

MUSCLE AND MONEY FOR YOUR NONPROFIT

A Builder's Toolkit



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Publisher: Harvey B. Chess
Little River, California
FunctionalandFunded.com

Dedication

For those champions dedicated to the success of
community members for and with whom they built a
grassroots nonprofit in these difficult times

Add uncommon strength to your nonprofit
as you build its funding proposal.

Introduction

I created this tool kit for those of you who do the hard work of raising money for your nonprofit in tough times, whether as a staff member, board trustee, community member, volunteer or consultant.

The kit's ingredients are fundamental to and lifted out of my book, *Functional and Funded, Securing Your Nonprofit's Assets From The Inside Out*, available for sale on my website, www.functionalandfunded.com.

The components included here offer you access to what I've come to learn is an often-missing framework for anyone's efforts to go after resources for a nonprofit organization.

Equally important, these tools are here to motivate you to consider how and how well your organization undertakes the critical business of generating assets needed to continue to operate.

Accordingly, I won't be surprised, as you work your way through the tool kit, if you conclude that the way your nonprofit does its fundraising could stand some improvement.

So, if you come to believe that change makes sense, feel free to reproduce and use every item you find here to stimulate collective action and create allies among others in and around your nonprofit.

(My book provides more detail about how to pull people into the process of seeking resources.)

My guess is that, by using each of the tools within your organization's environment, you will take action to reaffirm the value of its resilience and excellence or to improve the ability to attain such qualities.

As you explore, bear in mind four fundamental propositions about the nature of nonprofit resource development that are central to the book where these tools originated:

- When you build the adaptable core funding proposal to tell your organization's story, you must use the process to strengthen your organization at the same time;
- You need to diversify tactics you employ and sources you approach when reaching out to secure assets for your nonprofit;
- "You" refers to those of you taking the time to team up to build assets. This is essential to what my book refers to as business as unusual, and dispels the woefully persistent notion of the individual practitioner working in isolation;
- Always bear in mind that the optimal takeaway in repeatedly seeking out resources is a strong, resilient nonprofit equipped with a superior funding proposal.

Moving on, first among the toolkit's components is a grid listing **The Elements of a Financially Healthy Nonprofit**. Use this to test the extent to which your nonprofit diversifies its resource base, keeping in mind the importance of doing so in the crowded highly competitive arena for external funding.

How many categories can you check off and fill in? More important, what will your organization do to examine the prospect of adding missing categories?

Next, you'll find a down-to-earth, four-column rendering of the *Why, How, What, and Where* of your nonprofit's existence that goes by the title, **A Simple Guide to Project Planning**. The wisdom of its use rests on the realization that nonprofits are customarily involved in delivering services.

Notice that process imagined in using this tool (copy and make your own) begins with why you intend to get into action. This is an intentionally provocative question that demands that you consider progress towards your organization's mission before assuming that that yet another set of project activities is in order.

The third item, a visual image, appears in the form of circles among a circle. Titled **Opportunities to Build Your Organization's Assets**, it illustrates the six major functions and 13 related actions that comprise the essence of nonprofit resource development. Feel free to blow it up to poster size and stick it somewhere as a constant in-house reminder of the necessity and wisdom that lead to diversifying the way you take your nonprofit public.

The toolkit transitions from organizational context to proposal writing, beginning with a detailed and sensible look at **Funding Proposal Dos and Don'ts**. Created from my experiences as a successful proposal writer and longtime proposal reviewer, this is a baseline document for any proposal writer — never a grant writer!

It belongs here because you know as well as I do that writing a proposal, in some way, shape or form, is at the center of going after resources to keep pursuing your organization's mission. The proposal is also the written medium through which you tell your nonprofit's story, so you should find it beneficial to use the Dos and Don'ts to guide its production as you gather with others and fill in the details.

Finally, you'll come across **The Key Concepts for Building Powerful Funding Proposals**. Based on the format described at length in my book, this is a section-by-section framework intended to guide the business of unfolding a proposal into its completed form.

This implicitly acknowledges that there's likely to be someone in your nonprofit who is responsible for hatching its funding proposals and, for that person, The Keys can be an indispensable and tactical component of this toolkit in one of two ways.

First, your proposal writer can present initial ideas roughed out in each section as a way of engendering needed input from others who would be involved and impacted should the proposal be funded.

Or alternatively, the proposal's point person could democratize matters and share pages with others as a means of seeking their input at the outset of the building process.

These tactics makes sense in either of two scenarios.

First, when your nonprofit is responding to a request for proposals from a prospective funding source, where you may have to adapt your product to the funder's imperatives — but only after you have built the proposal using this format as your guide! In other words, you build a proposal that your organization *owns* that you will adapt as necessary to send it off for review.

Or better yet, if yours is that exceptional entity that has used the other tools in this kit to arrive at the conclusion that a funding proposal is in order before undertaking a search for a funding partner – defined and detailed as a *best practice in waiting* in my book.

Either way, keep in mind that proposal building at some point in some way is a group undertaking flying in the face of the so-called conventional wisdom of the solitary proposal writer toiling in splendid isolation.

So, there you have it. May your communications and connections be plentiful and may your proposals shine! Should you have questions, concerns or comments now or once you've begun to put the tools to use, get in touch. You can do so on my website, www.functionalandfunded.com or via email at harveybchess@functionalandfunded.com.

The five parts of the Toolkit follow.

THE ELEMENTS OF A FINANCIALLY HEALTHY NONPROFIT

FINANCIALLY HEALTHY NONPROFIT

SOURCE	AMOUNT	% TOTAL BUDGET
Individual		
Membership Dues		
Direct Mail/Email/Social Media		
Special Events		
Income Producing Devices		
Workplace Solicitation		
Planned Giving/Bequests		
Private Sector		
Corporations		
Foundations		
Religious Institutions		
Grantmaking Public Charities, Civic, and Professional Organizations		
Federated Giving		
Public Sector Institutions		
Local Government		
State Government		
Federal Government		
TOTAL		

A SIMPLE GUIDE TO PROJECT PLANNING

WHY will we do
what we intend
to do?

Making the Case

Who are the participants for the project or program?

What are the circumstances, situations or challenges that motivate us to want to get into action?

Consequences of acting? Not acting?

- For the participants
- For the rest of us as neighbors and employers
- Customers, Parents, Families, Vendors, Taxpayers, Citizens

HOW are we going
to do what we're
going to do?

Blueprint

What are the steps in the plan of action?

What is the timeline for accomplishing the work of the plan?

Do we have the skills, experiences and abilities to do what's required?

How will we keep track of the work as it is being done?

How will we define and evaluate the success of the work as it's being done and when it's completed?

This four-column grid is a guide to thinking through and developing the steps for an effort that you think is important, and consistent with your mission as an organization or community.

WHAT will it take to do what we're going to do?

Price Tag

Salaries and Wages, Benefits, Occasional Labor, Facilities, Equipment Supplies, Services, Technical Assistance, Scholarships Stipends Fees and Licenses, Publications, Travel, Construction, Renovation, Rehabilitation, Replacement, Audio-visuals, Consumables, Insurance, Professional Advice, Utilities, Communications, Awards and recognition, Celebration, Recreation, Decoration

WHERE will we find the resources to do what we're going to do?

Income/In-Kind

What resources of our own do we have to use to cover necessary costs?

Savings, Earned money, Surplus, Fees, Tuition In-Kind

What other sources can we approach to raise the rest of the needed \$\$\$?

Individuals, including Board, Staff, Family members, Friends, Participants, Former participants

Professional and Civic Orgs.

Clubs, Membership Assocs.

3. Opportunities to Build Your Organization's Assets

The question this visual poses: Do you and your coworkers, in the name of developing resources, undertake any of the six critical actions displayed in the outer circumference of the circle?



4. Funding Proposal Dos and Don'ts

Let's revisit the soundest definition of a funding proposal—the written version of the discussions and agreements within your organization about pursuing needed resources. This should result in a document that describes the effort for which you seek funding, along with a cogent argument for mounting it.

While it's common to focus on a particular project or program in a funding proposal, you can broaden discussions to an organization-wide purview that pinpoints all your program efforts and appropriate administration. This, in turn, might lead to developing the most attractive and challenging proposal of all, the one seeking support for general operating purposes.

The sensible suggestions to follow are intended to imprint the work of a resource-development proposal writer, no matter what type of proposal emerges. Taking them to heart should help you avoid the traps that lurk for those who craft these documents. Often, the basis for a declined proposal relates to missteps that could and should have been avoided in advance.

Begin with the assumption that the people who'll review your proposal are of goodwill and look for quality in nonprofit organizations and their work. This suggests that you seek them out, if they're accessible, to ask reasonable questions prior to preparing your proposal.

Learn what you can where you can, and let your correspondent understand somewhere in the contact process that you've reviewed materials, intend to apply for funding, and need some clarification before proceeding. Such a savvy stance is likely to elevate your status in the eyes of the person who handles your proposal.

Furthermore, you're likely to discover that funder-generated materials to guide your progress in writing proposals are self-explanatory, so you have reason to look further for clarification. Here, to make the point, is language from a grantmaking

foundation: "In general, foundation grants are limited to programs and/or initiatives that have significant potential to demonstrate innovative service delivery, in support of education and entrepreneurship." At a minimum, you'd do well to learn more from the source about the modifiers significant and innovative.

You should also be aware that funding sources, particularly grant makers, use different techniques to deal with your proposal once they receive it. If you discover that a face-to-face meeting to discuss your proposal is in the works, take advantage of the opportunity. Determine if your funding source counterpart will make a site visit; if so, welcome it and check what your visitor's expectations might be. Consider the wisdom of seeing to it that your side of the meeting table includes other staff, board members, community members, or program participants who are prepared to be themselves when they interact with the funding rep. This is a beneficial transaction and presents the opportunity not only to reflect your organization as you would want it seen or felt but also to listen to what your visitor has to share about the process underway.

As for face time with funding reps, don't forget that you're likely to be competing with others who want the same thing. Use your time wisely. Don't ask what the organization in focus is currently funding when there's information available that at least partially explains it. This is a dead giveaway that you haven't done any homework. Far more strategic to ask for clarification of what you've already looked over.

Unfortunately, the wholesomeness of sitting down together is all too rare in the funding realm. Most funding organizations do not make time to meet with the someone from an outfit looking to approach them. This brings us back to the importance of your written proposal, because it may well have to stand alone as the means of representing your organization's intentions.

In your proposal, be thorough, reasonable, and positive. Don't be hesitant or quarrelsome. If your proposal is unsuccessful, take steps to find out why it was turned down. You won't enjoy funding

declinations that far outnumber approvals, but you need to use them as opportunities for learning. Today's refusal is tomorrow's approval.

There's no magic in writing an effective proposal for funding; neither is there a guarantee in any single method you might choose, though you're now aware of the core framework to work with every time your organization elects to approach a prospective benefactor.

Remember: The proposal that's truest to reflecting your organization's credibility, capability, and dedication to mission accomplishment is the one you want in the hands of funding decisionmakers. Such a proposal is likely to stand the best chance of being treated seriously, and even in the event it doesn't result in funds, will hold up as a basis for additional efforts.

The Dos

When Preparing a Proposal, Do:

Know your funding source. All have biases: Some favor research, others favor action; many support specific projects, a few like general-support grants. Almost all will have some kind of funding track record to study. Look for written materials about policies and procedures, and look for representatives to meet with.

Know your turf. Find out if anyone else in the community is concerned about and working on the situation you're addressing, and find out what other approaches have been tried. Consider the value of coalitions with other organizations. Pay attention to the emphasis on program collaboration bandied about but seldom practiced by funders.

Follow the format. Use what a funder suggests or requires, even if you're accustomed to using another form or approach. "Improving" a funder's format courts being viewed as unresponsive, if not arrogant. This does not negate the importance of using the framework in this toolkit to develop your proposal, though it may ultimately conform to another's protocol.

Write clearly. Proposal reviewers usually have to read a slew of proposals in a short period, so it makes sense that they appreciate direct statements and are exasperated by cleverness or needless repetition. The best way to handle jargon and specialized acronyms that fly around in proposals is to do away with them. You're not likely to insult a reader with straightforward, explicit language. If you take five pages to say what can be said adequately in one, reviewers will likely remember your proposal for something other than positive reasons.

Write sensibly. The proposal should flow, with conclusions reached, not jumped at. Your organization's credibility and commitment to bringing about needed change should always shine through the words you use.

Be specific. In short, specify numbers, sequences, and outcomes. Consider using charts to visualize timing and flow of activities, allowing for start-up and phase-in of your project when you discuss your proposed approach.

Be thorough, especially when detailing program administration, supervision, and monitoring. Funders like to know that their money will support conscientious and capable organizations.

Critique your own proposal before it reaches the intended funding source and the review process begins. Proposal writers, even those good at the business, have a common failing: They become enamored of their product without reference to outside counsel, and don't consider their work in light of the larger context it's proposed in. Your proposal should be intelligible to any reader, especially one not familiar with your field of interest. Test yours on coworkers or friends. See if the those whose circumstances led to the proposal in the first place agree with what it says. Set aside your ego, heed their comments, and express your gratitude for their willingness to help.

Be positive. Predicting doom if your program isn't funded, or pleading poverty, or heaping guilt on a prospective funder might work once, but will certainly be subject to the law of diminishing

returns. How often can you go to the well with the old "If you don't fund us we're going to go belly-up" routine? Funders like winners, and evidence of your organization's grasp of a situation and how to deal with it, essentially conveying a positive attitude, is a winner's strategy.

The Don'ts

When Preparing a Proposal, Don't:

Argue with a grantmaker's assumptions. If the funds are available through a Request For Proposals (RFP), it often contains a definition of a problem as the issuing organization sees it. Guidelines may also reveal a framework through which a grantmaker operates. Even if you feel that these presentations are misinformed, don't take issue with them. Your countervailing knowledge will not matter in this setting. If you can't ethically agree with a prospective funder's assumptions, avoid going after its money, and save your reforms for other forums.

Philosophize. A proposal for a nutrition program is no place for a speech on hunger in the Third World. Know the difference between a proposal for funding and a polemic. Avoid the implied charge that a funding refusal would mean the funder doesn't care about the problem. Such a contention won't get you funded anyhow.

Confuse your organization's needs with the challenges that face your constituents or participants. It's common practice to make the case that you need funds to keep your organization's doors open. It doesn't necessarily follow that this will redound to the benefit of the people for whom your organization exists. Making certain that you document their challenges and the need to overcome them as the basis for your proposal offers the justification for continuing to meet organizational needs.

Assume the reviewers know the problem or program. The individuals recruited to read proposals may include academicians, technicians, and just plain folks. Given this mix, it makes sense to be specific and document the existence of challenges to be met

and your program's capacity to meet them. In all events avoid unsupported assumptions of any type, because they always raise questions that weaken a proposal.

Include surprises. Examples: personnel who show up in an organizational chart or budget, but are not mentioned in the proposal narrative; or charges for categories or functions in a budget, with no prior previous references as to purpose or necessity.

Promise more than you can deliver. Resist the temptation to imagine a competitive advantage by delivering an unrealistic high level of impact or a proposed budget on the cheap and seemingly inconsistent with the scope of your intended program. In both cases, you risk your credibility either through the analysis of an experienced reviewer or falling short of your goals should you happen to receive funds.

Remember, the effective proposal, in brief:

- Is in the hands of the right funding source, because your research was rigorous;
- Gives evidence of careful detailing by your organization in its preparation;
- Conveys the importance of what you propose among the people who are at the heart of your mission;
- Includes other resources to be used with those you are requesting; and
- Answers questions, rather than raising them.

Powerful Funding Proposals

Focus on the circumstances confronting the community or people for whom your organization exists. However you define these, e.g., barriers or challenges or unrealized opportunities, the point is that you're describing diminished quality of life. This forms the basis for your entire proposal.

[illegible]

Work on Defining Participant Success

Evolving from the preceding section, this is where you describe needed change in the form of participant success, using specific, measurable terms. Note: This must precede the description of your intended program.

Key Point: Participant-centered results, not organizational activities. Keep your organization out of here.

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page, leaving small margins at the top and bottom. There are no vertical margin lines or other markings on the page.

Work out the Program Strategy

Provide the details of your program strategy, staffing, and management to bring about participant success. Explain why you've selected this approach.

Key Point: Activities leading to impact previously described.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Wrestle with and Develop the Evaluation Methods

These should serve to monitor your program as it unfolds, allowing for change as needed, and verify the level of impact in your proposed outcomes once the program has been established.

Key Point: Protecting organizational credibility and the funder's investment through voluntary accountability.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

in the Introduction to the Applicant for Funding. You want to impress the reader, so remember that your organization is competing with others in pursuing resources.

Key Point: Know your organization well enough to describe it convincingly.

[illegible]

Add in Other Resources –

either cash or in-kind, to demonstrate Blending Resources. This represents tangible commitment to your proposed project, and serves as an inducement for them to fund it.

Key Point: It takes resources to get resources.

[illegible]

Protect a Funder's Investment with Plans for Maintaining Continuity

You understand that projects often have a life beyond proposed funding, and want to demonstrate concern for how future costs will be underwritten.

Key Point: Diversified assets over time are always important when it comes to putting resource development into proper perspective.

[illegible]

Develop the Budget and Budget Narrative

This is where you articulate project costs associated with the Program Strategy, and the items included when the proposal describes blending resources. Use a narrative to justify and reconcile the numbers.

Key Point: Connect the budget to the rest of the proposal, especially the program strategy.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Capsulize the Proposal in a Summary

That is, a thumbnail sketch that sets up your proposal when it's repackaged into the presentation format. It will prove useful in building pre-proposal documents such as Letters of Inquiry favored by some grantmakers.

Key Point: A mini-proposal will come in handy as a marketing device.

[illegible]

Final Touches

Once the interactive process of developing your organization's proposal has run its course; each section has been completed; there's a sense of ownership by all the participants involved in its creation; and there's agreement that it's eligible to be submitted to prospective investors; there's more work to be done.

You'll need to reorganize the sections you've completed into a document that flows when it is read, and include this in what we'll call the package out the door.

Reorganization: the order of presentation for your proposal will now be:

- Summary
- Your Organization's Quality & Credibility
- The Case For Needed Change
- Defining Participant Success
- Program Strategy
- Evaluation Methods
- Other Resources
- Maintaining Continuity
- Budget & Budget Narrative

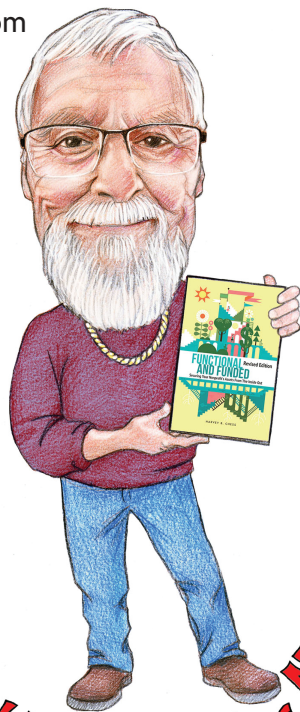
The three-part package out the door, print or digital, includes:

Cover Letter*
Proposal
Attachments*

*If you are not familiar with these, my book clarifies what they are and why they are important. Or you can email me, and we'll discuss them.

Harvey B. Chess has been active in the nonprofit sector for years as a well-regarded trainer, peripatetic consultant, foundation program officer, and periodic volunteer. A consistent focus for his work has been the ever-alluring arena of grants, including an acclaimed workshop for grant seekers conducted throughout the country.

Much of what he has come to learn, value, and share forms the basis for his less nomadic existence as an emerging blogger and the author of the book, *Functional and Funded, Securing Your Nonprofit's Assets from The Inside Out*, from which this toolkit is derived. You may order signed copies of his book at [www. functionalandfunded.com](http://www.functionalandfunded.com)



ISBN 978-0-9963147-5-6



9 780996 314756

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