



Welcome

We'll be getting started promptly at the top of the hour.

In the meantime, feel free to share where you're joining from in the chat panel!

Get comfortable
and ready to learn!





Introduction to Proposal Writing and Budgeting

July 19, 2023



Presenters



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Network Engagement Manager
he/him/his

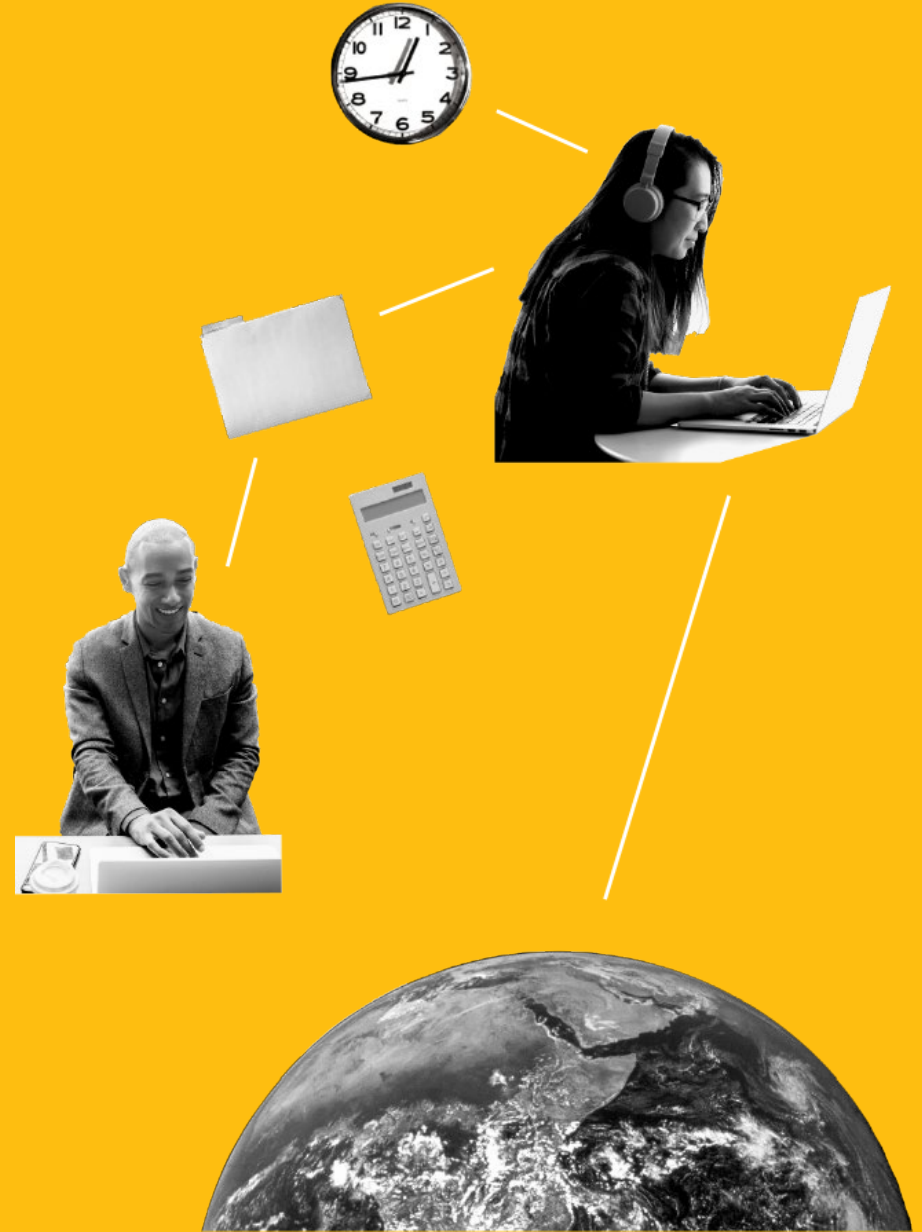


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Network Engagement Manager
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Candid.

Every year, millions of nonprofits spend trillions of dollars around the world. Candid finds out where that money comes from, where it goes, and why it matters. Through research, collaboration, and training, Candid gets you the information you need to do good.





Thank you!

Thanks to Border Philanthropy Partnership!



Yes, we are recording today's presentation.

You will receive a link to the recording via email.





Upon completion of this training, you'll be able to:

- List the basic elements of a proposal
- Draft a standard project proposal
- Identify next steps for submitting a grant proposal
- Follow up with funders after submitting a proposal



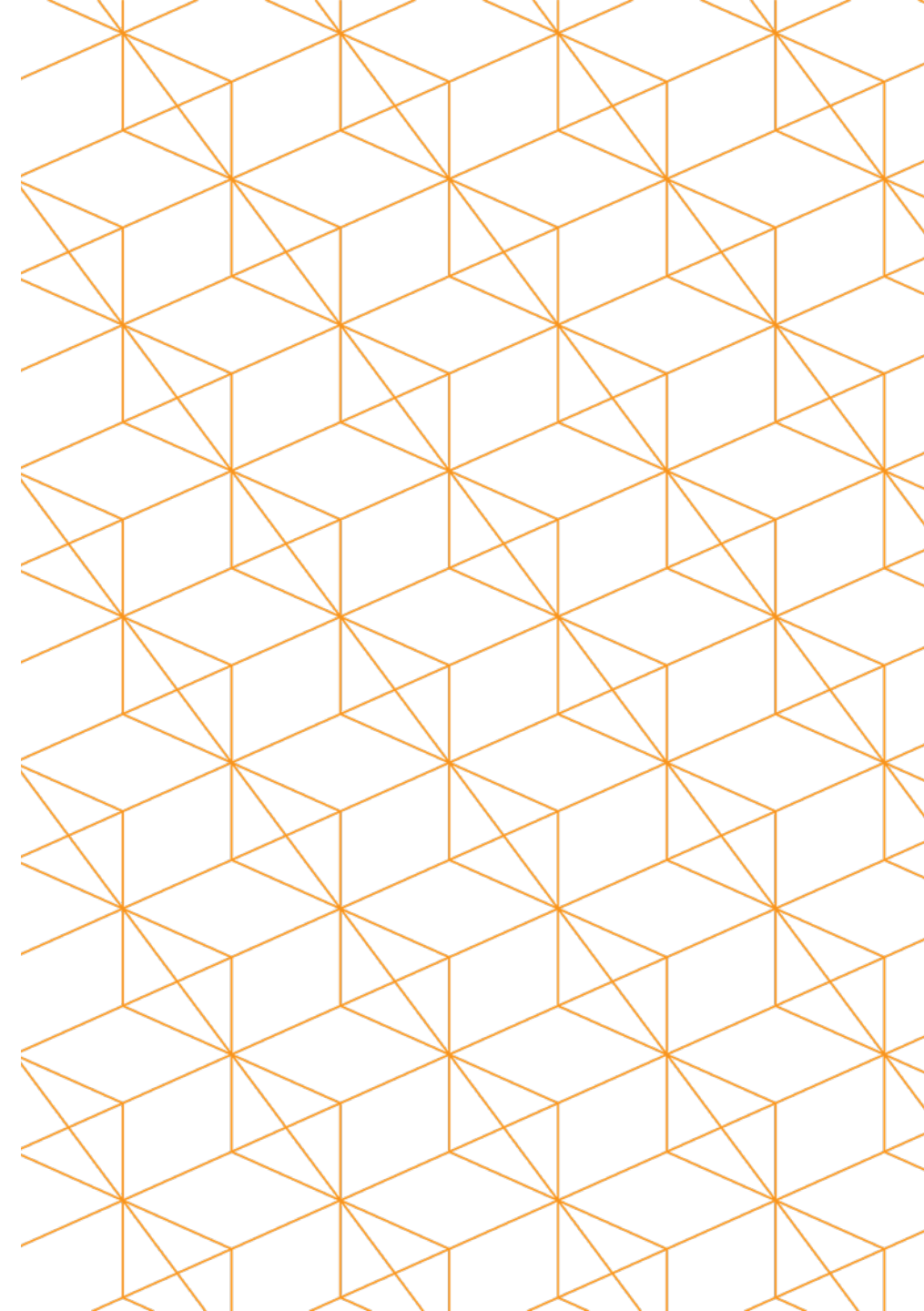
AND...

- Describe the basic elements of a project budget
- Estimate a project's expenses and income
- Follow up after the project is funded



Grounding exercise

What's your favorite
experience with writing?



The writing process



Proposal writing process steps



What do you need the money for?

Who will you approach?

How to put it all together?

What to do once the decision has been made?



Tip: Always follow the funders' guidelines

Formatting

- Many grantmakers use online formats
- Some funders will not have a specific format
- Next, put together a boiler plate proposal



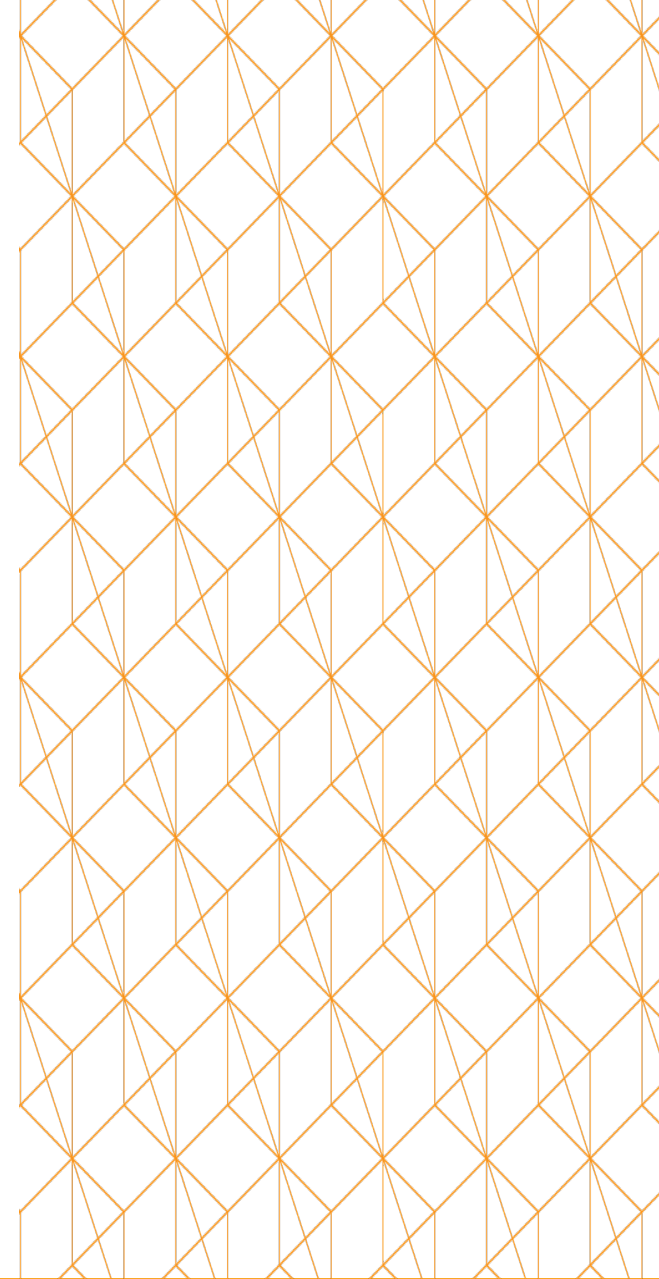


Typical proposal elements

- Executive Summary
- Narrative
 - Statement of Need
 - Project Description
 - Organization Information
 - Conclusion
- Budget
- Supporting Materials

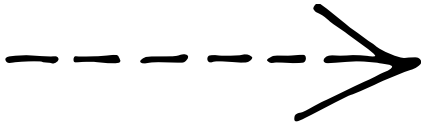


What funders really want to know





What specific need are you addressing?



Tip: Make sure it fits the size and scale of your solution



Take an Asset-Framing approach

- Highlight aspirations and contributions, not problems and deficits
- Example:
 - Before: “At-risk youth”
 - After: “Youth pursuing higher education”

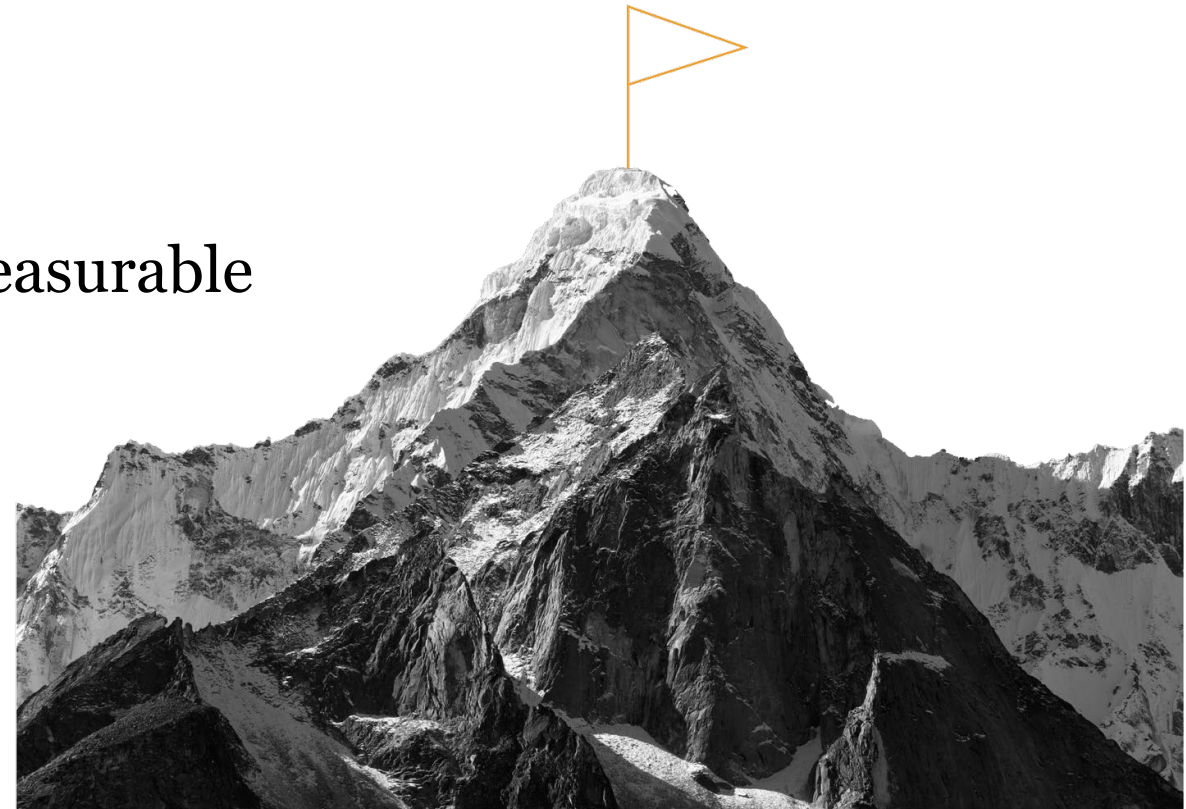


Learn more at [skillman.org/blog/the-power-of-asset-framing/Asset Framing Guidelines](https://skillman.org/blog/the-power-of-asset-framing/Asset-Framing-Guidelines)



What are you trying to achieve?

-----> **Tip:** Your outcomes must be measurable





What are your strategies for making it happen?

-----> **Tip:** Think of your proposal as an organizing plan



How do you know if you're successful?

- Specify program objectives in measurable terms
- Identify key indicators of success
- Outline data collection and analysis activities
- Develop a timeline to monitor the success of the program



Why are you the best organization to do this work?





How will the project sustain itself in the long run?



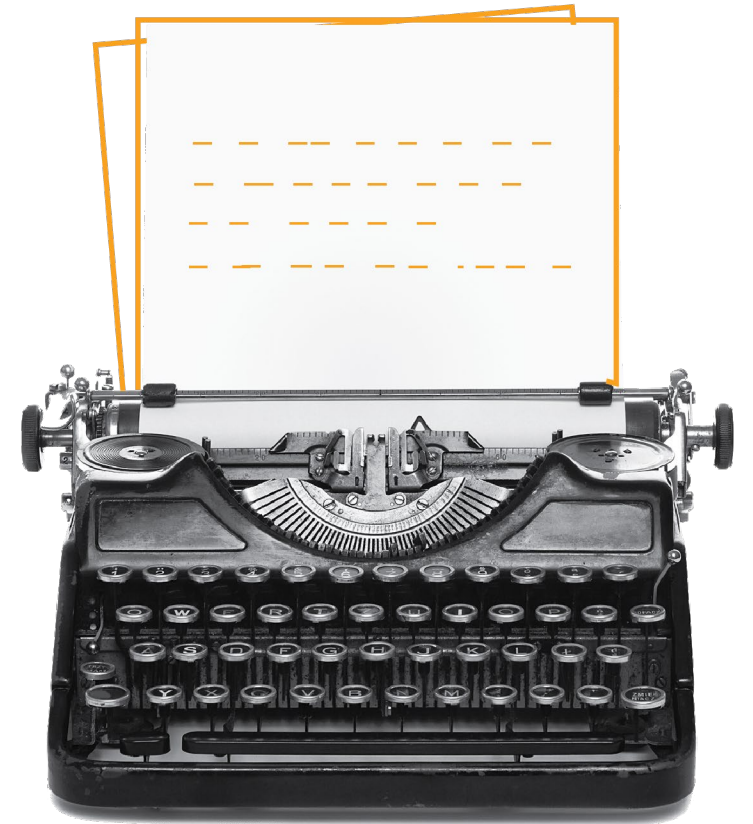
Conclusion

Tailor it to speak to this particular funder's guidelines and interests



Executive summary

How do I reduce everything to one page?





BREAK

What funders want to see in project budgets

- Your estimate of the true cost of the project
- Your anticipated income to meet those costs



Components of a project budget

Income

- Grant/Contributions
- Earned income
 - Fees for services
 - Sale of goods

Expenses

- Direct costs
 - Personnel
 - Non-personnel
- Indirect costs (overhead)



If you know your project, you can plan your budget

- Your budget should be a mirror reflection of your proposal
- Everything that is in your proposal should be represented in your budget



Expenses



How will I know how much my project costs?

- Research three estimates
- Collect and document each quote
- Choose the estimate that is most reasonable and appropriate for your project

Estimating personnel costs

Personnel costs	Who are all the individuals working on the project?			
Executive director			\$ --	
Program director			What are the amounts for salary and wages?	
Program assistant				
Tutors				
	How much time will they dedicate to the project?	Sub-total	\$ --	
		Fringe benefit rate	\$ --	How much do we add for benefits?
		Personnel total	\$ --	

Estimating non-personnel costs

Non-personnel costs		
Consultants	Who are the other people working on this project?	\$ --
Supplies/Materials		\$ --
Printing		\$ --
Postage		\$ --
Travel		\$ --
Food/Beverage	What would this include?	\$ --
Program equipment		\$ --
Program space/Rent		\$ --
Program evaluation		\$ --
	Non-personnel total	\$ --



Components of a project budget

Expenses

- Direct costs
 - Personnel
 - Non-personnel
- Indirect costs (overhead)



Indirect costs

Indirect costs are also known as:

- Administrative costs
- Overhead costs
- Supportive services
- Operating costs

... Hidden costs

Visible costs
[Direct costs]

Project
costs

Hidden costs
[Indirect costs]

- Rent/Utilities
- Telephone/Internet
- Office Supplies
- Marketing/Communications
- Administrative Staff
- Fundraising





Calculating your indirect cost rate

Direct program costs

- Youth leadership program.....\$200,000
- College prep program.....\$300,000

Total direct costs.....\$500,000

Indirect program costs

Total indirect costs.....\$100,000

Indirect cost rate = Total indirect costs/Total direct costs
 $\$100,000 / \$500,000 = 20\%$



Income



Components of a project budget

Income

- Grant/Contributions
- Earned income
 - Fees for services
 - Sale of goods

Expenses

- Direct costs
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Showing your income

Grants/Contributions		
	Government	\$ --
	Foundations	\$ --
	Corporations	\$ --
	Individuals	\$ --
	Federated giving programs	\$ --
Earned Income		
	Events	\$ --
	Publications and products	\$ --
	Fees	\$ --
Membership/Dues		\$ --
In-kind support		\$ --
	Total income	\$ --

Adding in-kind contributions





Wrapping up



Other financial information

- Audited financial statements
- Organization-wide budgets for recent years
- List of supporters / Other funding sources
- Annual report
- Budget narrative
- IRS Form 990

Create and maintain
a “document drawer”

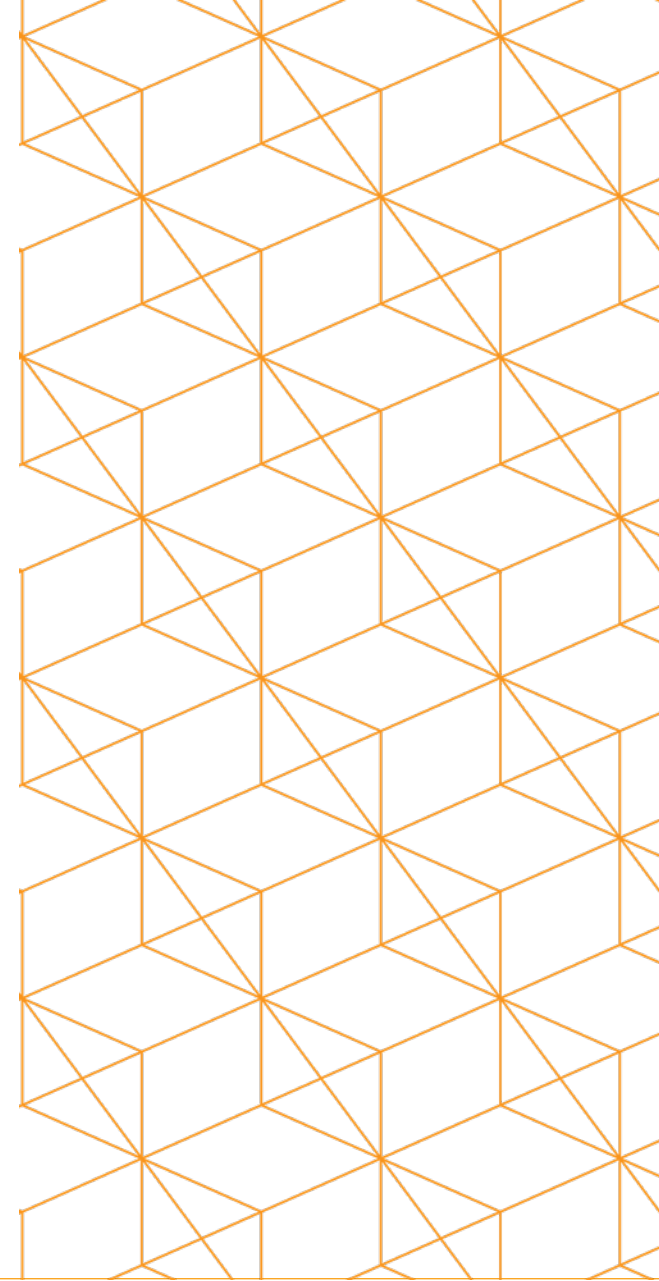


Supporting materials

- Follow the funder's guidelines
- Include everything they ask for (and very little of anything else)
- For online applications, it's ok to add links where possible



How to follow up





Follow up: If the answer is yes

- Keep the funder informed
- Be responsive
- Do what you said you were going to do





Follow up: If the answer is no

- It's not personal
- Find out why
- Ask about future funding
- Move on; seek other prospects



Budget considerations after the grant is approved

- Your budget is something to be considered throughout the grant period
- Reporting requirements include reporting on the actual costs vs. projected costs
- Variances often require approval

Key takeaways

- Start with an outline
- Keep the language clear and concise
- Focus on the funders' interests
- Follow the funders' guidelines
- Revise and edit before submitting





More Key takeaways

- Know your project thoroughly
- Estimate all the direct costs
- Include a percentage for indirect costs
- Estimate all possible income

Questions?



Thank you

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