

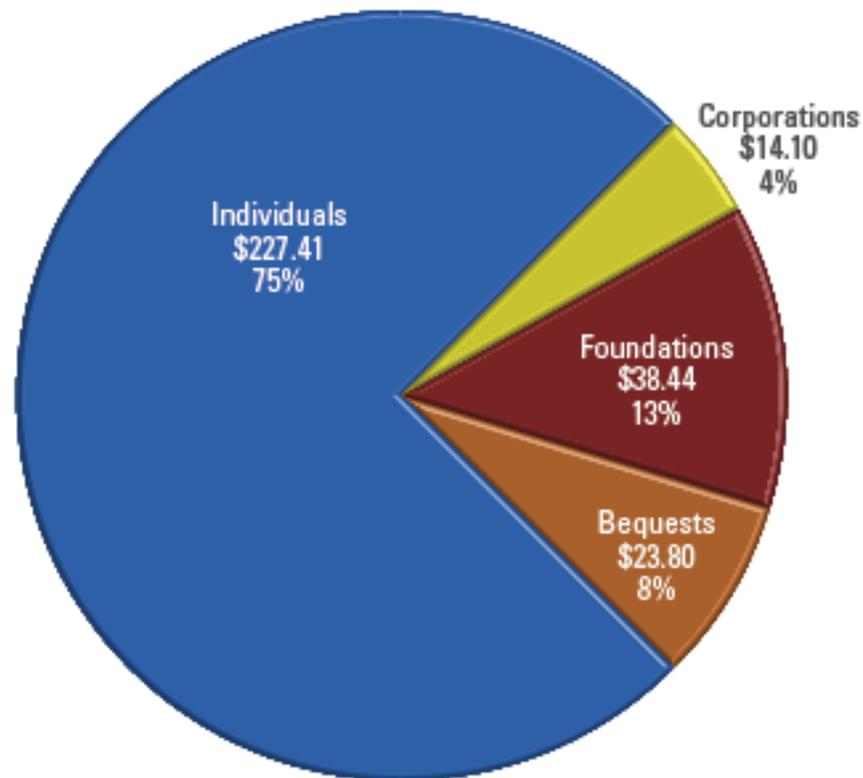
From Grants to Gifts

June 20, 2011

How to diversify your funding base, engage your board in fundraising, & create a culture of philanthropy

Giving USA: The Numbers

2009 contributions: \$303.75 billion by source of contributions
(\$ in billions – All figures are rounded)



Diversify your Funding Base

The Funding Mix

What it is:

Your Network of Support

- ❖ A diversified range of funding partners
- ❖ A group of *investors* whose interests match your funding needs
- ❖ A collaboration of financial backers

The Funding Mix

Why you need it:

Your Pathway to Sustainability

- ❖ More flexibility in programming
- ❖ Potential reduction of cash flow problems
- ❖ Opportunities for leveraging other funding
- ❖ No danger of one funder being in control

Foundation: Why Should We Invest In You?

What's in it for us?

Why is your organization a good match with our funding interests/our analysis of the issues we fund?

Send us a proposal about your *PROGRAM* :

- ❖ What do you want from us? **The Request**
- ❖ What problem are you trying to solve? **The Need**
- ❖ What is your solution? **Goals/Objectives/Activities**
- ❖ How will we know if you're succeeding? **Evaluation**
- ❖ What resources will it take, how will you use them? **Budget/Funding Plan/Finances**
- ❖ How credible is your organization? **Board/Staff/History**

Individual Donor: Why Should I Invest In You?

What's in it for me? How does my giving to your organization satisfy my *interests and needs*.

Make your case for your *ORGANIZATION*:

- ❖ What do you want from me? **The Request**
- ❖ What problem are you trying to solve? **The Need**
- ❖ What is your solution? **Goals/Objectives/Activities**
- ❖ How will I know if you're succeeding? **Evaluation**
- ❖ What resources will it take, how will you use them? **Budget/Funding Plan/Finances**
- ❖ How credible is your organization? **Board/Staff/History**

Why Do Donors Give?

Gratitude for services or kindness

Compassion for those in need

Legacy or permanence of name or program

Desire to make a difference or change lives

Belief in your organization's cause

BECAUSE SOMEONE ASKED THEM TO GIVE

What do your donors need?

- They need to know **what their gift can do/has done** more than organizational details
- They need to feel **valued** by your organization
- They need for fulfill their **strong desire to help**
- They need to feel like they have the **power to make a difference** in the world

Whose needs and wishes?

Successful fundraising programs are built on the *needs and wishes of the donor*, *not* of the organization.

SO

**Ask Not What Your Donor Can Do For You,
*But What You Can Do For Your Donor.***

Who can satisfy your donors' needs?

- Those who *own* the organization
- Those who *run* the organization
- Those responsible for its success

To whom will they give?

People give to People!

SUCCESSFUL FUNDRAISING = BUILDING RELATIONSHIPS

Which People?

A Perspective Shift

- The stakes are high!
- Who holds them?
- The ***STAKEHOLDERS!***

Your STAKEHOLDERS!

Have a direct *interest*, *involvement*, or *investment*

Have a *stake* in control of your nonprofit

Are in position to exercise *influence* over your organization's conduct

Can affect (and are affected by) realization of the mission

Key Stakeholder Group

Your Board of Directors!

Board's Role in Fundraising

Primary Philanthropic Priority

Participate in Annual Fund Development Planning

Maintain active Fund Development Committee

Engage spheres of influence

Identify, review and qualify prospects

Serve as lead volunteers

Champion annual fundraising activities

Solicit gifts from individual donors

Case Example: Your Community CAA

Board Member Responsibilities and Expectations:

Actively assist in raising funds for CAA (unless prohibited by law) by:

- (1) Making a **yearly personal financial contribution** to the extent of his or her ability to contribute;
- (2) **Soliciting contributions** from friends, relatives and colleagues to the extent permitted by law or the terms of the Board member's position or employment;
- (3) **Recruiting members to the Board** who can help ensure the success of the fundraising effort and who can contribute to organizational health.

Use your Board in this Process



Board Leadership in Fundraising

Board members must take a leadership role in fundraising because:

- ❖ They **own** the organization.
- ❖ They are **responsible** for the well-being of the organization and for its successes.
- ❖ Supporters and potential supporters see board members as the people **most committed** and **dedicated** to the organization.

Case Example: Your Community CAA

Board Member *Expectations*:

1. Make an **annual, personally significant gift or pledge** to *Your Community CAA*
2. Provide **names** of prospects, suspects
3. Volunteer to make **thank you calls** to donors
4. Invite friends, attend, and mingle at a House Party

Expectations (continued)

5. Write **personal letter** to prospective or current donor
7. Host a **donor lunch** at *Your Community CAA* and invite your contacts, friends
7. Be **profiled** on website or in newsletters
8. Give your **time and skills** to a committee, a project
9. Promote *Your Community CAA* as **your nonprofit of choice.**

Board Member *Opportunities*:

1. Accompany staff on **visit to major donor** or prospective donor especially someone with whom you have a relationship.
2. **Make the ask** if it is a person with whom you have a relationship.
3. Host a **house party**.
4. Use your contacts to **obtain sponsors** to support events.

Opportunities (continued)

5. **Provide names** of people for consideration as prospective board members, based on board's goals and needs.
6. Secure **speaking engagements** for the ED to promote *Your Community CAA*.
7. **Host a breakfast** for professionals and others in community who should know more about *Your Community CAA* – use your contacts for invitee list.

Sample Board Giving Policy

To demonstrate our commitment to our mission and to reach our fund-raising goal, board members agree that they must first make a gift themselves.

This policy is intended to ensure that every board member supports _____ Organization with an annual donation.

Sample Board Giving Policy (continued)

Board giving is distinct and in addition to attending special events, buying tickets or otherwise participating in our organization's activities.

We will set a board-giving goal as part of the annual budget approval process. Monthly financial reports will include an update on board giving.

All prospective board members will be given a copy of this policy. It will be included in our board manual and reviewed by the board on an annual basis.

Sample Board Pledge Form

My personal Board gift towards the Annual Fund for FY12 is: \$ _____

My check for the full amount is enclosed

My check for the first of _____ installments is enclosed. Please invoice me

for the remaining installment(s).

Please bill my credit card as follows:

Full amount

Monthly (12 equal installments), beginning **July 2011**

2 equal installments July 2011 and December 2011

CC Type: _____ CC Number: _____

Exp. Date: _____ Security Code: _____

Signature: _____ Date: _____

Name: _____
(as you would like it to appear in donor recognition materials)

Address: _____

City/State/Zip: _____

Daytime Phone: _____ Email: _____

What's the Plan?

Fund Development Plan **The Key to Successful Fundraising**

Related to the strategic plan, there should be a thoughtful, inclusive, and clearly defined fund development plan with measurable goals that are frequently reviewed.

Action Plan

Your action steps to get your Board onboard with Fundraising

2 things you will do:

1) _____

2) _____

Resources

Reliable Fundraising in Unreliable Times, Kim Klein

www.josseybass.com

Keep Your Donors: The Guide to Better Communications & Stronger Relationships, Tom Ahern, Simone Joyaux

www.wiley.com

Fired-Up Fundraising: Turn Board Passion Into Action (AFP Fund Development Series), Gail Perry

www.wiley.com

Chronicle of Philanthropy

www.philanthropy.com

Grassroots Fundraising Journal

www.grassrootsfundraising.org

Boardsource

www.boardsource.org

Donor Power Blog

www.donorpowerblog.com/

Blue Avocado

www.blueavocado.org