Successful Proposal Writing

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Skillful proposal writing is an art of persuasive communication that can be an asset for therapists who must cope with recent cuts in government and private support. This article provides an overview of funding agencies, the basic principles of proposal writing, and the components of a proposal. Even rejection of a proposal can be educational and can contribute to eventual mastery.

Today's economy and the "trickle down" effect of budget austerity on the federal level generate several problems for health-related human services and education programs on the federal, state, and local levels. Ellis and Stanford (1982) projected that cuts in federal expenditures for social services alone would be $42.7 billion in 1986. The Tax Equity and Fiscal Responsibility Act of 1982 and the resulting diagnosis-related groups provide financial incentives for hospitals to reduce costs not only to compete but also to survive. Reduction of federally funded programs and diminished support by private agencies, such as United Way, seriously affect reimbursement patterns for occupational therapy services.

As a result of these changes, occupational therapy administrators must assess current programs, implement necessary changes in services, improve use of staff, and amend work schedules to increase productivity (Scott, 1984). Maintaining personnel and programs requires studying efficacy and justifying services. In this climate, which affects every occupational therapy administrator, clinician, and educator, it is imperative to understand and, if possible, use alternate funding sources. Competent proposal writing and the skill of matching the proposal to the right funding source are essential in today's environment, because there are an increased number of applicants contending for fewer dollars. Coolbrith (1984) estimated that in 1984 the number of requests received by the larger foundations has increased 30% to 50%. Yet even in the highly competitive atmosphere of 1982 and early 1983, 338 foundations awarded 2,724 grants of $5,000 or more to hospitals and medical care programs, and these grants added up to more than $183,593,707 (Foundation, 1984).

A proposal is a mechanism for requesting funds from an outside source to initiate, maintain, or improve a project or research. Simple proposals or letters are often successful in obtaining seed money or funds to purchase state-of-the-art and necessary equipment from local corporations. For example, an occupational therapy department may acquire a computer with software or a wheelchair by a letter or simple proposal. On a more sophisticated level, a proposal writer may procure a grant or a contract. Although the terms grant and contract are often used interchangeably, these two forms of agreement are distinct. A grant is more flexible than a contract, with a general scope and range. A grant is a "gift of money executed for a designated purpose, where all the factors related to the contracts (need, format, outcome, cost, time) are not fully determined" (Borden, 1978, p. 8). The grantee is given management control over the methodology, the funds, and the timetable. Because grants are less structured than contracts, failure is permissible. In a contract, the
funding source identifies a specific need and exerts the management control by setting limits on cost and time. The funding agency develops the criteria for the format and the expected outcome of the procured service or activity. Contracts are strictly designed and closely regulated to assure success.

According to White (1975), the two most common types of contracts are the fixed-price and the cost reimbursement contracts. The fixed-price contract, allocated when total cost can be reasonably estimated, allows the contractor to keep any monies saved. In the cost reimbursement contract, the contractor is paid for expenses, provided they remain within the financial confines of the contract. Another reimbursement mechanism is cost sharing, also referred to as matching funds. Cost sharing strengthens the apparent commitment of the agency seeking funds, and the prospective funding agency is likely to view such an arrangement favorably.

Professional proposal writers know whether a given project is more appropriately funded by a grant or a contract. They are also accustomed to the expectations of the funding agencies and usually have personal contacts with a number of program officers who represent the grant-giving organizations. If an occupational therapist is so fortunate as to be affiliated with an institution having a professional proposal writer on staff, securing alternate funds may be as simple as discussing a novel idea or a specific need with this person. Therapists without this advantage must follow the trial-and-error method of writing successful proposals but will be less frustrated if they know about funding sources, writing principles, and the components of a proposal.

Funding Sources

The three major funding sources available are government agencies (federal, state, and local), foundations, and corporations. The United States government is the richest source of grant funds (White, 1975). It offers the largest amounts of dollars, but requires more complicated and extensive reporting and accounting from the grantee. Federal funds are generally awarded to nonprofit organizations, and the criteria for eligibility are conveniently printed in federal publications, including the Catalogue of Federal Domestic Assistance, the Federal Register, and the Commerce Business Daily; references found in the local library. The Catalogue, printed annually, lists the programs funded by federal agencies, describes the programs’ legislative origins and eligibility requirements, and provides application information. Computer searches of the Catalogue are available through the Federal Assistance Program Retrieval System. The Federal Register, published 6 days a week, contains proposed and final rules and regulations regarding specific qualifications for applications and deadlines (Kurzig, 1981). Other helpful resources are the US Government Manual, agency newsletters, and current news releases (Conrad, 1976). Information on state grants and contracts is available in state legislative publications and in the newsletters of the specific state departments. To find out about local government contracts, a telephone call to local government officials may be necessary, or the details may be published in the local newspaper.

Foundations, either private or public, provide alternate funding. A private foundation is “generally defined as a nonprofit organization with funds and programs managed by its own trustees or directors and established to maintain or aid social, educational, charitable, religious, or other activities serving the common welfare, primarily through the making of grants” (Kurzig, 1981, p. 3). On the basis of their scope and interest, foundations may be categorized as national or general-purpose foundations, community foundations, special-purpose foundations, corporate foundations, and family foundations (Conrad, 1976). Data on most foundations are located in the Foundation Directory, The Foundation Grant Index (bimonthly and annual editions), the Foundation Center Source Book, the Annual Register of Grant Support, state and local foundation directories, the General Funding Directories, and the Specialized Funding Directories. The Foundation Center, located in New York City, is a nationwide network of foundation reference collections, including some of those mentioned, for free public use. It has cooperating collections in all 50 states and publishes a multitude of related materials, including the COMSEARCH Printouts, a computer listing of the major giving categories. COMSEARCH and the Foundation Center publications contain dossiers of more than 3,300 foundations, listing the amounts and recipients of prior awards, areas of interest, and all other pertinent data (Kurzig, 1981). This knowledge is invaluable for determining which foundation is appropriate.

Corporations contribute funds by developing either separate foundations or corporate contribution programs operated within their companies. Some large corporations maintain both a foundation and a corporate contribution program. Because direct corporate-giving programs are not legally bound to publicly release their distribution information, it is difficult to find these programs. References that assist with this task and are found in the public library are Forbes, Fortune, Standard and Poor’s Register of Corporations, Directors and Executives, Dun and Bradstreet Reference Book of Corporate Management, and Million Dollar Directory. Additionally, Chamber of Commerce directories, telephone yellow pages, newspapers, and corporate annual reports may help.
Corporations donate not only funds but also services, goods, and other in-kind contributions. Corporate funds are often tapped to purchase a specific piece of equipment (e.g., a wheelchair). However, most program and research funding comes from foundations and government agencies.

The first step in proposal writing is to write a prospectus, a brief description of the contemplated project or activity. The prospectus provides an organized summary of the project's basic elements for the purpose of assisting a potential funding agency in determining its interest. During the initial phone call to the agency, the prospectus is the basis for introducing and briefly reviewing the project and its assets. If the official expresses an interest in the project, a recommended strategy is to ask for an interview (Conrad, 1976). Also, if appropriate, it is time to begin writing the full proposal.

**Basic Principles of Proposal Writing**

In a grant proposal, a person or organization states a willingness to conduct an activity if awarded the necessary funds. An acceptable proposal is prepared by conforming to the general guidelines and the scope defined by the funding agency. When a proposal is in response to a Request for Proposal (RFP), a formal announcement inviting interested parties to submit a proposal, the scope is more restricted and there is less opportunity for elaboration of a special interest than when there is no RFP. An RFP describes the specific activity to be accomplished and the rules and regulations to be followed.

An art mastered only through practice, writing a proposal is an "act of persuasive communication" (Kennicott, 1983, p. 36). A successful proposal is clear, concise, and accurate and provides adequate information to justify the activity to be funded. A well-documented statement of need convinces the reviewers that the proposed project is within their special interest or purpose. For example, a localized increased incidence of a specific diagnosis (e.g., cancer) may signal a need. The proposal provides assurance that the project will be successful. Such assurances may include the reputation and experience of the grantee and the participation of notable experts in the field. Proof of the qualifications of the principal investigator and the program director is presented in their curriculum vitae or résumés, as an appendix. Information on the percentage of the personnel's time the project will require and whether this time will be donated or reimbursed is also important. However, a well-written, well-defended proposal may be disqualified automatically if it does not comply with rules and regulations concerning format, length, deadlines, and components.

**Components of a Proposal**

Although proposals vary according to specific requirements, most contain 11 basic elements:

1. Cover letter
2. Title page
3. Table of contents
4. Summary
5. Qualifications of the organization and staff
6. Statement of the problem
7. Goals and objectives
8. Methods to achieve the timetable
9. Evaluation
10. Budget
11. Appendix

(Adapted from Kurzig, 1981, p. 89)

The cover letter is typed on the submitting organization's letterhead and contains the title of the proposed program and a summary of its basic purpose. The letter should entice the reader to continue and also bear the signature of the chief executive officer (CEO) of the organization. If the proposal is being sent to other funding agencies simultaneously, this fact should be stated.

The title page shows the title, limited to 10 words or fewer (Conrad, 1976). The official name and address of the submitting agency, the name of the proposed funding agency, and the identifying numbers of the RFP, if there is an RFP, the date of submission, the amount of money requested, and the federal identification number of the agency originating the proposal. The names, titles, and positions of the principal investigator and the program director appear on this page, and it is signed by the CEO.

The table of contents is a quick outline of the contents of the body of the proposal, and it also lists its appendices.

The summary condenses the proposal to one page, stressing the overall purpose and intent of the proposed activity. The summary should arouse the reviewer's interest and sell the benefits of the expected outcome. Although the summary is placed at the beginning of the proposal, it is written last.

To support the organization's claim of being able to complete the proposed activity, the proposal includes vitae or résumés to substantiate the qualifications of all professional staff, calling attention to related past experiences, publications, and honors. It is important to project realistically how much of the personnel's time will be needed to accomplish the project.

The statement of problem justifies the proposed activity by showing there is an apparent need for it. Strong arguments are positively and comprehensively presented. The statement of problem frequently ana-
analyzes the results of any need assessments and their implications for the contemplated program. The statement includes a review of current relevant literature and statistical data on the prospective geographic area or population. Related references are listed on a separate sheet immediately following.

The section on goals and objectives states the expectations of the proposal. General goals are broad statements of intent clarifying the purpose of the program. The specific objectives are outcome oriented (A. K. DeRoy & H. L. Hitchens, Office of Research, University of Pittsburgh, personal communication, September 1982). They can be written in a narrative form or may be outlined if descriptive paragraphs follow. The objectives should be clear, concise, and related to the goals and the previously stated problem (see Table 1 for an example).

The methodology section describes the precise procedures that will be used to accomplish the expected outcomes. The rationales and justifications of the project and the instrumentation and expected outcomes are part of the methodology. The tasks that need to be completed are explicitly described. Timetables and flow diagrams are included in the method section, as are the procedural guidelines for collecting and analyzing statistical data.

The evaluation portion of the proposal describes the factors to be evaluated and the measurement instruments. The evaluation instruments should objectively measure the effectiveness of the program in meeting the objectives and goals or in solving the stated problem. This section may address any projected long-lasting effects or results.

Budget requirements vary from one funding agency to another. Federal agencies require a more complex and often more sophisticated budget design than do foundations or state and local government agencies. The line item budget is essentially divided into two sections: personnel and nonpersonnel. The personnel budget contains salaries and wages and payments for fringe benefits and contractual services. In health care and social service programs, approximately 80% of the budget is used for personnel. The nonpersonnel budget includes costs for space, equipment (lease, rental, or purchase), travel, construction, telephones, and consumable supplies, plus any other indirect costs. Indirect costs are sometimes calculated as a percentage of the total anticipated expenses (Sladek & Stein, 1981). (Presently, the average range is between 10% and 15%) If the finance department of an institution is providing the projected budget, care must be taken to work closely with its personnel to establish a reasonable budget. The budget may include footnotes to clarify issues. It is wise to base the budget year on the fiscal year of the agency submitting the proposal, and each annual budget is presented on a separate sheet. Special budget forms may be available from the finance department of the submitting agency or from the target funding agency.

Carefully and realistically planning the budget is essential, although time-consuming. If a projected budget exceeds the funding agency’s limit, the author may opt to incorporate cost-sharing principles or to donate some personnel, equipment, or service.

The appendix contains all data that support the proposal but are too lengthy, detailed, or technical to be a part of the proposal body (e.g., letters of support and endorsement, proof of tax-exempt status, and curriculum vitae) (DeRoy & Hitchens, 1982). Appendices are usually organized and labeled by Roman numerals or capital letters of the alphabet.

To ensure that the proposal is clear, concise, inclusive, and understandable, it may be helpful to have two or three people working on it. This support system can also be invaluable when various tasks of proposal writing appear insurmountable or when elements of the thinking and writing process appear to

Table 1
Excerpt from a Goals and Objectives Statement

<table>
<thead>
<tr>
<th>General Objective</th>
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<td>The major objectives of this proposed program are to effectively and efficiently use the existing multidisciplinary team and broaden its scope; to improve the care of the patient with advanced cancer, through increased referrals from the community, the new collaboration of physician practices and sources who have not taken advantage of oncological services, in anticipation of the prospective payment system.</td>
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<tr>
<th>Required Tasks</th>
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<tr>
<td>A. Specific objectives and outcomes.</td>
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<tr>
<td>1. Objective</td>
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<tr>
<td>- To establish a physician committee representing separate types of practices in order to devise and implement a referral system for the home care educational program.</td>
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<tr>
<td>Expected Outcomes</td>
</tr>
<tr>
<td>- A committee representing a collaboration of physician practices.</td>
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<tr>
<td>- A delivery of services to the specified geographic area, for the individuals with advanced cancer, who are being managed at home.</td>
</tr>
<tr>
<td>2. Objective</td>
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<tr>
<td>- Market the program to all in-hospital patients as well as community members who are experiencing the problems associated with advanced cancer care.</td>
</tr>
<tr>
<td>Expected Outcome</td>
</tr>
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<td>- Community awareness of the home care education program and location of available resources.</td>
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<tr>
<td>3. Objective</td>
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<tr>
<td>- To provide an in-service for the multidisciplinary team members, to define project goals and clarify roles and objectives related to the care of individuals in the advanced stage of cancer.</td>
</tr>
<tr>
<td>Expected Outcome</td>
</tr>
<tr>
<td>- A multidisciplinary team to function as specialists and educators in home care needs for patients with advanced cancer.</td>
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Note. From the McKeesport Hospital Community Home Care Educational Program, which was submitted in February of 1984 to the Pennsylvania Department of Health, Division of Chronic Diseases, Cancer Control Section, in response to RFP 1983-07-08.
deteriorate. The small group process allows the roles of the group leader, facilitator, and evaluator to shift among group members in order to maintain the drive to completion. It is advantageous to have a person with proposal writing experience in the group or as a convenient resource. If there is no such person, group members should study some successful proposals. Despite the many available formal courses, seminars, and workshops on proposal writing, practice is the only means to refine the necessary skills.

Submission and Evaluation
Funding sources may allow extensions for submission of proposals for various reasons. The notification of the extension is published either in the original source or in the newspaper.

The submitted proposals are gathered together after the submission deadline, and a reviewer or a reviewing committee evaluates the proposals according to the preestablished evaluation criteria. These criteria or the evaluation checklist can be requested prior to writing the proposal.

Rejection
Holtz (1979) stated that only 10% of proposals for government contracts are technically acceptable. And because there are many more proposals than contracts and grants, only 6% to 7% of proposals submitted to foundations obtain support. But a rejection can be educational. When a funding source sends only a form letter of rejection, the recommended course is to request copies of proposal reviews or evaluation forms to objectively assess the value of the proposal. It may be appropriate to schedule a meeting with the program officer to discuss the proposal’s merits. This meeting encourages the exchange of ideas and sheds light on the proposal’s weaknesses and strengths. In the meeting, the program officer may suggest that the author apply to another agency and may even indicate the most appropriate one. Some rejected proposals may need few or no changes to be successfully resubmitted to another agency. Early and consistent communications with the funding source greatly reduce the odds of rejection, as does paying attention to the agency’s interests, priorities, criteria, and evaluation procedures. Having a colleague critique a draft of the proposal using the evaluation criteria received from the funding agency can also decrease the odds of rejection.

Conclusion
Whether it is to buy a new piece of equipment or support an exciting 5-year program, a successful contract or grant can financially assist an occupational therapy budget by lessening capital expenditures or by sharing the cost of personnel.

Participating in a funded project increases accountability and can provide vital data on the cost-effectiveness of occupational therapy services.

Most administrators view contracts and grants favorably. The financial incentives are obvious, but contracts also declare a commitment and often help the institution develop a reputation of expertise. Moreover, because most funded programs are interdisciplinary, improved professional communication can be a by-product.

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References