on-the-spot funding out of their pockets. Whatever the giving philosophy, giving wisely and effectively increases the impact of the gift and is not just a matter of contributing to good causes.

Why do people give? Most individual philanthropists are inspired to give by a variety of factors. This could range from religious conviction to a sense of civic duty. There are many motives for setting aside money and other resources for charitable purposes, such as:

- the satisfaction of helping people;
- the desire to leave a lasting imprint on society whilst making a significant difference;
- the desire to promote a set of views or a philosophy;
- setting up a memorial to a friend or loved one;
- giving back to a supportive community;
- tax benefits.

The **critical challenge** and **opportunity** is to engage with the individual philanthropist in helping them make philanthropy an integral part of their lives. There are a number of mechanisms available through which a wealthy individual can give to charitable causes. One of these is to give direct financial support, usually in the form of a grant, to a charitable organization that will welcome the gift and use it for its current activities. Another approach is to set up a foundation. These two different approaches serve different purposes. When setting up a foundation, for example, the founder will tend to be thinking long term: the object is a foundation that will become an independent entity and outlive the founder, continuing the work they began.⁴

2. Public fundraising

By far the largest amount of funding from government comes from the local or regional level. Investment of time and energy in fund-raising is even greater at national level than at local or regional level as there are more political, economic and social influences at work. Sometimes investment at national level bears fruit at local level or (less likely) vice versa.

Most youth organizations have at one time or another had difficulty in fundraising-finding grants to apply for and knowing how to apply for them. Mr. Antonie de Jong of the Resource Mobilization Branch at UNFPA, met with young people working at UNFPA to give us some tips on how to successfully fundraise. Mr. de Jong raises millions of dollars each year for UNFPA.

Here are some of my tips and Mr. De Jong's tips:

- 1) **Do your research** on the donor. Do they have grants available for the type of work you are doing? Look at organizations that have previously received funding. Does your organization/project meet similar criteria? Also, if they are a large donor, research their ethical practices. Aligning your organization with a donor that has violated environmental standards or human rights will reflect badly on your organization. Do a web search as preliminary research.
- 2) **Be realistic.** Major donors (Gates Foundation, Global Fund, and major corporations) receive thousands of requests for funds each year. They are often more likely to fund

⁴ *Ibid.*



government programs or major stakeholders such as big NGOs and UN programs. You may have more luck with foundations, corporations, faith organizations, and individuals.

3) **Create a fundraising strategy with a timeline**, a map of possible partners/ donors, and devise how you will monitor and evaluate your project to ensure accountability.

4) **Prepare a budget and bring a hardcopy of information about your organization.** (A brochure, publication, report on activities). Your budget must reflect exactly what you will use the money for. Activities/ things you can deliver are more likely to be funded than set-up costs. Word your budget proposal carefully, spell check it, and make it brief, clear, and to the point. Convincing someone that your cause is worthy is important, but not enough to get funds.

5) **Find out whom to talk to/ make friends, and set up an appointment.** It is highly unlikely that you will be able to show up at the donor's office and secure a meeting with the right person. It will also discredit you and your organization as it can be perceived as unprofessional to simply show up. When you do have an appointment, dress presentably to reflect your professionalism.

6) Be **friendly, punctual, precise, polite, and persistent, but not a pest.** Follow up to your meeting is good, in the form of an email, thank you card reminding them what you discussed and what you agreed upon, or a phone call, or even an additional meeting if they agreed to it. But use your judgment as to how much follow-up is too much. **Ask** the donor how they prefer to be followed up with. (phone/ email, etc).

7) **Gauge the donor's interest level by body language:** if they are looking at their watch while you are talking, it means that you should shorten what you have to say and get to the point.

8) **If you don't get a chance to have an appointment**, or if it is very short, be sure to ring a document, publication, copy of last correspondence with them, and budget proposal. Make sure you emphasize the results you have already achieved.

9) **If appropriate, engage the donor on a personal level and adjust your message to them.** For example, if they are from Botswana and are female, talk about the high prevalence rate in that country and the particular vulnerability of women and what your proposal does to address them. Another example: When Mr. de Jong meets with a representative from a government, he brings out the annual report and shows them what UNFPA spends on that country. For example, in Tanzania UNFPA spent over \$4.4 million in 2003. Then he shows them how much the Tanzanian government contributed to UNFPA: \$5,780. (2003 Annual Report). He asks them to "add a zero" to their pledge (making it \$57,800).

→**Another example:** Malta only gives UNFPA \$1,333 per year. One of Malta's particular problems is a large aging population and low total fertility rate. UNFPA supports a unique institute in Malta that studies aging; this could encourage the government of Malta to give more.

10) **If your work qualifies for government funding** (if you are from a credible, established organization and have demonstrable needs) then you should do research on the websites of



embassies to see what issues they are interested in and what they fund (educational projects, etc).

11) **Invite the donor to visit your project site.** Let the site and the people you are working with/for do the talking, it may be much more effective. You can organize this as one part of the follow-up after the meeting and suggest it at the end of the meeting.

12) **Network and make contacts.** Often the best way to get funding is to get to know someone at the donor agency. If appropriate, befriend them on a personal level by inviting them out. For adults sometimes it is effective to have a donor come for dinner with your family (only if it is appropriate- it may seem odd if you do not know them at all. Use your judgment).

13) **Show your passion for the cause.** Share your knowledge about the subject by providing them statistics and stories about real people. If possible, have the donor speak with someone from the population you are working with/for. For example, I went to a meeting at UNFPA with donors on obstetric fistula and child marriage. After the issue and the project were presented, a young woman from Kenya who works at UNFPA as an intern spoke about her experiences of almost being married as a child and her experience with FGM. This brought the issue home to the donor.

14) **Choose your words carefully.** It is better to speak in terms of a "partnership" between your organization and the donor rather than a "donation." Tell them what you can do for them, even if it is just to improve their image as a socially conscious corporation/organization. Appeal to their "heart, mind, and hands" (make them empathize with the cause, see logically how their funding can make a difference, and tell them what they can do.)

15) **Leave aside some of the funds (if possible)** to audit your project by an outside auditor. This would probably not apply to grassroots organizations and projects seeking small grants, but if you are seeking a major donation (\$1mn plus), you should tell your donor that you are willing to be audited or, better yet, will find an accredited auditor on your own. Do a web search to find an auditor in your country.

3. Alternative fundraising

a) Membership Fees

Most youth activities are organized by youth organizations with young people as the individual members. Membership fees are important not only because of the money raised, but even more because they develop members' ownership of and responsibility towards their organization. People who pay membership fees are periodically reminded that they are part of an organization, which exists for them and because of them. When members understand how their membership fees are used, it may even become easier to raise the amount or to call for special donations. Paying members also want to get something in exchange for their money: services, opportunities for volunteering and participation, social events, new friends, etc. Therefore fixing the right fee is important. If the fee is too low, being a member might be felt to be irrelevant in terms of financial engagement. Thus the higher the fee the more motivated the members tend to be. They become involved members instead of passive ones.



Participation Fees

Members are committed to a youth organization and its goals. They often participate in its activities but they are not necessarily the only ones who take part. Therefore you might wish to have different participation fees for members and non-members. Often organizations recruit new members through their activities by offering membership in combination with participation fees. This has the advantage of creating a source of income over and above the basic project.

b) Self-generated revenue

Services provided by your organization might actually be a part of your “core work” which you never thought of offering to others for payment. Most youth organizations have a lot of expertise, which is of interest to others. It might take the form of volunteers or staff who are experts in training or other fields your organization is engaged in. All youth organizations know a lot about young people in their community. This knowledge or expertise could be offered to companies, other organizations or individuals in a position to pay for it. If you do not want, or are not able, to offer knowledge or expertise you can also raise funds by “creating work” for yourself and earning money from it. Your organization’s members and volunteers are valuable human resources who can offer their labor for money, which they can then donate to the organization.

It does not take a big effort to distribute leaflets or wash cars for a couple of hours. Members and volunteers of the organization can be mobilized for a good cause. The good cause could be earning enough money to cover the office rent or buy educational materials for poor children. The more people participate, the more money can be raised by offering services in your community. **Though this sounds easy, bear in mind that this kind of fund-raising activity needs careful planning and good co-ordination.** Most importantly, people need to feel that they themselves are ultimately getting something out of it.⁵

Grant Proposal Writing Information

Proposal writing is just one step in the grantseeking process, and it is not the most important step. Far more time should be spent developing the program or project and researching and cultivating appropriate funders than on the actual preparation of a proposal.

How to start:

- * Commit your ideas to paper.
- * Thoroughly describe your program.
- * State the goals and objectives of your program.
- * Construct a timeline.
- * Estimate costs for staff, materials, and equipment.
- * Plan for the evaluation of your program.
- * Write job descriptions for your program staff.

⁵ From T-Kit on Funding and Financial Management



Initial approach:

Some funders prefer brief letters of inquiry about a possible match between your program and their interests before you submit a proposal. The objective of a letter of inquiry is to get the funder to invite you to submit a full proposal.

A few foundations supply detailed instructions on what a proposal to them should include, and they expect these instructions to be followed. Find out what style of approach your funder prefers.

Elements of a Proposal

There are eight basic elements that most funders expect to see in a proposal:

- * Summary — clearly and concisely summarizes the request.
- * Introduction — describes the agency's qualifications or "credibility."
- * Statement of Need — documents the needs to be met or the problems to be solved.
- * Objectives — establishes the benefits of the project in measurable terms.
- * Methods — describes the activities to achieve the desired results.
- * Evaluation — presents a plan to determine the degree to which objectives were met and procedures were followed.
- * Future funding — describes a plan for continuation beyond the grant period and/or availability of other resources.
- * Budget — clearly delineates costs to be met by the grant.

Tips on writing style:

- * Use active rather than passive voice.
- * Do not use jargon or acronyms unless absolutely necessary, and then explain.
- * Use simple sentences; keep paragraphs short; employ headings and subheadings.
- * Write your proposal from the point of view of those who will benefit from it. Talk about their needs and how your program will help.

Hints on proposal submission:

* **Deadlines** are serious and should be respected. Keep in mind that after a proposal is submitted, there is often a significant delay before a decision is made on it. Try to submit your proposal six to nine months before your program is to be implemented, allowing time for you to apply elsewhere if need be.

* **Do not fax or e-mail** your proposal or send it as an e-mail attachment without first ascertaining from the funder that this is okay.

* **The same proposal should not be submitted to all funders**, since many have different interests, priorities, and guidelines. But you may be sending the same basic proposal to several funders with customized cover letters.

* **Always address your cover letter to an individual.** Never start out with "Dear Sir" or "To Whom It May Concern." Verify spelling of all names, titles, and addresses.



* **Make sure your proposal is not written in all capital letters.** This is a common mistake that many grant seekers make. Only headings should be written in capital letters.

Be sure to include all attachments requested by the funder.

The most commonly requested attachments are:

- * A copy of your organization's registration as a charity and/or non-profit organization
- * A list of your organization's trustees and their professional affiliations;
- * A copy of your organization's budget and most recent audit; and
- * A brochure describing your agency.⁶

⁶ From Foundation Center Website



Exercise 2

- 1) Which funding sources are you most likely going to tap into for your grantseeking? (refer to private, public or alternative and please describe)

- 2) As mentioned above, alternative fundraising can be a very important part of raising funds. What are some unique ways that you or someone you know has fundraised?

- 3) Identify at least two other funding sources from the categories discussed in this module that might be appropriate for the kind of project/programme that you plan to fundraise (yes – please take the time to do this research!)

Once you have identified these sources, please answer the following:

- a) Does this source provide funding for short-term projects, long-term projects or both?
 - b) Is this source located within your local vicinity? (i.e. will you be able to visit it in person?)
 - c) Identify a contact person with whom you might share your grant proposal. Who is this person? Do you have a contact email or phone number?
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- 4) What are some ways that you foresee yourself networking with potential funders?
 - a. Are there any local/national events at which these funders will be and that you can possibly attend?