

# Development/Fund-Raising

“People feel more intensely than they think. Where the heart leads, the mind will follow. But people give to people. And people require patience, nurturing, patience, loving, and patience.”

# Fund-Raising 101

adj. (fund-rais-ing). The organized activity of soliciting money or pledges.

- ✦ Types of Fund-raising
- ✦ Role of Volunteers
- ✦ Stages Toward Success
- ✦ Let's Develop Your Plan!

# Fund-Raising

“People give gifts to accomplish dreams, to do good, not to make donations. Connect people to a inspiring vision and clear objectives.”

**2013 - \$416.5 billion donated**

\$223 billion from individuals

\$37 billion from foundations

Balance from corporations/bequests

**Received – 143.1 billion to church**

\$68.2 billion to education

\$49.6 billion to human service

\$33.3 to billion to health related causes

Balance to arts, international and other causes

# There's a difference!

## Fund-raising

- Cultivating or soliciting donors.

## Development

- Building Relationships- people and your organization/mission.

# You can't fund-raise without development!

## Development

- Develops future potential prospects
- Tells your story

## Fund-Raising

- Raises \$\$\$ for growth
- Connects prospects to your mission

# Are you a priority?\*

- Is there a sincere need not being met?
- What clearly needs to be accomplished?
- Moving from "A" to "B," so what's your "B?"
- Why do we matter?
- Who might be interested in addressing the need?
- What amount is needed?

\* The answers define your vision, mission, purpose, and case for fund-raising!

# Are you feasible?

- Who are your prospects?
- Are they capable of giving?
- Are they interested in you?
- Who knows who?
- What is your timeline to raise \$\$\$?

# Top Reasons People Donate

1. Emotion (legacy)
2. Sense of Belonging  
(satisfaction, recognition)
3. Sense of Urgency
4. Belief that \$\$\$ will  
make a difference
5. Belief in mission and  
leadership - your  
organization.



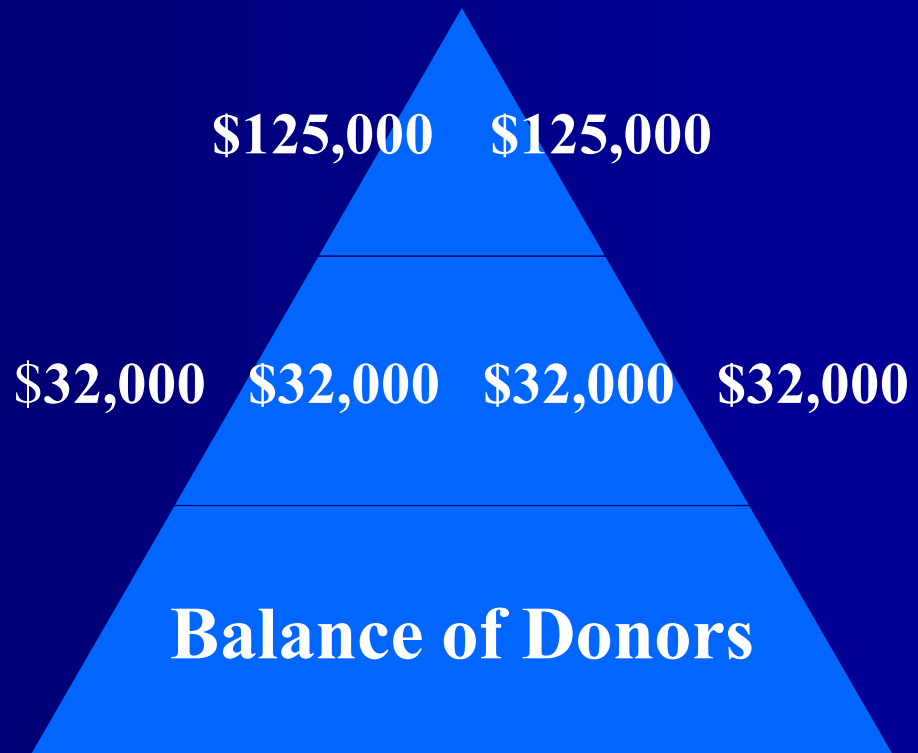
# Other Reasons

1. People give because they are asked for a gift that matches their interest
2. People respond to personal solicitation
3. People respond favorably to peers
4. People give to winning causes
5. Giving by others attracts giving

# Sample Gift Pyramid

Annual Need -  
\$25,000

Must Raise -  
\$500,000



# Types of Fund-Raising

There are  
a number  
of routes  
you can  
take!



# Establish a Support Team

## Leadership Board, Volunteer committee of Campaign Committee?

1. Believe/understand mission & priorities
2. Interested and involved
3. First to contribute (time or money)
4. Influence (willing to create “buzz” – talk to others and ask for their help)
5. Objective in evaluation
6. Active (time and suggestions)

### Enlist capable volunteers

1. Involve people who have something to offer (Skill or expertise or name)

# Support Staff

## Responsibility to Leadership Board

1. Define expectations (advise, set policy and/or raise funds?)
2. Be diverse and respected group
  1. Time, talent, or treasure?
3. Keep them informed, communication breeds clarity
4. Recognize their efforts
5. Be respectful of their time
6. If problems, handle discreetly!

# Foundation Fund-raising

1. Usually give away 5% annually
2. Not for endowments, but “soft” funding
3. IRS 990 forms are public information
4. Can be time intensive
5. [www.foundationcenter.org](http://www.foundationcenter.org)
6. [www.bigdatabase.com](http://www.bigdatabase.com)
7. [www.foundationsearch.com](http://www.foundationsearch.com)

# Public Foundations

Funded by individuals, corporations, government, and private foundations

1. Community Foundation – serves a geographic area, supports broad public
2. Company Sponsored – may confine to geographic area, match employee contribution, good will & visibility

# Private Foundations

Grant-makers who usually do not seek others financial support

Independent – family assets

Corporate – company assets separated from company

Operating – runs a charitable programs



# Letter of Inquiry

1. Personalized letter from chief executive
2. Describe mission/why information is being sought
3. Request area of mutual interest, policies, and method of solicitation
4. Ask if your mission fits into their interest
5. Ask for follow up - will call in week

# Foundation Proposals

## Tips - Do your research!

1. Areas of interest (religion, education, youth development)
2. Proposal guidelines and geographic preference
3. Funding history (Open/Closed application process)
4. Board of Directors

### 1. The Proposal

1. Clear objectives, who will benefit
2. Clear, measurable outcomes
3. Budget and sustainability
4. Accountability
5. PROOFNG! PROOOFG!

### 2. If rejected, say thank you and ask "why"

# Reasons for Yes and No

## 1. Yes

1. Personal knowledge of mission/organization
2. Gave before and liked results
3. Confidence in leadership
4. Good PR value
5. Recommended by peer
6. Excellent presentation

## 2. NO

1. Lack of knowledge about mission/organization
2. Not an area of interest
3. Not in geographical area
4. Lack of credibility
5. Poor management
6. Weak proposal

# Special Events

1. Designed to generate enthusiasm and begin/continue fund-raising efforts
  1. Golf Tournaments/Park picnics
  2. Reunions (former members, success stories)
  3. Honorariums or Roasts
  4. Connect to other events (community, business)

Caution - events can be expensive and not produce anticipated results!

# Annual Funds

Goal – increase # of donors, amount donated annually. (Usually operation income)

1. Direct mail/e-newsletters
2. Phonathons
3. Annual events
4. Gift Clubs

# Annual Fund Statistics

## For Every 100 Donors:

1. 30 have potential to contribute over \$150 by year 3
2. Of the 30, 2-3 have the potential to give \$1,000 in a few more years
3. At least one could name you in their will
4. Goal is to find donors, not dollars!

# Annual Fund Success

1. Tailor your approach
  1. 85 of 100 direct mail pieces are opened, so make a strong case
  2. Personalize it
  3. Ask a question – “Can we save those living in poverty?”
  4. Use short words, sentences, paragraphs – no jargon!
2. Ask at least once per year
  1. Keep your list current
  2. Purchase lists from similar organizations
3. Ask again - “P.S.”
4. Say “thank you” – make them the hero!
5. Top 3 months are November, October, January
6. Can take 2-4 years for success



# Major Gifts

## Create A Prospect List

1. Financially Capable
2. Charitable Nature of person/family
3. Interest that matches with your mission (A to B)
  - Former leaders, ties to organization/mission, family, business relationships

## Develop a Development/Solicitation Plan

- Commit time to build relationship/identify THEIR area of interest
- Personal Visit, Events, Board
- Formulate a budget



# Stages Toward Success

1. Start with the people, not the gift (10 prospects)
2. Get in the door
3. Form the relationship (cultivation)
4. Involve them in appropriate ways (involve)
5. Prepare the proposal (solicitation)
6. Don't be afraid to "ASK"
  - Match donor to need
  - Right person must make the ask
7. Thank You - Stewardship is critical!
8. Keep the relationship (Stewardship!)



# The Prospect Ladder

Cultivate!  
Climb!  
Cultivate!

Immortalize

Invest

Inquire (ask for action)

Involve (desire)

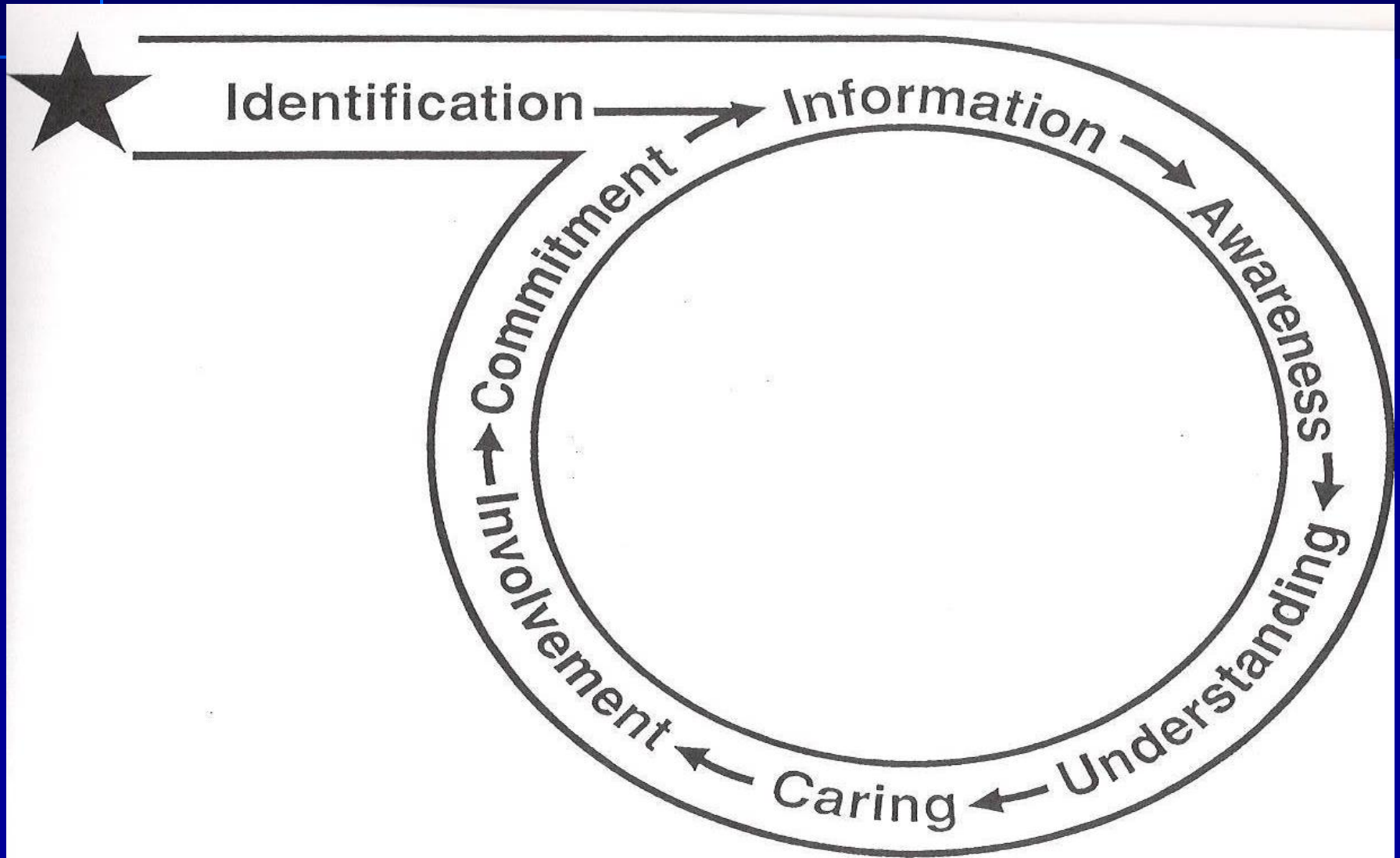
Interest

Inform

Identify



# Circle of Commitment



# Case Statement – Brilliant and Brief

1. The dream, the problem
  2. History/Philosophy of Organization
  3. Vision – moving from A to B, so what's you B?
  4. Call to Action - how will donor benefit
  5. Closing - Thank you
- Grab attention, add interest, stir desire, call to act!



# Make the ASK

## Case Statement

No jargon!

People love kids and puppies!

## Elevator Speech

- Heart of program
- Substantive
- Brief

## Supporting Literature

-Newsletter/Website

## Personal Visit

WHO makes visit?

Do your homework

Outline purpose

Be quiet - LISTEN!

Thank you for meeting

# Questions to Anticipate?

- What is already in place?
- Are others doing it?
- Why should I support you?
- Who else is supporting you?
- Why do you need this now?
- Who will carry out the project/program?
- Why do you need me?

# And the Answer is.....

## ▣ YES!

- How making the gift?
- How acknowledged?
- Set stewardship
  - ▣ Pledge reminders?
- THANK YOU!

## ▣ No.....

- Not right now?
- Not this amount?
- Not this project?
- THANK YOU!

# Practice!

- ▣ I'd like to come see you and talk about....
- ▣ We'd like you to consider....
- ▣ What did you have in mind?
  - NOT we do good work, so we need your money
- ▣ Is there more information I can provide?
  - NOT we did this, we did that, we are amazing
- ▣ Thank you!

“So let each one give as he purposes in his heart, not grudgingly or of necessity; for God loves a cheerful giver.” II Corinthians 9:7



# Classic Mistakes

- NOT KEEPING GOOD RECORDS!
  - Poor prospect identification, research
  - Not involving past donors
  - Not communicating impact of your mission
  - Unclear goals with no sense of urgency
- Not recruiting/educating strong volunteers
  - Wrong person calling on prospect
  - Not asking for the gift
- Not maintaining high standards

# Stewardship Success

- Thank you before, during, and after!
- Enhance the relationship for future gift
- Communicate results!
- Develop a consistent plan for reporting to donors

# Ethics/Accountability

“Our church is taking this donation from a brothel – this money served the devil long enough, now this money will serve the Lord!”

Questions to Consider -

- ▣ Is the donation in line with your mission?
- ▣ Will you use the donation according to donor wishes?
- ▣ How will you communicate with donor about use of their gift?
- ▣ Can you keep all information confidential?

# Program Naming

## Robert Brooks Groceries with Grace

# Let's Talk About You

How can what we've discussed  
help **you** and **your** mission?