Fund Raising & Friend Raising: Success Strategies

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Introductions

- Name
- Organization
- Primary source of funding
- What do you want to get out of this workshop?

Resources

- DelGreco Strategic Partners
  - Nine years of grant writing and grant implementation and management
  - Secured over $10 million for Maine organizations
- Maine Philanthropy Center
- Maine Association for Non-profits
- The Foundation Center
- The Fund Raising School at the Indiana University Center on Philanthropy
Objectives

- Understand the fundamental components of and need for a fundraising plan
- Identify fundraising strategies and activities
- Realize the “Power of the Pyramid”
- Feel confident making the ASK
- Provide real life examples of successful fundraising strategies from other Main Street Maine communities

Questions

- When you hear the word “fundraising,” what comes to mind?
- How many of you have tried fundraising?
- Share some successful experiences
- Share some not so successful experiences

Questions

- Are you doing good work?
- Do you have enough resources ($$, staff, volunteers, board members, etc.) to do your good work?
- Do you know how much money you need to do the good work?
- Do you have a fundraising plan?
- If you do, is it WRITTEN down and shared with your staff, volunteers, board members, other stakeholders?
Why do I need a Plan?
(why can’t I just go out and ask for money?)

- Prepares your organization for the long haul
- Helps you thoroughly research prospective donors
- Takes into account the people already in your camp
- Encourages you to use every contact you have
- Helps you put your best foot forward
- Can turn rejection into opportunity
- Ensures that everyone gets treated like a prospective donor
- Can make individuals a top priority in your fundraising

Plan Components

- Case for Support
- Fundraising Goals
- List of Prospective Funders
- Fundraising Activities
- Care & Feeding of Funders

Making Your Case

The foundation of an effective fundraising strategy is a compelling “case for support”

Your organization must be able to clearly articulate to funders that:
- You address a specific community need
- Have the ability to address that need
- Are worthy of investment
Exercise: Making Your Case

If you stopped doing your good work, who would care?  
Who would be harmed?
- What cause does your organization serve?
- What effect does the work of your organization have?
- Whose interests are served by your organization?
- Why is your organization a reason for someone to take action?
- Why should someone give you money?

Case Resource File

List of components your organization will draw from to create funding requests

- Mission Statement
- Statement of Need
- Goals
- Objectives
- Programs & Services
- Finances
- Governance
- Staffing
- Service Delivery
- Planning & Evaluation
- History

Fundraising Goal

- Develop a “true cost” budget for the next three to five years
- Identify direct program costs vs. administrative costs
- Review existing funding sources
  - Do you have annual sources of funds?
  - Which sources have predetermined end dates?
- Determine funding “gap” between your budget and anticipated funding = fundraising goal
Sources of Funds
- Align budget with funding sources
- Potential sources of funds
  - Corporate Sponsors
  - Foundation Grants
  - State and Federal Government
  - Individuals
  - Special Events
  - Fee-for-service
  - Membership
- Mix of Funders should be diverse
- NOT reliant on any ONE source

Fundraising Activities
- For each funding source, what is the strategy?
  - Individuals = Annual Appeal
  - Events = Auction & Dinner Dance
  - Corporate Sponsors = Specific list of companies
  - Membership = # to renew; # to renew (with an increase); # new members

Fundraising Activities
- For each strategy:
  - Who is responsible?
    - Staff, board members, fundraising committee
  - What is the timeframe?
  - What is the “pitch?”
  - Funding Target ($$$)
Let’s talk about EVENTS...

- Events are an expense way to raise funds
- Serve one of three objectives:
  - Awareness
  - “Friend” raising – grow your rolodex
  - Fundraising
- Requires a high degree of organization
- Volunteer dependent
- Time to plan
- Take several tries to build and audience & become profitable
- Event “burnout”

Individuals: the cornerstone of sustainability

- 75.6% of contributions to non-profit groups ($223 BILLION in 2006) comes from individual donors
- Individuals who give once are likely to give again at the same OR higher level
- Individuals provide you with the best source unrestricted funds

Grow Your Individual Donor Base

- Review list of current funders:
  - Which are likely to continue giving?
  - Are they likely to fund at the same level? More? Less?
  - What aspects of your work do they support?
- Review list of past funders
  - Why do they no longer support your organization?
  - Are they likely to re-commit to giving? At what level?
  - Most people stop giving because you stopped ASKING!
Grow Your Individual Donor Base

- Leverage events to grow your database
- Use donors to reach other donors
- Brainstorm a list of NEW funders:
  - Who already supports your organization?
  - Who benefits from your organization?

The Power of the Pyramid

- Fundraising feels “impossible” when we focus on the smaller gifts
- Break your overall goal into incremental amounts
- Focus on the big gifts first – 80/20 rule
- Set recognition levels and naming opportunities
- Move donors up the pyramid over time

Care & Feeding of Funders

- Keep a record of every funder and every funding request
  - 3x5 Cards
  - Basic Database – Excel, Access
- Provide project & organizational updates to funders
  - Thank them!
  - Annually
  - As required or requested by funder
- Publicly acknowledge funders whenever possible
  - Newsletter
  - Events
- Plan your next “ask” and make it!
Monitor & Evaluate Your Plan

- The fundraising plan is a “living” document
- Everyone in your organization has a role in implementing, monitoring and evaluating the plan
- Review progress towards goals on a “regular” basis – board meetings, staff meetings, etc.
- Document what worked and what didn’t
- Update and revise annually

BREAK

Making the ASK
Making the ASK

- Most people don’t like “asking for money.” Why?
- Common mistakes:
  - Focusing on the ask – “just go out and get money”
  - Assuming that this is the job of STAFF
  - Not asking
  - Donation vs. investment
  - One-time activity

Keys to Making the Ask

- Introduce yourself and your connection to the organization
- BRIEFLY explain why your organization exists
- Highlight one or two tangible outcomes
- Share your overall budget goal and how much you have already raised
- Ask for a SPECIFIC amount of money

Keys to Making the Ask

- If they say YES
  - Thank them!
  - Explain how to direct their funds
  - Follow up
- If they say NO
  - Thank them!
  - Are they willing to tell you why?
  - Is there anyone else you should talk to?
Keys to Making the Ask

- Preparation
  - Know your organization
  - Know your donors (cultivation)

- Personal Connection
  - People give to people – ask in person
  - YOU GIVE FIRST

- Follow-up (stewardship)
  - How do they want to be recognized?
  - Share program updates

Success Stories: Examples from Main Street Maine Communities

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