

PART ONE

Essential Planning Steps

Chapter 1

Getting Started

This chapter discusses how to begin planning a proposal by developing a profile to guide the assessment of capability, analysis of need, and search for possible funders. It discusses the impact that the source of the proposal's idea has on its timing and content, and defines basic terms used throughout the book.

BUILDING A PROFILE OF YOUR PROJECT

There are many different ways to begin planning a proposal. One of the most common is to identify the basic characteristics of the type of project you are seeking to fund. This will help guide the planning that is essential before actually writing an application. Knowing the profile of your proposed project will help you assess your capability, document the need for your project, identify similar efforts in the past, and search for likely sources of support.

Most sources of funding, whether public or private, have restrictions on what they will support by type of project, degree of innovation, field and subject matter, population to be served, and/or geography. To begin building a profile, answer the following questions:

- **What is the function of the project you are proposing?** Examples might include research, development, demonstration, training, service, technical assistance, facilities, equipment purchases, and so on.
- **Is your project unique?** It makes a big difference whether you are seeking a grant to try out a new idea or whether your need is for general organizational support. Many grant programs fund one or the other, but not both.
- **In what field is your project?** Some of the standard categories include education, health, social welfare, civic or community improvement, arts, culture, science and technology, religion, or environment/conservation.
- **Who will benefit from your project?** Types of clientele or project participants might include low-income persons, infants, youth, families, the elderly, the unemployed, the homeless, refugees, persons of a certain race, ethnicity, or sex, and so forth.
- **What are the geographical parameters of your project?** In what country will it be located? Is it local, statewide, nationwide, or international? It is oriented towards urban or rural areas?

Clearly identifying as many of the appropriate descriptive characteristics of your proposed

project as possible will not only guide your search for funding sources, but help you identify others doing related work and sources of data to support the need for your project. These essential planning steps are described in Chapters 3 and 4.

Another starting place is to decide what type of grant (also called *award*) you are likely to be seeking. Some of the more common kinds are:

- **Project or program grant**—funds to achieve a specific outcome within a defined time frame. If this is a fairly limited initiative, it is usually called a *project*. Something of wider scope is referred to as a *program*.
- **Operating grant**—general financial support to the organization without expectations that the money will be used for a specific activity. This is also referred to as a *general purpose grant*.
- **Start-up award**—funds to help an individual or organization take the beginning steps for an initiative. This activity will help determine if it's feasible to proceed further and may help identify funding sources for the next phase of the project or program. Also referred to as a *seed grant*.
- **Challenge grant**—match of monies provided by the applicant or some other source.
- **Capital award**—funds to help build or remodel facilities or acquire equipment.
- **Endowment grant**—funds to be invested, with part of the annual income used for some specific purpose.

Most funding sources support only a few of these types of awards. These are spelled out in their written guidelines or on their Web site.

ORIGINS OF PROJECT IDEAS

It is crucial to know whether your proposal is for a project idea that originated primarily with you and/or your submitting agency or is for a purpose identified by the funding source. The former are usually called *unsolicited* and the latter *solicited*.

This distinction will have many implications that are discussed further in this chapter.

- An **unsolicited project idea** is one that is created by the person or organization seeking funds. From the viewpoint of the applicant, these are frequently the most interesting and important projects. However, they are often the most difficult to fund.
- A **solicited project idea** is one that has been suggested in at least general terms by the funding source itself, either as a specific initiative or as a general subject area in which it is interested. This is the most common type of project supported by both governmental and private sources. There are typically two ways in which solicited projects are initiated:

1. A **Request for Proposals (RFP)** describes the type of program to be mounted, the outcomes intended, and the criteria to be used in selecting recipients of the funds. The funder may also specify the time to be permitted for the project, a range of acceptable costs, the geographical area of clientele to be served, and, in some cases, the actual procedures or methods to be used. The document may also list the type of qualifications needed by those eligible to respond and detail the type of information to be submitted.

Learning about RFPs issued by private foundations and corporations can be tricky. However, some foundations and corporations notify The Foundation Center when they issue an RFP and these can be found at <http://www.fdncenter.org/pnd/rfp>. You can also use your project's profile to identify foundations and corporations that have funded something similar in the past and periodically check their Web site to learn of any new RFPs.

Monitoring the availability of RFPs from federal or state agencies is much simpler. All federal RFPs can be found at <http://www.FedBizOpps.gov>. Chapter 4 describes additional ways to learn about RFPs.

2. **Program announcements** are frequently used by governmental or private donors that want to support projects of a particular type or to address a particular need, but wish to leave considerable freedom to applicants in proposing how to design and carry out the program.

Program announcements come in many formats. Some federal agencies, for example, include all of their program announcements in an annual catalog or describe these on their Web site. Others (including most private foundations) issue separate booklets or pamphlets when they want to announce a particular program competition. They may also put the program announcement on their Web site. Chapter 4 provides more details on how to identify program announcements.

Whether issued by public or private sources, program announcements usually include a description of the nature of the problem the donor is trying to solve, the topics or categories in which proposals may be submitted, eligibility requirements for applicants, deadlines, what information must be submitted (and sometimes in what form), and the selection criteria and process. Occasionally, the announcement includes the amount of money available and whether priority will be given to applicants who have previously received funding from this source.

While the Internet has increased access to program announcements, it is also a good idea to contact those governmental or private sources that have previously funded projects with characteristics similar to yours and ask to be placed on their mailing list for all future program announcements.

IMPORTANCE OF SOLICITED VERSUS UNSOLICITED

Proposals take a great deal of time and effort to prepare. The closer your proposal matches the interests of potential grantors, the more likely you

are to receive funding. In the case of unsolicited ideas, you need to communicate with the funding sources well in advance of submitting a full proposal. It is unwise to send a completed application to a particular source for an unsolicited idea without first making a preliminary inquiry. Guidance on how to do this is provided in Chapter 4. **Do not waste your time or that of the funder with an inappropriate application.**

This distinction also matters in terms of the amount of time needed to plan and write the proposal. With applications for solicited ideas, a definite submission deadline and a date on which to expect notification of a decision are usually known. The sample timetable provided in Chapter 5 will help you decide how much time is needed to actually prepare the proposal.

In the case of unsolicited ideas, however, the applicant must first determine whether a proposal is even warranted. This requires additional time, ranging from only a few days if an inquiry can be made by telephone, to several months if the potential donor asks for a preliminary abstract before indicating whether a proposal would be welcome.

Finally, this distinction is important in determining the relative emphasis to place on various components of the proposal. In addition to the type of information required in a solicited application, three components are *critical* in an unsolicited proposal. It must convince the funding source of the merit of the idea, the need for the project, and the capability of the submitting agency.

MORE TERMS TO UNDERSTAND

There are three other terms, used frequently throughout the book, that you should understand: *contract*, *grant*, and *sponsored project*.

- **Contract** and **grant** are often used in conjunction with each other, yet legally they are two completely different devices for awarding funds. Typically, they also require different proposal formats.

A **contract** is generally awarded for a project solicited through an RFP. The funder has

already identified the need and the expected outcomes, selected an acceptable cost range and estimated the time required to complete the project. The object is to find eligible candidates and to choose the best possible candidate to carry out the project. The choice will be based on factors such as previous experience, geographical location, quality of personnel and/or lowest cost.

The funder also expects to exert fairly strict management control over the contract and may require frequent reports to or visits by the funder's contracting officer. This amount of control is one of the distinguishing characteristics of a contract. Several kinds of contracts commonly in use are *fixed-price*, *straight-cost reimbursement*, *cost plus fixed-fee*, and *shared-cost*. These are generally distinguished by how the budget for the contract is negotiated.

A **grant**, on the other hand, is typically awarded for a project where most or all of the above factors have not yet been determined. Some feel that grant proposals thus require more ingenuity and creativity than those for

contracts. Grants are frequently awarded for research or experimental projects or for general support of organizations. They typically permit more latitude in shifting funds among budget categories, more flexibility in the timetable, and more freedom in procedures.

Whether a grant or a contract is most advantageous to the recipient has been debated for many years, and opinions still differ. In most cases, the funding source determines which type of award will be made. However, the applicant should know the characteristics of each type of award and the type most likely to be selected.

- A **sponsored project** is an activity or program financed by funds which have come from a source outside the applicant's own organization. The term *externally funded* is also used to describe this type of project.

Other terms unique to the field of proposal development will be defined as they appear throughout the book.