
Great Falls Ad Club
Marketing Bootcamp
October 20, 2010

Sage Solutions Nonprofit Consulting, LLC

About Sage Solutions

- Offering a personalized and holistic approach to achieving excellence in nonprofit leadership
- Things We Do
 - Strategic Planning
 - Executive Mentoring
 - Facilitation
 - Ongoing Consultation
 - Board Development
 - Workshops
 - Fund Development Support
 - Organizational Assessment

Today's Objectives

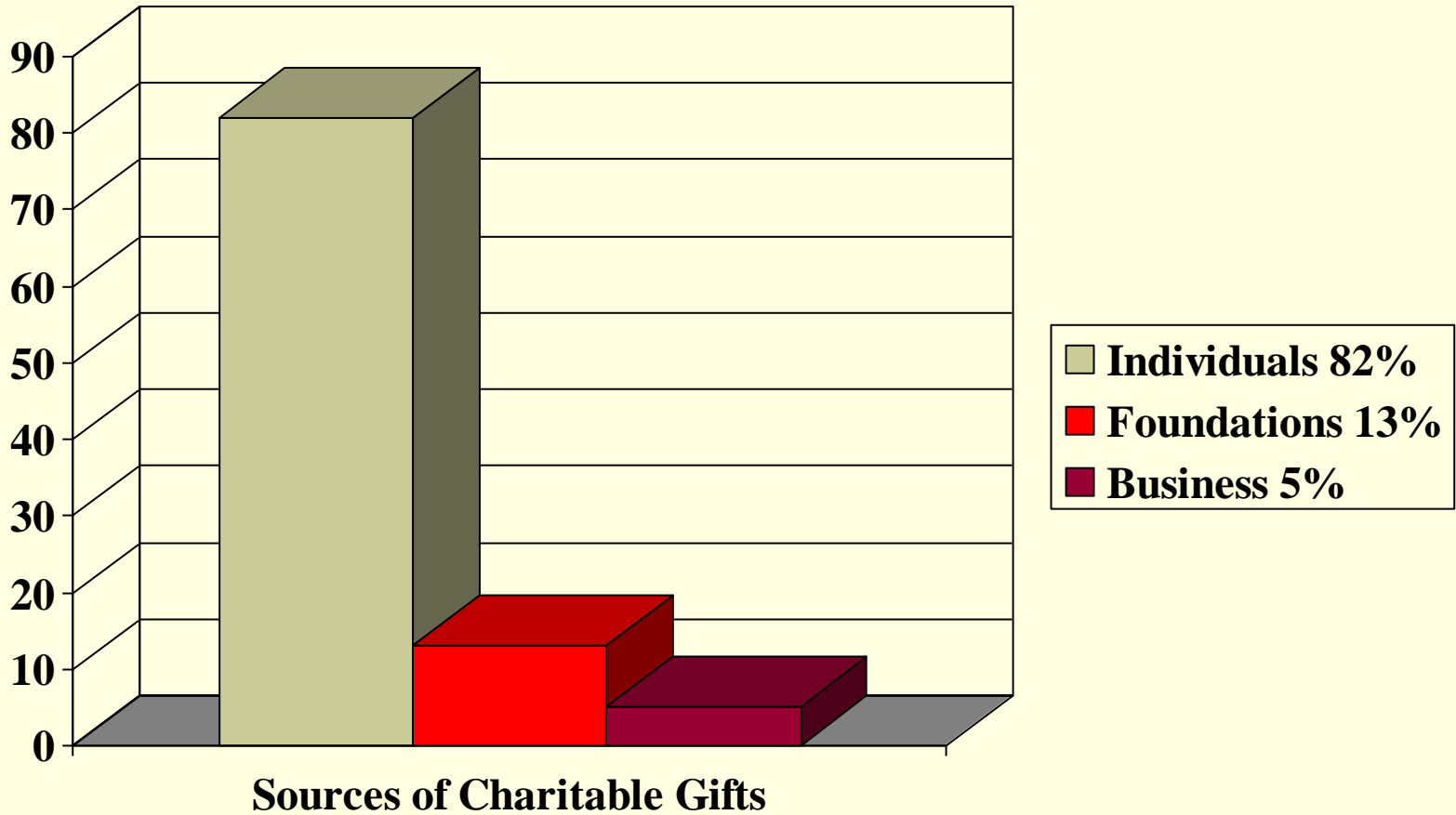
- Learn more about income sources for nonprofits and how the board can provide support
- Find out how to build a diversified fundraising plan
- Board leadership is important! How to engage and involve the board in fundraising
- Learn techniques for making a successful ask

About You

What would you like to learn to make this a good use of your time?



\$307 Billion Given to Charity



Income Source: Foundations 13%

■ Advantages

- Good for one-time expenditures, e.g. capital
- Mutually beneficial relationship
- Leveraging opportunities

■ Disadvantages

- For new programs and projects
- Limited by interest, geography and size of grants
- Reporting requirements
- Philanthropic Divide

Board Participation in Foundation Support

- Be available for site visits from funders
- Help identify and cultivate individuals with family foundations interested in contributing
- Reviewing proposals

Income Source: Businesses: 5%

- Advantages
 - Shows community commitment
 - Connection for volunteers
 - Public recognition of company—good for event sponsorship
- Disadvantages
 - Must be in the company's best interest (subject to change)
 - Limitations of interest, geography and size of grants

Board Participation in Business Support

- Help with presentations to business leaders
- Obtain funds at their own place of work
- Encourage matching gifts from employers for contributions of cash and time
- Identify businesses who give to similar causes

Income Source: Individuals 82%



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- Advantages
 - Unrestricted funds
 - Investing in the future of your organization; recurring long-term gifts
 - Meaningful giving opportunities and recognition result in larger donations over time
- Disadvantages
 - Requires systematic approach, appropriate asks, recognition.
 - Not one size fits all

Board Participation in Contributions from Individuals

- Identify prospective donors
- Invite prospects and current donors to learn more
 - Tours
 - Host an event or lunch
- Cultivate--educate donors and prospects
- Ask for contributions
 - In-person
 - Phone calls
 - Letters
- Thank
- Steward—build the relationship!

Income Source: Special Events

- Advantages
 - Donor acquisition—can target new and different audiences
 - Community awareness
 - Can be mission related

- Disadvantages
 - Labor intensive for staff, board and volunteers
 - May not connect people to your mission

Board Participation in Special Events

- Serve on event committee; plan event
- Recruit community volunteers to help
- Attend event; educate prospects and donors
- Sell tickets
- Work with staff to solicit in-kind donations and sponsorships
- Greet and thank attendees

Income Source: Earned Income

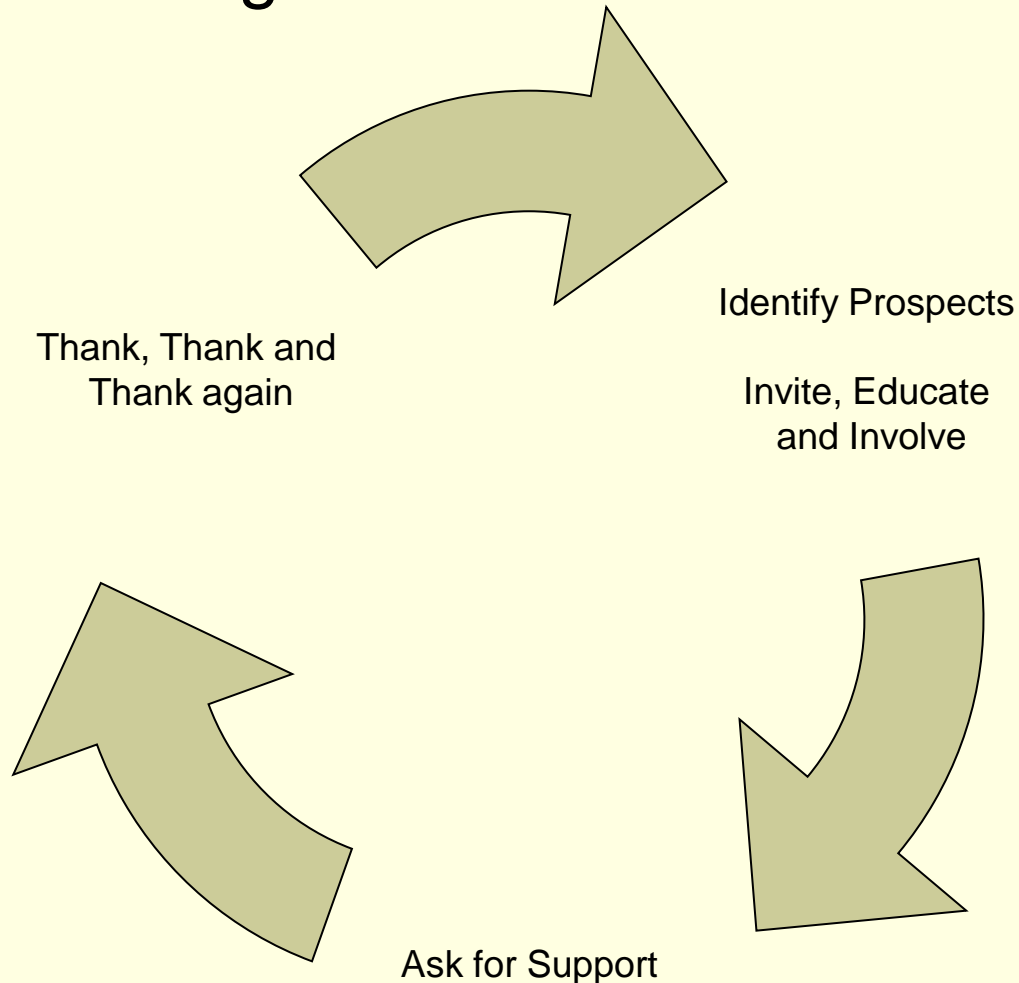
- Earned Income
 - Goods
 - Fees for services
 - Publications
 - Investment Income
- Board participation in earned income
 - Clothing drive at place of business
 - Distribute brochures
 - Establish investment policies

Multiple Baskets

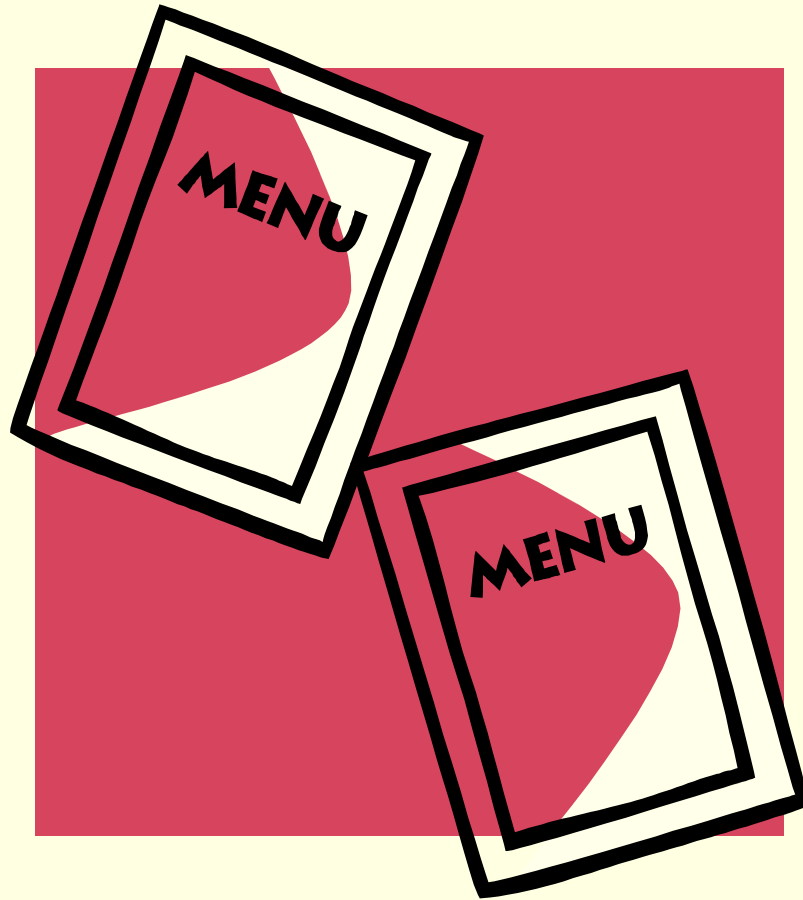


Income Sources for Nonprofits

Fundraising is a Process



Create your Board Commitment Form



Why is Board Leadership Essential to Fundraising Success?

- Board members and volunteers add credibility and leverage to meetings with donors that staff cannot supply.
- Board members help because they care; there is no self interest.
- Donors support organizations because someone they know and respect is on the board.

Why is Board Leadership Essential to Fundraising Success?

- Board members bring new contacts and opportunities to the organization.
- Board members' stories about why they support the organization are powerful.
- Peer-to-peer asking is very effective.
- The board chair takes the lead in appointing event and campaign leadership and assuring the board makes financial contributions.

Why is Board Leadership Essential to Fundraising Success?

- Board leadership allocates sufficient resources to the fundraising effort
- Most small to medium nonprofits have limited staff and need help with fundraising.
- Boards of high-performing nonprofits give financial support and participate in fundraising (McKinsey & Company)

Strategies to Engage and Involve the Board in Fundraising

Make Expectations Clear

- Board member job descriptions reflect fundraising roles and responsibilities
 - Financially support the organization with a meaningful gift
 - Participate in the organization's fundraising efforts
 - Partner with staff to achieve fundraising goals
 - Approve a fund development plan at the same time as the budget. Include board's activity to support effort.

Make Board and Staff Expectations Clear = Team Effort



Make Board and Staff Expectations Clear = Team Effort

Board

- 100% participation
- 100% annual gift
- Draft/Approve/Enact the plan
- Draft/Approve/Enact the policies
- Be a conduit-build relationships
- Keep mission focus
- Be an advocate
- Be an ambassador
- Ask
- Sign letters
- Have fun

Staff

- 100% participation
- Staff-board committees
- Draft/Enact the plan
- Implement policies
- Create procedures
- Be a conduit-build relationships
- Keep mission focus
- Ask
- Write copy (letters, grants, acknowledgement, reports)
- Maintain data
- Keep in manageable
- Have fun

Strategies to Engage and Involve the Board in Fundraising

Recruit board members willing to help with fundraising

- Cover job description when meeting with board prospects
- Stress importance of their help to connect with new constituents

Orient new board members

- Cover the fund development plan and their fundraising duties
- Complete fund raising commitment form

Strategies to Engage and Involve the Board in Fundraising

Complete and track fundraising commitment forms

- Complete form at the time of orientation and annually
- Include in annual board self-evaluation
- Monitor progress by adding it to your “dashboard”
 - % of board giving
 - # of event tickets sold by board
 - % of board participation in thank-a-thon

Strategies to Engage and Involve the Board in Fundraising

- Reawaken their passion for the mission
 - Have mission moments at board and committee meetings
 - Take them on field trips to see first-hand the organization's good work
 - Bring strategy discussions to the board meeting; let them do the talking
 - Encourage them to host a tour of your organization
 - Follow-up calls from the board: What were your impressions?

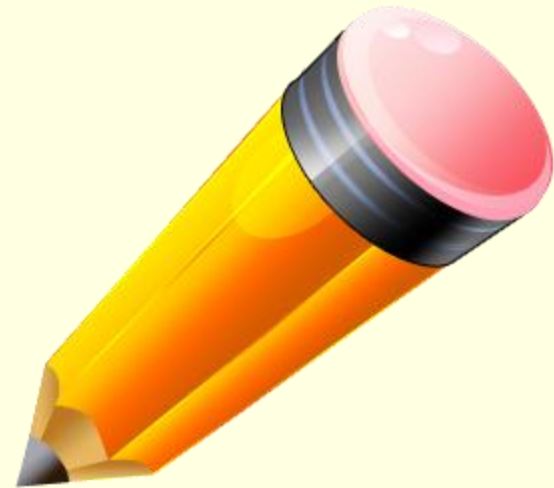
Strategies to Engage and Involve the Board in Fundraising

Assess Training Needs. Develop a training plan. Some ideas include:

- Personal story
- Program outcomes for your organization
- Getting comfortable with asking
- Donor stewardship
- Moves management
- Sources of income—advantages and disadvantages
- Capital campaigns
- Hands-on Training

Fun Exercise!

Telling your personal story



Strategies to Engage and Involve the Board in Fundraising

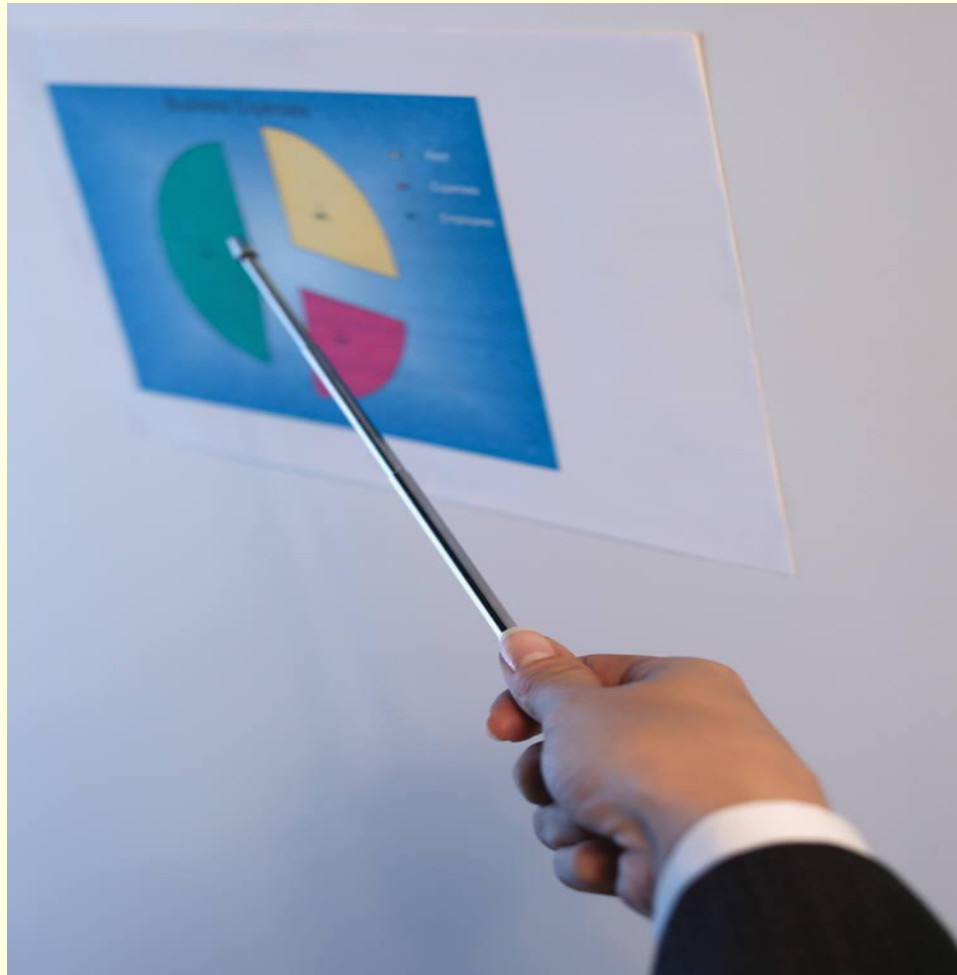
Hands-on Training

- Assign each board member a portfolio of 3-5 prospects/existing donors to cultivate and steward
- Staff provides the board opportunities to connect with the donors
- Staff supports contacts; provide talking points, scripts, mailing materials
- Board members want to be successful and enjoy building lasting relationships for the organization

Strategies to Engage and Involve the Board in Fundraising

- Board members want to be board volunteers, not fundraisers
- Acknowledge and recognize board members for their fundraising participation
- Board members want to be successful and enjoy building lasting relationships for the organization
- Celebrate success!

A Diversified Fundraising Plan



Steps in Building Your Fund Development Plan

- Develop a plan for 2011: How much revenue will you need?
- Examine your current sources of revenue.
 - Which areas can be increased
 - How will this be accomplished
- Develop a draft plan
- Fund Development Plan is reviewed and approved by the board

Funding Vehicles

- Individual Giving
- Major Gifts
- Corporations/Businesses
- Foundations
- Government
- Fees for Service/Earned Income
- Membership
- Special Events
- Capital Campaign
- Website

Steps in Building Your Fund Development Plan

- Fund Development Plan is reviewed and approved by the board and developed by board and staff
 - Approve with the budget
 - Should specify action steps and who will assure its completion
 - Evaluate progress on plan at least quarterly
 - Make course corrections as needed

Organizational Buy In Involved in the Process

Strategic Plan

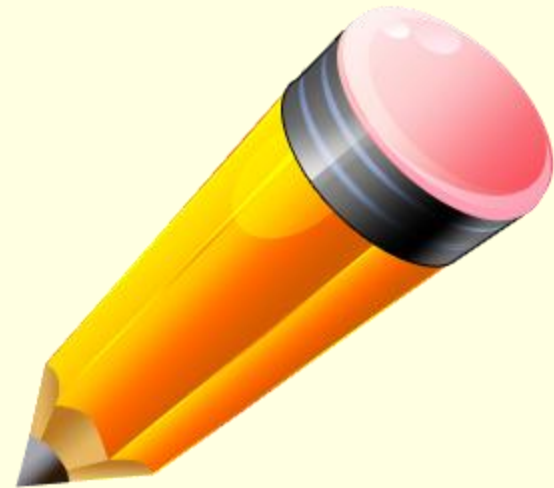
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graph TD; A[Strategic Plan] --> B[Operational and Fundraising Plan]; B --> C[Budget];
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Operational and
Fundraising Plan

Budget

Fun Exercise!

Fund Development Plan Worksheet



Why do people give?

- Enthusiasm
- Recognition
- Specific Request
- Respond to a winning cause
- Relationship

The #1 Reason People Give They are asked!



Solicitation Strategies

The more personal the better

Making Friends—the solicitation meeting

Increasing the gift

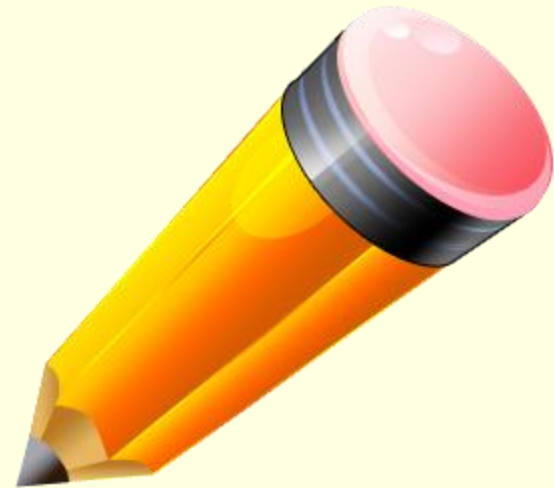
Ladder of Effectiveness

- Personal Solicitation
- Personal Letter and Phone Call
- Personal Letter
- Personal Phone Call w/follow-up letter
- Personal Phone Call
- Use personal approach for \$250+



Fun Exercise!

Making a successful ask



Making Friends



Asking for More

- Know thy donor
 - How much can they give?
 - How much do they care?
- Get the Gift
- Renew the gift
- Ask for more



Tracking

A word to the
wise....

Data Base



Ethics and Legalities



Association of
Fundraising
Professionals

afpnet.org

IRS Compliance
Guide

www.irs.gov

Questions?

- Did you get your needs met in today's workshop?
- Do it NOW!

