Dear [Researcher's Name],

Thank you for the effort and dedication you put into your recent research proposal, titled '[Proposal Title]'. After careful consideration, we regret to inform you that your proposal was not selected for funding in this cycle.

Please understand that this decision was not easy, given the high quality of proposals we received. We encourage you to view this as an opportunity to refine and further develop your ideas. There were several positive aspects in your proposal, such as [mention any positive feedback or specific strengths], which we believe could form the foundation for a successful submission in the future.

We are committed to supporting innovative research and are open to discussing any ways we might assist you moving forward. We recommend considering the following avenues: [suggest potential improvements, alternative funding sources, or networking opportunities]. Thank you once again for sharing your work with us. We look forward to seeing how your ideas progress and would be happy to support your endeavors wherever possible.

Best regards,
[Your Name]
[Your Position/Institution]