

Nonprofit Management Accelerator Classes

John R. Whitman, Ph.D.

Harvard Club of Birmingham

<http://hcbirmingham.clubs.harvard.edu>



6 August 2019

johnrwhitman@mac.com

1

Overview

1. How to start a nonprofit 501(c)(3) organization, 2 July
2. Introduction to grant writing, 6 August
3. Assessment and evaluation of nonprofit programs, 3 September
4. Logic models and theory of change, 1 October
5. Tools for social change, 3 December

6 August 2019

johnrwhitman@mac.com

2

2. Introduction to Grant Writing

John R. Whitman, Ph.D.
Harvard Club of Birmingham



6 August 2019

johnrwhitman@mac.com

3

“Grant Writing” is Really **Proposal** Writing

- Proposal =
- What you **do**
- Grant =
- What you **get** (if you win)

6 August 2019

johnrwhitman@mac.com

4

Grants vs. Contracts: Both Require Proposals

• Grant:

- Used to support work
- Typically requires a final report
- Failure to perform may not have consequences
- Foundations typically offer grants

• Contract:

- Used to buy something
- Usually competitive
- Involves a deliverable
- Frequent reports
- Failure to perform has consequences
- The government provides both grants and contracts

6 August 2019

johnrwhitman@mac.com

5

Learning Objectives

1. Identify key sources of funding and the funding cycle
2. Explain types of proposals and the funding cycle
3. Identify key elements of the proposal
4. Determine the motivations and expectations of the funder
5. Determine the resources required, tasks, outputs, and outcomes of a proposed project
6. Identify the financial requirements of a proposed project
7. Begin writing the necessary components of a funding proposal

6 August 2019

johnrwhitman@mac.com

6

Funding Sources

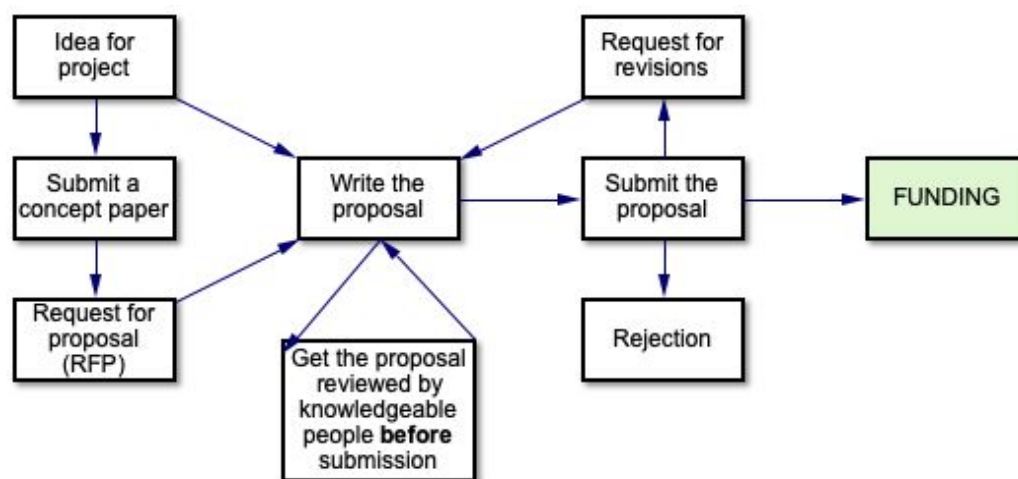
- Philanthropic foundations: Candid/The Foundation Center
 - <https://foundationcenter.org>
 - Search online, free at the Birmingham Public Library
 - 90% of foundations have no website
 - 3% of nonprofit revenues come from foundations (\$63 billion)
- Federal government grants: Grants.gov
 - <https://www.grants.gov>
 - Requires a SAM account
 - Requires a DUNS number
 - Requires certification
 - IRS: over half of \$2.9 trillion in total revenue at nonprofits was from government grants in 2015 (\$1.45 trillion)
- State agencies
- City/municipality agencies
- Individuals

6 August 2019

johnrwhitman@mac.com

7

Funding Cycle



6 August 2019

johnrwhitman@mac.com

8

Types of Proposals

- Letter proposal
 - 1-3 pages
 - Statement of work
 - Section for signature to agree to contract for work
- Concept paper
 - Short description of the concept and outcomes
 - Presented to determine interest by the funder
 - May result in a request for a proposal
- Formal proposal
 - 10+ pages
 - Detailed budget
 - Supporting documents

6 August 2019

johnrwhitman@mac.com

9

Writing Well is Hard Work – Takes Practice

- Clear
- Concise
- Simple
- Follow directions exactly
- Attend to detail
- Don't procrastinate; stay ahead of the curve and finish early
- Use critical but qualified readers to review and comment
- Prepare to revise, a lot

6 August 2019

johnrwhitman@mac.com

10

Key Principles: Proposals Cost Money

- Think like the funder: What are the motivations and expectations of the funder?
- Alignment with mission: Does the work truly advance your organization's mission? Or will it detract from the mission (mission creep)?
- Qualifications: Are your qualifications better than the competition's?
- Can you at least break even on the true cost of the work?
- Writing: Follow the directions exactly, keep it simple, respond directly to the topic, don't get creative.

6 August 2019

johnrwhitman@mac.com

11

Key Questions to Ask

1. Why is the funder interested in this problem?
2. Can you research other work funded to date?
3. Can you talk with the program officer?
4. Can you talk with others who have been previously funded?
5. Who is the decision maker?
6. When will the decision be made?
7. Is it possible that a grant will not be made?
8. Who else is likely to respond?
9. Do you have a competitive advantage?
10. How long will it take to get funded?
11. Are there downsides to doing the work?

6 August 2019

johnrwhitman@mac.com

12

What is The Big Idea?

- Like a story plot, you need a succinct statement of the purpose, flow, and outcome of your proposed work.
- Start constructing your logic model and/or theory of change.
- Determine resources, tasks, outputs, outcomes.
- Explain WHY your approach will create these outcomes.
- Prepare a proposal writing strategy and timeline.
- Form the proposal writing team.
- Consider working with collaborators.

6 August 2019

johnrwhitman@mac.com

13

Formal Proposal Key Elements

- The funder specifies exact questions. These are typical:
 1. Cover letter
 2. Abstract
 3. Introduction
 4. Problem statement
 5. Objectives
 6. Plan of action (include logic model or theory of change)
 7. Evaluation
 8. Key personnel
 9. Budget
 10. Appendices:
 - Letters of support
 - Resumes

6 August 2019

johnrwhitman@mac.com

14

1. Cover Letter

- Typically written just prior to submission
- Thank you for the opportunity to respond
- Title of the proposal
- Introduction to your organization
- Key selling points
- Estimate of time and cost
- Look forward to doing the work
- Whom to contact with questions
- Signed by authorized employee

6 August 2019

johnrwhitman@mac.com

15

2. Abstract

- Usually written last
- 100-250 words

6 August 2019

johnrwhitman@mac.com

16

3. Introduction

- Sets the context for the proposed work
- Provides an overview of the problem
- Introduces your organization
- Outlines the structure of the rest of the proposal

6 August 2019

johnrwhitman@mac.com

17

4. Problem Statement

- More detailed description of the problem and its importance
- Can include a literature review on what is known about the problem and what has been tried in the past
- Can include references to prior work that provides a basis for the current proposed work

6 August 2019

johnrwhitman@mac.com

18

5. Objectives

- Presents the specific objectives of the proposed work and how they will be measured.
- This conveys your understanding of how the work relates to the funder's needs and what the funder hopes to see from the work.
- Define the scope of work, indicating what responsibilities (objectives) belong to the funder, the organization, and any subcontractors or collaborators.

6 August 2019

johnrwhitman@mac.com

19

6. Plan of Action

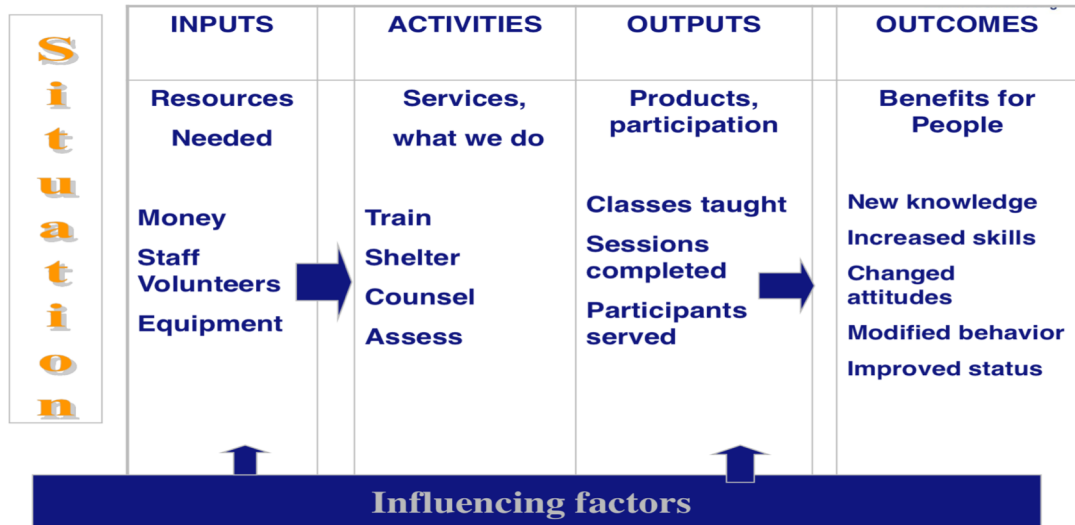
- Your action plan, usually with a timeline in the form of a GANTT chart.
- Includes a logic model and/or theory of change.
 - W.K. Kellogg Foundation: "Logic Model Development Guide"
 - <https://www.wkkf.org/resource-directory/resource/2006/02/wk-kellogg-foundation-logic-model-development-guide>
 - United Way: "A Guide to Developing an Outcome Logic Model and Measurement Plan"
 - http://www.rivervalleyunitedway.org/sites/rivervalleyunitedway.org/files/Guide_for_Logic_Models_and_Measurements.pdf
- Logic Model: How elements of the work fit together (descriptive)
- Theory of Change: Why elements of the work lead to change (explanatory)

6 August 2019

johnrwhitman@mac.com

20

Logic Model (United Way)



6 August 2019

johnrwhitman@mac.com

21

Theory of Change

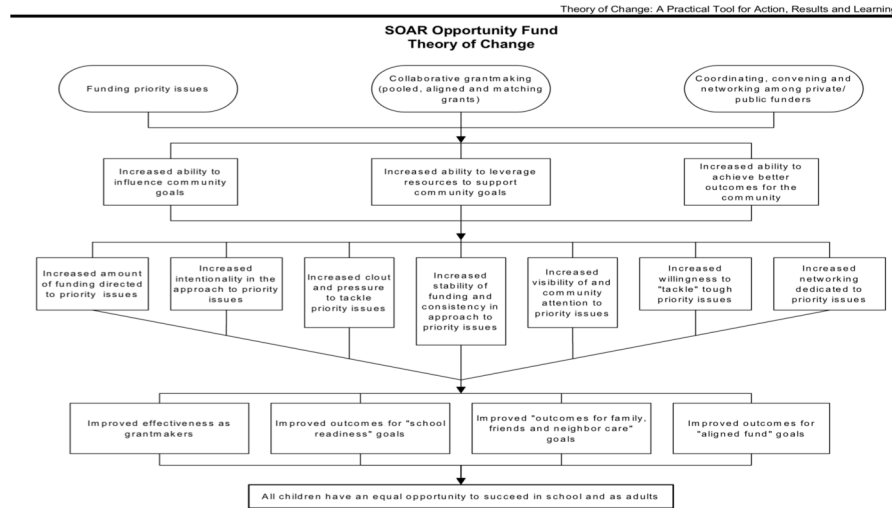
- Graphical representation (model) of your action plan
- Indicate WHY your inputs will create the anticipated change (outcomes)
 - Annie E. Casey: "Theory of Change: A practical tool for action, results, and learning"
 - <https://www.aecf.org/resources/theory-of-change/>

6 August 2019

johnrwhitman@mac.com

22

Annie E. Casey Foundation: Theory of Change



6 August 2019

johnrwhitman@mac.com

Page 25

23

7. Evaluation

- Hard to overstate the importance of evaluation.
- Need to begin designing the evaluation plan at the start of the proposal process.
- What should be acceptable outcomes of the proposed work? How would these outcomes be measured?
- **Assessment:** Systematic collection of data to describe something. This does not tell whether results are good or bad.
- **Evaluation:** The use of a criterion/a to determine whether assessment results are good or bad.
- Determine measurable outcomes: Work backwards to design the assessment/evaluation plan.

6 August 2019

johnrwhitman@mac.com

24

8. Key Personnel

- Each of the most important people on the project
- Names, titles, roles and responsibilities, brief biographical qualifications
- Put short resumes in the Appendices

6 August 2019

johnrwhitman@mac.com

25

9. Budget

- Often a separate document for review purposes
- Usually a template for financials is provided
- General categories:
 - Personnel costs
 - Benefits
 - Other direct costs
 - Overhead: G&A/Management and General/Fundraising
 - Total

6 August 2019

johnrwhitman@mac.com

26

Notes on Budget

- Personnel costs: Indicate basis for determining compensation (i.e., Bureau of Labor Statistics)
- If the funder cannot pay 100% of costs, indicate the balance as a cost-sharing contribution
- When using volunteers (unpaid labor), indicate the monetary value of their time (get hourly value from Independent Sector or Bureau of Labor Statistics) as a contribution to the project
- Overhead should include Management and General expenses and Fundraising expenses.
- Some funders limit allowable overhead, such as 10% of program costs.
- The balance should be presented as a cost-share contribution.

6 August 2019

johnrwhitman@mac.com

27

10. Appendices

- Resumes of key personnel
- Letters of support from partners or interested agencies or organizations
- Other supporting documentation

6 August 2019

johnrwhitman@mac.com

28

How Proposals are Reviewed

- Foundations:
 - Program officer
 - Outside experts, anonymous
 - Final approval by board of directors
- Government:
 - Anonymous outside experts read and score
 - Financials are reviewed separately
- You can typically contest and appeal government awards

6 August 2019

johnrwhitman@mac.com

29

Required Resources

- Proposals cost time and money
- Costs can be reduced over time if you keep files of information that can be reused in later proposals
 - Organization description
 - Statement of qualifications
 - Resumes
 - Budget templates

6 August 2019

johnrwhitman@mac.com

30

Closing Remarks

- It makes no sense to compete for work you cannot or do not want to do
- Sometimes it makes more sense to partner as a subcontractor to another prime contractor
- Some RFPs are “wired” to certain contractors
- Almost no organizations win every proposal
- The best proposals are for work you know you will get
- Good luck

6 August 2019

johnrwhitman@mac.com

31

Questions?

6 August 2019

johnrwhitman@mac.com

32