

Grant Proposal Essential Elements

Grant proposals are usually written documents, but their format and components vary based on the requirements set by the grantmaker.

Nonprofits sometimes have the flexibility to create their own outline and include relevant information they believe the grantmaker should know. However, grantmakers often provide an online application or form with specific questions, instructions, and requests for supporting documentation.

Since most grantmaking organizations typically have strict guidelines or questions to follow when submitting a proposal, the components may vary based on the specific opportunity. However, there are common essential elements that are almost always required in grant proposals.

Most grantmakers will expect organizations to include the following:

- Executive Summary or Introduction
- Mission Statement
- Organization Background
- Proposal Summary
- Outcomes and Goals
- Budget Narrative

Through these components, a nonprofit provides crucial context about its history, mission, vision, and values, details about the proposed program or project, key metrics and outcomes to demonstrate the project's effectiveness, and a budget narrative.

Tips for Using the Grant Proposal Template

1. Executive Summary (Introduction)

A strong grant proposal should start with an executive summary—a concise overview of the key elements of your proposal.

This summary needs to engage the reader and clearly articulate why your proposed project deserves funding. Although it might seem like an easy part to write, it can often be one of the most challenging sections.

Grant proposals are intricate and contain numerous details that can be difficult to condense into an engaging format. Since this serves as the introduction to your proposal, make sure to allocate sufficient time to create an executive summary that effectively captures the essence of your project and piques the reader's interest.

The length of an executive summary can vary based on the purpose and detail required, but it typically should not exceed one page.

2. Organization Mission Statement and Background

The second section of your proposal should include the organization's mission statement and a summary of its background.

This might be a funder's first encounter with your nonprofit, so it's essential to establish context and provide key information before diving into the details of your initiative.

3. Statement of Need

One of the most crucial elements of any grant proposal is a compelling statement of need.

This statement explains why your project is essential and how it addresses a specific need within your community, region, nation, or even globally. An effective statement of need emphasizes the urgency of the issue at hand.

For instance, if you are seeking a grant for a case management program for individuals and families facing homelessness, a strong statement of need would clarify why case management is vital for this population and highlight the significance of the issue.

Conducting external research can greatly assist in crafting a persuasive needs statement. Incorporating studies or community data related to the issue your project aims to tackle will strengthen the case for urgency and demonstrate why your project is necessary to address it.

4. Project Description

The project description is the core of your grant proposal!

This section allows you to delve into the details of your project or program. The earlier sections should set the stage for this part, with the project description elaborating on the foundation established in the executive summary.

In your project description, include an overview of the project, a timeline outlining when it will take place, and a detailed outline of the actions or activities that staff will undertake throughout the project.

Additionally, be sure to specify the goals of the project and what you aim to achieve. Many grantmakers suggest using SMART goals, which are Specific, Measurable, Achievable, Realistic, and Timely.

5. Outcomes and Outputs

Grantmakers will be particularly interested in how your project will create an impact and how you plan to demonstrate that impact throughout the project. Therefore, it's crucial to include a set of projected outcomes and outputs in your grant proposal.

In your project description, you will have already outlined your goals. With those objectives established, you can further propose outcomes or outputs that illustrate the effectiveness of your work.

So, what do outcomes and outputs mean?

Outputs refer to the activities your organization will undertake. These are the quantitative results your project aims to achieve, such as the “number of meals served by a food bank” or the “percentage of households receiving services.”

Outcomes, on the other hand, reflect the effects or changes that arise from the actions taken by your nonprofit. These are qualitative indicators that demonstrate observable changes resulting from the project’s activities. An example of an outcome could be “participants will experience improved overall health and well-being.”

Many grant opportunities will require your organization to track specific outcomes and outputs set by the grantmaker.

Even if the funder does not request particular outputs or outcomes, it is beneficial to include them in your proposal. This practice shows funders that you are actively monitoring and measuring your activities, collecting evidence of your project's effectiveness.

6. Project Budget

Funding requests are expected to provide detailed information on how the funds will be utilized. To fulfill this requirement, grant proposals should include a project budget.

The specifics required for a grant budget can vary based on the funder's needs and guidelines. Some grantmakers may not offer any specific instructions and will accept a simple budget spreadsheet with minimal detail, while others may provide a template for nonprofits to complete along with a request for a budget narrative.

Even if a funder does not explicitly ask for financial details, it’s still important to prepare a project budget and narrative. You should include a spreadsheet or a table within the proposal outlining

the expenses for which grant funds will be allocated. This could cover line items such as staff salaries and benefits, supplies and equipment, or contracts, depending on the needs of your program.

Additionally, it's important to include other sources of program revenue in your budget. Many funders are concerned about the sustainability of a project. By showcasing additional revenue sources, you demonstrate the long-term viability of your project through a network of existing support.

These are just a few key elements of a successful grant proposal that you should be ready to incorporate when you start your application.

Types of Grant Proposals

While most grant proposals tend to follow similar structures and ask for comparable information, this can differ based on the grantmakers specific needs and the type of grant being requested.

Certain grants may require more extensive details, different types of information, or even less specificity depending on the nature of the proposal.

Below are various types of grants you might encounter while searching for new opportunities.

1. Program or Project Grants

The most common form of grant proposal is the program or project grant. This type of grant seeks funding for a specific program or initiative, either to enhance an existing program or to launch a new one.

For instance, a program grant might finance an after-school childcare initiative at a nonprofit center for families. However, this funding would not cover unrelated activities, such as different classes or administrative overhead. Program or project proposals are requests for restricted funding, meaning the awarded funds must be used solely for the purposes outlined in the grant proposal.

2. General Operating Grants

In contrast to program and project grants, general operating grants are unrestricted. Nonprofits depend on these grants for flexible funding that supports everyday operations, including administrative expenses.

While most grants are typically restricted, an increasing number of grantmakers are offering general operating requests, recognizing that flexible funding helps address community needs more effectively.

Foundations are becoming more aware that many nonprofits, particularly smaller, community-focused organizations led by marginalized groups, lack the capacity to compete for restricted funding necessary to maintain their operations. The flexibility offered by general operating grants allows nonprofits to allocate funds as needed to meet the demands of the populations they serve.

3. Capital Grants

Managing capital expenses and facility maintenance can be difficult for nonprofit organizations to budget for. Since nonprofits primarily rely on donations, grants, and public subsidies designated for specific uses, it's often impractical to reserve significant funds for capital improvements or construction.

That's why many organizations turn to capital grants for this purpose.

Capital grants provide substantial financial support for organizations undertaking significant capital projects. This could involve constructing a new facility, acquiring land or equipment, or renovating existing buildings or facilities.

Given the scale of these projects, they often require funding from multiple sources. Many capital grants also necessitate that nonprofits match a certain percentage or amount of the total project cost through other grants, donations, or investments.