
Funding Partners: Looking for dough in all the right places

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Maine Downtown Conference

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Objectives

- Understand the need for a fundraising plan
 - Identify fundraising strategies and activities
 - Realize the “Power of the Pyramid”
 - Feel confident making the ASK
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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
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Plan Components

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

- For each strategy:
 - Who is responsible?
 - Staff, board members, fundraising committee
 - What is the timeframe?
 - What is the “pitch?”
 - Funding Target (\$\$\$)
 - Everyone in your organization has a role to play in fundraising
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Why don't we just throw a big party?

- Events are an expensive 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 an audience & become profitable
 - Event “burnout”
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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
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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!
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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?
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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
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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
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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
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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?
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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
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Care & Feeding of Funders

- Keep a record of every funder and every funding request
 - 3x5 Cards
 - Basic Database – Excel, Access
 - Fundraising Software – GiftWorks –www.missionresearch.com
 - 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!
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Top Ten Fundraising Tips

1. Treat everyone like a prospective donor
 2. Board members: give, get or get off!
 3. People give to people: make your ask in person
 4. Make individuals the top priority in your fundraising strategy
 5. Know your organization: what need do you meet, how do you address that need and why should anyone give you money?
 6. Your mix of funders should be diverse – don't rely on any ONE source
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Top Ten Fundraising Tips

7. Use events to raise awareness about your organization and to “friend” raise.
8. Focus on the big gifts first – 80% of the funds raised typically come for 20% of the donors.
9. Publicly thank and acknowledge funders whenever possible.
10. Fundraising is not one person’s responsibility alone – everyone in your organization has a role

AND, Fundraising can be fun!

Sally DelGreco
DelGreco Strategic Partners
90 River Road
Brunswick, ME 04011
207-729-3878
207-712-8060 (cell)
sdelgreco@delgrecostrategicpartners.com
