How to Obtain Foundation and Corporate Grants for Your EN: A Proposal Starter Kit for Employment Networks

Part II: Writing Proposals and Letters of Intent

June 24, 2010
Writing Foundation Proposals
Overview

- Letters of Intent
- Full Proposals
- Letter Proposals
- On-line Applications
- Resources
Letter of Intent (LOI)
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• Allows a foundation to evaluate project’s match to its funding priorities

• Saves applicants’ and program officers’ time and effort if project doesn’t fit

• Form: business letter on your organization’s letterhead, signed by CEO or ED

• Always short (2 pages) but with all information in abbreviated form needed to understand project
EN Grant Center:
A Proposal Starter Kit for Employment Networks

As an Employment Network (EN) eligible for federal payments through the outcome or milestone payment options, you may not have thought about using foundation funding as seed money or supplemental support for your program. Even though the "new" Ticket to Work pays more money more rapidly than the "old" Ticket, ENs still must cover upfront costs before receiving payments from the Social Security Administration (SSA). You may start off providing services to ten or more beneficiaries, only one of whom may obtain employment. This means that it might take 6 or more months before you begin generating revenue. A foundation grant may be just what you need to establish your EN.

Providing jobs for people with employment challenges is an ideal topic for some foundations, particularly at the local level.

Although many foundations have had to reduce their overall giving because their endowments, comprised of investment income, have been reduced, there is good news for ENs in the current economic climate. Many foundations are responding to the downturn by funding employment related programs—some for the first time. In addition, diversifying your funding base is the best way to insure continued organizational stability. In many ways, an Employment Network program is a business venture, and having diversified funding makes good business sense. Note: Only ENs that are nonprofit organizations and government agencies are eligible for foundation funding. Foundations cannot fund for-profit entities.
Letter of Intent Contents

Contents

– Who you are
– What you do
– What project will do and how it will improve community
– How long it will take
– How much funding you’re requesting & for how long
– Who to contact for more information
What project will do (project description) and how it will benefit community

- Issue/need
- Target population; number of people to be served; geographic area
- What you hope to accomplish (outcomes)
- How you intend to accomplish it (methods/tasks)
• If foundation has specific guidelines for LOI, follow them exactly

• LOI Should be self-explanatory—free standing document, very often without attachments or other materials

• When attachments are required/allowed, they might include:
  – IRS determination letter
  – Project and/or organization budget
• Some foundations publish application outlines
  – These specify order, type and amount of information required

• Some accept a “common grant application”

• Others list items to be covered but don’t specify how or in what order these should be addressed
Proposals Following Detailed Application Outline

- Follow the outline exactly
- If you can’t respond to some of the sections (if they don’t fit your program), explain why
• A group of foundations agree to accept a single application outline

• Often Regional Associations of Grantmakers support these
  – For example, Washington Regional Association of Grantmakers

• Tailor introduction and cover letter to individual foundation

• Care, effort and homework still necessary each time you submit a proposal using the CGA
Proposal Template in Proposal Starter Kit

Recruitment and Outreach

Quick Links:
- EN Proposal Home
- About this Guide
- Helpful Links and Materials
- Downloads (Word documents):
  - General Instructions
  - Letter of Intent
  - Proposal Template

Upcoming Training
- Look for foundation grantseeking training teleconferences early in 2010.

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Proposal Elements

- Executive Summary, Cover Sheet and/or Introduction
- Applicant Organization/Organizational Background
- Background Information/Needs Statement
- Project Description
- Conclusion
- Budget and Budget Narrative (usually separate from main body of proposal)
- Attachments
Executive Summary

• Clear, concise snapshot of proposal
• Include in abbreviated form:
  – The problem your proposal addresses (statement of need)
  – The solution—brief description of your action plans (implementation)
  – Anticipated results
  – Funding required for the project (budget)
  – Organizational capacity to carry out the project (description of applicant organization)
Some foundations ask for these instead of Executive Summary

Some ask you to complete a pre-formatted cover sheet

Others ask applicants to create cover sheets containing specific pieces of information but do not prescribe a format
If the foundation does not ask for an executive summary, begin your proposal with a brief description including:

- Problem (poverty, very low employment rate, disincentives for beneficiaries with disabilities) & solution (TTW and your EN project)

- Funding request (amount)

- Some organizational information (Why your organization has the capacity to be a successful EN)
Applicant Organization/ Organizational Background

- History, mission and goals
  - Including geographic area and population served
- Programs, activities and accomplishments
- Organizational capacity in relation to grant request
  - Qualifications for operating the project
- Role in community/leadership
- Involvement of people with disabilities
- Working relationships and partnerships
- Staff and governance (Board of Directors)
Statement of Need (sometimes called Problem Statement or Needs Assessment) is often included under the Background Information heading.

Documents the needs to be met or problems to be solved with statistics and demographic information:
- about people with disabilities in general and Ticket holders specifically.

For further discussion and examples see:
http://fdncenter.org/learn/shortcourse/prop1.html
http://npguides.org/guide/components.htm#3a
Project Description

• Project Summary
• Goals and Objectives
• Implementation Plan/Methods
• Anticipated Results or Outcomes
• Staffing/Administration
• Evaluation
• Future Support/Continuing Support/Sustainability
Project Description

Project Summary

- Brief restatement of what project will do
- Describe the targeted population
- State project duration
- Identify 3-5 project components that will be discussed more fully in Implementation
Objectives establish benefits of project in measurable terms/outcomes
  - Explain what you hope to accomplish and by when
  - Objectives define your methods

Goals are conceptual and more abstract

See Foundation Center’s “Proposal Writing Short Course” for good description of goals vs. objectives
http://foundationcenter.org/getstarted/tutorials/shortcourse/project.html
Four basic types of objectives

• Behavioral
  – A human action is anticipated.

• Performance
  – A specific time frame within which a behavior will occur, at an expected proficiency level

• Process
  – The manner in which something occurs

• Product
  – A tangible item results
Project Description: Implementation Plan

• Explains how you’re going to achieve your goals and objectives (methods)

• Describes activities to be used to achieve anticipated results
  – What the activities are
  – How long they will take
  – When they will occur

• Good idea to include a timeline
Project Description: Anticipated Results or Outcomes

*Note: this section is sometimes included in the implementation plan (previous slide)*

- Based on the implementation plan, what measurable outcomes or results will be achieved during the grant period?
- What are the measurable outcomes of the project as a whole (longer term)?
Project Description: Staffing/Administration

• Also referred to as “Resources and Personnel” and is sometimes addressed under a separate section called “Organizational Capacity”

• People involved in the project and their credentials
  – Full time staff
  – Consultants
  – Volunteers

• Describes how project administered
  – Include any cooperative arrangements
Project Description: Evaluation

- Plan for determining effectiveness of project
- Measures how well objectives are met and how methods are followed
- Describes type of information collected and how you will analyze it
- Include both quantitative and qualitative data
- Some foundations ask for brief discussion of how results disseminated and to whom
Project Description: Future or Continuing Support/Sustainability

- Plan for continuation funding beyond grant period

- SSA payments to ENs—especially for sustained employment over the life of each Ticket—make a strong case for continued success of program
Good place to state how important your project is and the investment opportunity it offers
• Two parts: the **Budget** for proposed project and **Budget Narrative** or **Budget Justification**

• Usually separate from main body of proposal and not included in page number limitations


• For a sample budget, see [http://npguides.org/guide/budget.htm](http://npguides.org/guide/budget.htm)
• Shows expenses by line item
  – One column showing allocation of the funds from current prospective funder
  – Second column showing what expenses covered by other sources
  – Third column showing total funds needed for each line item

• Also provide list of other secured or potential funders

• Foundations are often explicit about what they want to see in a budget

• For some solid tips on writing budgets, see http://grantproposal.com/tips.html
Budget Narrative/Justification

• Explains any item on your budget that isn’t self-explanatory

• Should explain the relationship between a project and its costs, not make another case for the project itself
Attachments

Required by almost all foundations

• The most common attachments:
  – List of your Board of Directors, including organizational affiliations
  – IRS determination letter (501(c)(3) or 509(a)
  – List of current and recent funders
  – Audit or account review
  – Year-to-date financial statement for current fiscal year
  – Project budget for fiscal year
  – Board-approved organizational budget
  – Annual report or organizational brochure
• Some foundations ask for one or more of these:
  – Diversity chart or statement showing percentages of women and minority groups on your board and staff
  – Resolution from your governing body authorizing your proposal
  – Criteria for selecting board members
  – Letters of support
  – IRS Form 990
  – Resumes or bios of key staff
  – Organizational chart
  – Memoranda of understanding with project partners
Style and Packaging

- Use active rather than passive voice
- Don’t use jargon, and define insider terms
- Use simple sentences and short paragraphs
- Provide concrete examples
- Use headings, subheads and bullets for clarity
- Don’t use fancy bindings
- Include a Table of Contents if proposal is over 10 pages
Cover Letter

• Always accompanies full proposal
• Introduces your organization and highlights the essence of the proposal
• Short (one or one-and-a-half pages long)
• Gives sense of what will follow in full proposal
• Emphasizes how proposal meets foundation’s funding priorities
• Format: business letter from your CEO or ED
• DO NOT reiterate all the proposal elements

• DO include:
  – Who you are and why your project is a good match for the foundation
  – Summary of your the project & amount of grant request
  – For EN funding, end with how project can be sustained on its own after seed funding
  – Contact person

• Example: [http://npguides.org/guide/cover_letter.htm](http://npguides.org/guide/cover_letter.htm)

• Paragraph by paragraph how-to:
  [http://grantproposal.com/proposal_cover_inner.html](http://grantproposal.com/proposal_cover_inner.html)
Ticket to Work

Letter Proposal
Letter Proposal

• Brief description (3-4 pgs) containing all information needed to understand project

• Contains similar elements to full proposal but shorter and less detailed

• Form: business letter on your organization’s letterhead, signed by CEO
Letter Proposal: Elements

- Description of your organization
  - Mission
  - Programs
  - Population served

- Description of need and how it matches funder’s area of interest

- Statement of project’s purpose

- Brief discussion of project activities and how they meet identified needs
Letter Proposal: Elements (cont’d)

- Request for funding
  - Abbreviated budget
  - Total amount
  - Length of time funding needed (duration)

- Project staff

- Concluding statement
  - Summarize your project
  - Restate importance of project and offer to provide more details if needed

- See FC proposal-writing short course for another format
  http://foundationcenter.org/getstarted/tutorials/shortcourse/index.html
Letter Proposal: Attachments

• May include attachments found in full proposal

• Foundations normally specify which attachments they require

• Typical items:
  – IRS determination letter
  – Board of Directors list
  – Audited financial statement
  – Annual report
  – Resumes of key project staff
Applying Online
More foundations moving to online applications for proposals &/or LOIs.

- **Advantages**
  - Forms are brief
  - Easy to fill out
  - Save on paper, postage and delivery charges
  - Can be submitted at last minute

- **Disadvantages**
  - Space restrictions
  - Can restrict your ability to make your case
  - Can restrict opportunity to supply powerful marketing materials if attachments aren’t allowed or are limited
Instructional Books and Monographs

- *Demystifying Grant Seeking: What You REALLY Need to Do to Get Grants* (Amazon)


- *Grantwriting for Dummies* (Amazon)

- *The Essential Nonprofit Fundraising Handbook* (Amazon)


Instructional Websites and Pages

• Grant Proposal.com
  http://www.grantproposal.com

• Non-profit Guides
  http://npguides.org/guide/index.html

• The Foundation Center’s Proposal Writing Short Course
  http://foundationcenter.org/getstarted/tutorials/shortcourse/index.html
Grantseeking and Proposal Writing Training Courses

• The Foundation Center
  http://foundationcenter.org/getstarted/learnabout/proposalwriting.html

• The Grantsmanship Center
  http://www.tgci.com

• Check out local Regional Association of Grantmakers
  http://www.givingforum.org/s_forum/sec.asp?CID=575&DID=2625#IN
A Final Note

• If you are funded, be sure to send a thank-you note.

• Call the program officer and thank her/him. Give credit to the foundation every time your program gets publicity.

• Even if you don’t get funded, thank the grantmaker for taking the time to answer your questions and review your proposal—ask for suggestions of where to go or how to revise the proposal for future resubmissions.