



North Carolina
Coalition Against
Domestic Violence

Fundraising and Capacity Building Manual

*This manual was made possible
with the support of the
Blue Cross and Blue Shield of North Carolina
Foundation*



**North Carolina Coalition Against Domestic Violence
Fundraising and Capacity Building Training Manual**

July 2006

Table of Contents

Introduction	3
Chapter 1: Laying the Foundation for Fundraising	6
Creating a Fundraising Plan -- Strategic Fund Development.....	6
Developing a Compelling Case for Support.....	10
The Board’s Role in Fundraising	15
Fundraising Materials	23
Database and Institutional Management	24
Chapter 2: Effective Fundraising Strategies.....	27
The Annual Campaign	29
Establishing an Effective Direct Mail Campaign	30
Partnerships with Corporations.....	42
Special Event Fundraising	44
Collaboration – Partnerships with Religious Institutions, Civic and Professional Organizations	49
Social Entrepreneurship	50
Successful Proposal Writing.....	50
Chapter 3: The Solicitation Process - Identifying, Involving and Retaining Current and Prospective Donors	65
Prospect Research - Where to Look for Donors	65
The Art of “the Ask”	73
Building Relationships and Developing Life-long Donors	78
Chapter 4: Taking Your Fundraising to the Next Level.....	80
Major Donor Campaigns.....	80
Capital Giving	82
Planned Giving	84
Chapter 5: Thinking Outside the Box	86
Fundraising in Rural “Low-wealth” Communities	86
Philanthropy and Communities of Color	87
Fundraising on the Internet.....	89
Helpful Resources.....	92
Web Links.....	92
Books and Publications	96
Glossary of Terms.....	99

Introduction

Concept and Contents of the Manual

In 2003, the North Carolina Coalition Against Domestic Violence (NCCADV) began building organizational capacity through the use of new and innovative fundraising techniques. At the same time, the staff of NCCADV had a vision to assist member programs in applying the same fundraising techniques. The goal of the Fundraising and Capacity Building Project is to help local programs tailor fundraising and capacity growth to their individual community needs and resources. In order to be successful, local domestic violence service providers (DVSPs) must develop strategies to preserve and enhance their level of growth, public awareness and influence within their communities. While fundraising strategies should be determined vis-à-vis the specific needs and strengths of a community, the knowledge of some fundamental fundraising tools can quickly impact the ways in which domestic violence programs can do this work.

For many years, NCCADV member programs have told our staff that providing technical assistance around fundraising strategies would be one way in which the Coalition could support them. In the day-to-day operations of doing crisis work, it can be difficult for programs to dedicate the time necessary for effective fundraising. This happens for many reasons, including the undeniable fact that the work of helping survivors should come first. In hopes of making the process of fundraising easier for both new and existing DVSPs in North Carolina, NCCADV has created this Fundraising and Capacity Building Training Manual for local domestic violence programs. The hope is that this information will not only be utilized by Executive Directors, but that it will also be shared with all other program staff. We believe that this information needs to be collectively shared with diverse staff, and particularly women of color, who are often left out of the fundraising process. We also believe that it will have useful information for programs across the state.

The NCCADV Fundraising and Capacity Building Training Manual begins with the foundation for fundraising. The chapters include content on:

- The purpose and process of strategic fund development planning
- The characteristics of a good case statement
- The board of directors' role in funding development
- Techniques for identifying, involving and retaining donors
- The components of annual giving, and specific fundraising strategies to reach individuals, corporations, foundations, faith-based institutions, civic and professional groups.

After building a successful annual giving campaign, your agency will be ready to take fundraising efforts to the next level. It is imperative that nonprofits - and specifically DVSPs - think “outside the box” as they attempt to acquire adequate resources from their communities. This includes both financial and people resources, such as recruiting board members and volunteers. Diversifying your funding base will help build the capacity of your agency and ensure the sustainability of the services provided to your local community. Fundraising on the internet, social entrepreneurship and building relationships with youth, women and people of color are strategies for stabilizing programs for the long term. These will all be covered in this manual.

For newcomers to fundraising as well as seasoned fundraisers, a glossary of fundraising terms as well as helpful websites and publications are included throughout the chapters and at the end of this manual.

About the Author

Ruth Peebles has more than 19 years of hands-on-experience in nonprofit management, fundraising, development and project management. She is the founder and president of The INS Group (Innovative Nonprofit Solutions) providing consulting services for nonprofits and governmental agencies nationally. She has served as associate director and development officer for the North Carolina Caring Program for Children and the director of development for Prevent Child Abuse North Carolina. She earned a bachelor's degree in Communication from Bowling Green State University in Ohio and a graduate degree in Public Administration from the University of North Carolina at Chapel Hill, specializing in nonprofit management and policy analysis. Ruth has a certificate in nonprofit management from Duke University and a certificate in development from the Williamsburg Development Institute respectively. Ruth is an instructor for the Duke University Certificate Program in Nonprofit Management and is the creator of the workshops: *Grassroots Fundraising*, *The ABCs of Grant Writing and Establishing an Effective Direct Mail Campaign*. She is an adjunct instructor for the Master of Public Administration Program at North Carolina State University. Ruth is a founding member of the NGAAP Fund (Next Generation of African American Philanthropists).

Contributors

Mike Crum has over 11 years of professional fundraising experience with a variety of local, statewide and national nonprofit organizations. TMC Consulting is an outgrowth of Mike's fundraising work with organizations as a consultant, staff member, board member and volunteer. He has successfully assisted multiple organizations in developing sustainable and systematized fundraising programs.

Mary Beth Loucks-Sorrell is the former Technical Assistance Coordinator and Executive Director of the NC Coalition Against Domestic Violence (NCCADV). Without her guidance and vision through this process, the resources and support for creating this manual would never have been possible.

Janeen Gingrich is the Member Services Director at the NC Coalition Against Domestic Violence. Before coming on board full-time at NCCADV in 2004, she contracted with the organization as a grant writer. Janeen has worked as a staff member or volunteer at five domestic violence and sexual assault response programs.

Camilla Eubanks is the Membership Services Specialist at NCCADV. The work she has taken on in her current position has been instrumental in the enhancement of NCCADV's unrestricted funding development efforts.

Meredith Lipscomb is a freelance editor living in Tucson, Arizona. She has 10 years of editing experience and is a volunteer at her local rape crisis center.

Chapter 1: Laying the Foundation for Fundraising

Creating a Fundraising Plan -- Strategic Fund Development

Board members must be engaged in the strategic fund development planning process to determine with staff what the agency wants and what it will do.

A board's involvement in planning builds ownership of the fundraising plan which essentially becomes the agency's guide for future fundraising.

After goals, objectives, programs and services have been determined, financial needs are determined by the board and staff and a budget is created.

Fundraising efforts are strengthened when a true partnership between board and staff has been established. The staff manages the fundraising program, while board members get involved in those elements that are suited to their interests, skills and capabilities. A good fundraising plan is explicit about both board and staff responsibilities.

Strategic Fund Development Planning

Key Components of a Strategic Plan for Fund Raising

1. **Community Needs:** Identifies current trends and forecasts community issues and concerns over the next 3-5 years that fit within the organization's industry.
2. **Mission Statement:** Justifies the purpose of the organization's existence and articulates which community issues and concerns it addresses and fulfills. It distinguishes the organization from others in the same field and answers the question: What would happen if our organization did not exist?
3. **Funding Needs:** Describes the organization's current, near term and long term funding requirements for special projects, programs and physical expansion.
4. **Case Statement:** Describes the organization's distinctive merit and needs for seeking private contributed support as well as articulates the most compelling reasons why someone should contribute.
5. **Constituency of Contributors:** Identifies individuals, foundations, businesses and charitable associations as potential donors to the organization, evaluates their contribution potential and assesses the best approach to solicit them.
6. **Fund Raising Methodology:** Determines the most cost-effective and result-oriented approach for the solicitation of tax deductible contributions.
7. **Organization and Leadership:** Assesses the specific roles and responsibilities for the governing board based upon the established volunteer leadership requirements, with particular emphasis on fund raising duties.

8. **Donor and Volunteer Recognition:** Determines the most appropriate methods to acknowledge and recognize the organization's donors and volunteers.
9. **Administrative Systems and Procedures:** Establishes the most efficient procedures for the receipt, acknowledgement, recording and reporting of contributions and pledges to the organization.
10. **Professional Staff:** Identifies and provides the necessary professional staff time and experience necessary to meet the organization's fund raising goals and expectations.
11. **Fund Raising Materials:** Determines the number and nature of printed materials which will be required for the organization's fund raising efforts, e.g. proposals, annual reports, brochures, videos and pledge forms.
12. **Time Line:** Establishes a realistic timeline to achieve specific goals and objectives.

Outline of a Development Plan

1. Mission statement and purpose of your domestic violence agency
2. Programmatic goals and objectives for the fiscal year of the plan (including budget by program)
3. Consolidated organizational operating budget for the fiscal year of plan
4. Development activities
 - A. Non-financial goals (includes advocate training, media and public relations costs)
 - B. Financial goals by source (individuals, foundations, corporations, etc.) and by fundraising method (i.e. direct mail, face-to-face solicitation, etc.)
 - Source
 - Dollar goal from each source
 - Targeted number of "asks" and gifts
 - Fundraising methods to acquire gifts
 - Cultivation, acknowledgement and recognition strategies
 - Human resources required
 - Budget required
 - Timeline
 - C. Consolidation or overall summary of items listed above.
 - Consolidated dollar goal
 - Consolidated number of gifts

- Consolidated human resources required
- Consolidated budget
- Comprehensive timeline

5. Evaluation

- A. Criteria for measuring effectiveness
- B. Process for monitoring progress of plan

Publicity and Your Fundraising Plan

Every agency should develop a publicity and marketing plan that supports your fundraising efforts.

Benefits

With the implementation of a public relations campaign:

- Your organization's role in the community is better defined.
- You understand how your audiences view you.
- Your name is better-known and associated with increased credibility and expertise.
- You understand your audiences and shape your messages and promotional activities to optimize your connection with potential donors.

About Publicity

- Publicity won't convince anyone to support a cause in which he/she doesn't already believe. It is supplementary.
- If you want someone to support you, you must tell him or her who you are, what you have to offer, what you are doing, what you have done and what you hope to do in the future.
- It is essential to have someone on your staff, paid or non-paid, who has mastered the principles of publicity
- There must be a systematized campaign designed to achieve your goals. Hit or miss will not work.
- A year-round publicity campaign is the most effective method
- Good publicity is good news

- If what you are doing seems old, put it in a new package.

Two types of publicity:

1. "For the moment" publicity

- Tells what's going on now
- "Institutional" publicity features or background stories

2. Tells your goals, past history and community ties and offers credibility

The media is an excellent tool for improving public awareness of your organization's goals and activities. Media coverage builds community understanding and support for the vital work your organization provides to improve the lives of ordinary people. Such coverage garners new interest in your organization's mission and often attracts new donors. The following are some practical strategies for getting your organization media coverage:

1. Build and maintain meaningful relationships with reporters.

- Learn the names of the reporters who cover the stories most significant to your nonprofit. The happenings of your organization may appeal to a health or lifestyle reporter. The society page editor may have particular interest in covering your special event, especially if it involves prominent community leaders. Send the calendar page editor your event listings.
- Personally deliver or email press releases to specific reporters, rather than just to the "editor." Send press releases in the text of your emails, as attachments are often deleted due to concerns about computer viruses.
- Always invite the media to fundraising and other events your organization hosts.
- Ask a local television, radio or newspaper reporter to serve on your organization's board. As a board member, he or she can provide many PR and media resources.
- Send complimentary copies of your publications to reporters or the community relations director with your business card attached. Attach a personal note to direct him or her to some item in the publication that might be of particular interest.
- Always thank the reporter or media contact for coverage. Send a handwritten thank-you note or personal email, but do not send gifts.

2. Make your organization a useful resource for the media.

- Know your subject inside and out. Always be prepared to explain why your subject is important to the community, with specific examples and statistics as well as what your organization is doing about it.
- Submit articles for newspapers, magazines, trade publications and newsletters to establish those affiliated with your organization as the experts in your field. Become the expert that reporters will call on for background, commentary and story ideas related to your organization and its mission.
- Take advantage of breaking news stories to promote your organization. Prepare key staff members to address specific issues related to your organization and to be available to the media.
- Become reporters in your own office by providing reporters with good human interest stories. Encourage staff and/or volunteers at your organization to submit good story ideas that you might be able to "pitch" to the media.
- Look for photo opportunities to promote your organization. Local newspapers, television stations and magazines are always looking for interesting photographs. Contact the media with ideas or submit your own photographs.

3. Know when and when not to contact the media.

- Restrict press releases to real news. Occasional, meaningful, appropriate news releases are more effective than frequent, weak ones.
- Only hold a news conference if you have something urgent and important to announce.
- Make your news conference interesting by having visuals to illustrate how people will be impacted by your announcement.
- The key to savvy media relations is understanding how to tailor the wants and needs of your organization with those of the media. With preparation and persistence, your organization can receive the media attention it deserves.

Developing a Compelling Case for Support

The Case for Support

Why should every domestic violence agency have a written case for support?

A case for support documents all the information describing the organization's cause and why prospective donors might want to contribute to the advancement of the cause. The case should focus on the constituent's needs not the dollar goal. The case statement is a shorter, campaign-specific or constituency-specific document. The case statement is essential to the success of the total development program whether it is annual, capital or planned giving.

The case for support should be a 3-5 page document that reflects the nonprofit's long range or strategic direction plan. It should cover the following topics:

- History of the organization
- Problem and opportunity
- Proposed solution
- Organization's unique role
- Goals and objectives
- Fundraising equation (who's responsible, sources of funds, philanthropic part that the community will play)
- Organizational sustainability
- How to give (cash, stock, pledges, corporate)
- Leadership, stewardship and accountability
- Benefits and conclusion (better organization, programs and community)

The case of support answers the following questions:

- What problem you are trying to solve?
- Why are you best suited to solve the problem?
- How much will the project cost?
- Why is solving the problem so important now?
- How will the money be spent to solve the problem?
- What is the plan for fundraising?
- What are the best benefits to the community?
- What are the benefits to the donor?

The case statement is a written version of the case for support for a specific constituency or campaign. It states specifically a fundraising goal. It is derived from the overall case.

The case statement should state:

- The organization's services, program and objectives.
- Steps the organization must take to improve or change its activities and aims and why the organization is valuable to society.
- The goals of the fund raising program to support the institution.
- The case for the institution's aims, purpose and mission.
- The case for current programs.
- How new programs will enrich and benefit the lives of many.
- The institution's impact on the community economically, socially, artistically, spiritually and/or historically for today and tomorrow.
- A clear and compelling picture of the institution's impact making a lasting impression on the past donors and potential donors.

Uses of the Case for Support

Internal Use

- Obtaining a consensus on the organization's story

External Use

- Recruiting volunteer leadership
- Testing the market
- Using it for the basis of development materials
- One-on-one presentations to individuals and corporate leaders

Sample Case Statement

“My name is Richard. I am seven now. My brother Robert is 15 but he doesn't live with us anymore because he kicked my mom in the stomach and did some other stuff. He's really mean....Our dad used to live with us a long time ago when I was five. He beat my mom a lot, and sometimes he'd hit Robert real hard. He only hit me one time with a shoe because I wouldn't get off the couch and turn the T.V. down. Maybe that's true. But I don't think I learned to be mean. I hope I don't turn mean like Robert and Dad when I get bigger.” (National Coalition Against Domestic Violence: Child Advocacy Bulletin)

Needs of Children of Domestic Violence

The children at United Family Services' (UFS) Shelter for Battered Women have seen more violence than many people see in a lifetime. If their serious issues are not addressed, they are likely to develop lifelong problems which affect school and job success, behavior and relationships.

- Children in homes where domestic violence occurs may experience cognitive and language problems, developmental delays, stress-related physical ailments as well as hearing and speech problems. They are likely to experience emotional effects including taking responsibility for the abuse, constant anxiety, guilt for not being able to stop the abuse, guilt for loving the abuser and fear of abandonment.
- Children in homes where domestic violence occurs are physically abused or seriously neglected at a rate 1500% higher than the national average.
- Nearly 70% of children in battered women's shelters are themselves victims of physical abuse or neglect.
- Children from violent homes have higher risks of alcohol/drug abuse and juvenile delinquency. Boys who witness domestic violence are more likely to batter their female partners as adults. (National Woman Abuse Prevention Project)

What the Shelter for Battered Women Does To Help

The 225 children who reside with their mothers at United Family Services' Shelter for Battered Women each year are temporarily homeless, facing frightening and uncertain futures. They are at risk for many problems, including low school performance and early drop-out. Unfortunately, the average daily population at The Shelter has grown steadily over the past two years, as has the average stay per person (maximum is 30 days). The Shelter provides both professional children's counseling and childcare. This comprehensive program allows us to be more intentional and goal-oriented and make the best possible use of the time children spend at The Shelter. Our two professional coordinators develop and carry out a structured education, safety and counseling program for the children and their mothers.

The purposes of the Shelter Children's Program are to provide an outlet for children to express and process their feelings in healthy ways; help them develop survival, coping and conflict resolution skills; normalize their daily activities so they can maximize their chances for staying in school and improving school performance, and improve their mothers' understanding and handling of their needs and issues. If these goals are met, children who experience domestic violence are more likely to develop healthy attitudes toward themselves and others, more likely to succeed in school and less likely to repeat the victim/victimizer cycle of violence as adults.

When a child comes to The Shelter, the Children's Counselor and Childcare Coordinator meet with the mother to identify problem areas. With younger children who have witnessed – and sometimes been victims of – abuse, the main symptom is fearfulness; with older children, it is “acting out” in aggressive or other inappropriate behaviors. With the mother, the counselor sets up a goal plan, which includes continuing their education (arranging school bus transportation to their current school, if possible), stabilizing the home, responding to feelings, developing coping mechanisms and changing behaviors. As the staff works with the child in individual and group sessions, they record changes. The counselor meets weekly with the mother and provides a termination evaluation report. She also makes regular reports to the mother's counselor at The Shelter.

Each week the part-time Children's Counselor leads two 90-minute small-group sessions of play and art therapy plus age-appropriate discussions of domestic violence issues for children ages 5 to 7 and ages 8 to 17. She conducts personal assessments of at-risk children and one-to-one therapy sessions with the children and/or their mothers. The Counselor continues to be available to clients beyond their Shelter stay for as long as necessary for them to establish emotional stability. The Children's Counselor also helps up to 50 additional children each year who are referred from other agencies, notably DSS' Child Protective Services. The Childcare Coordinator offers ongoing free play and structured activities to help children learn peaceful ways of interacting with others. Staff model and teach positive interaction skills that children can utilize in school and social settings, which promotes better learning and positive school experiences. Both coordinators work with mothers individually and in support groups to make sure they are informed about special concerns and needs of their children and to teach them parenting skills.

Goals and Outcomes

The Shelter Children's Program gives children the tools they need in order to lead safer, healthier and more productive lives.

- 90% of children ages 3 – 17 entering The Shelter and remaining at least three weekdays (125 children) will receive professional counseling and/or group therapy.
- 90% of children with at least two contacts with the counselor will develop a safety plan including resources they can access if afraid or in danger (staying safe when family is fighting, dialing 911 or Shelter hotline, etc.).
- 75% of mothers whose children have at least two contacts with the counselor will develop goals for each child (such as attending school regularly, or learning appropriate techniques for expressing anger, etc.).

Qualifications of United Family Services

Founded in 1909, United Family Services inspires individuals, families and communities to find solutions that create a better future. UFS accomplishes this mission by providing an accessible, affordable, high-quality continuum of services including education and prevention, intervention, counseling and support in times of life's challenges, crises or transitions. The vision of United Family Services is to be the premier family service agency in the communities we serve. Our goal is to identify and respond to community needs for professional, compassionate services that strengthen and empower individuals, families and communities without regard to income or personal circumstance. These are services which are unavailable elsewhere. We look to help people develop the tools they need to be healthy and self-sufficient.

To address domestic violence, United Family Services provides residential and non-residential services including 24-hour hotline, hospital-based intervention, victim assistance/court services, teen relationship violence prevention, incarcerated women's program and prevention education. In Mecklenburg County last year, 427 women and children received safe haven at The Shelter while over 3,000 nonresidential victims of domestic violence and more than 3,000 incarcerated women benefited from our domestic violence services. More than 8,500 ninth grade students in Charlotte-Mecklenburg participate in *Heart to Heart* Teen Dating Violence Prevention programs co-sponsored by the Children's Theatre.

Funding Plans and Current Needs

Historically, our children's program has been funded mainly through a combination of government and foundation grants. While we continue to seek these types of funds we are also working to build individual and corporate contributions to assure the local support and involvement of the Charlotte-Mecklenburg community. Our children's program expenses are \$75,000 per year and we are seeking support from corporations and individuals to underwrite general operating costs.

Through this funding you will help hundreds of children begin to live a more peaceful life and receive the support needed to deal with the trauma they have experienced. Combined with the gifts of other generous donors your funds will help us reach our shared goal of making every home in Charlotte-Mecklenburg a safe home.

The Board's Role in Fundraising

Basic Responsibilities of the Nonprofit Boards

- Determine the organization's mission and purpose.
- Select the chief executive.
- Support the chief executive and assess his or her performance.
- Ensure effective organizational planning.
- Ensure adequate resources.
- Manage resources effectively.
- Determine, monitor and strengthen the organization's programs and services.
- Enhance the organization's public standing.
- Ensure legal and ethical integrity and maintain accountability.
- Recruit and orient new board members and assess board performance.

Hallmarks of an Effective Board

An effective board:

- Has clarity about roles and responsibilities
- Focuses time and attention on important issues
- Restructures board work to get important things done
- Views board composition as strategic
- Uses evaluation to learn rather than criticize
- Has the confidence to take risks

- Has constructive relationship with staff
- Has open and honest communication
- Works together as an effective corporate unit

Source: National Center for Nonprofit Boards

The Roles and Responsibilities of the Resource Development Committee

The responsibilities of the Resource Development Committee are to:

- Help develop policies and procedures for board action related to gift solicitation and recognition, including planned gift guidelines when no planned giving committee exists.
- Ensure that the case for support is strong by reviewing the organization's mission and goals with staff and appropriate board committees.
- Help to develop plans and procedures to involve the entire board in fund raising.
- Help to develop strategies for involvement and cultivation of major gift prospects.
- Serve as a source of information on the environmental factors affecting fund raising among the organization's constituencies.
- Help to evaluate the potential of prospects for increased levels of contributions.
- Help to develop an expectation for financial contributions from all members of the board.
- Provide leadership by making donations.
- Solicit gifts at various levels required for annual, special and planned giving programs.
- Involve other board members and volunteers in the cultivation process.

The board should always approve the annual funds development plan. The resource development plan should include specific elements for each fund raising constituency as well as an overall philosophical methodology. A calendar of events should also be included. The Resource Development Committee chair should present the funds development plan to the board.

Job Description – Chair of the Resource Development Committee

The chair of the Resource Development Committee provides leadership for involving the fund development committee and the rest of the board in the organization's entire fundraising process. With the executive director and/or development staff, the chair schedules and prepares agendas for regular meetings of the Resource Development Committee, develops appropriate subcommittees to carry out the work of the development committee and establishes reporting structures for ensuring that tasks are carried out. On behalf of the Resource Development Committee, the chair reports fundraising plans and progress toward meeting goals to the board of directors. On behalf of the organization, the chair reviews and evaluates the performance of all members of the Resource Development Committee and serves as a key volunteer in soliciting major gifts.

A Checklist for Board Members

- Do I understand the plans and programs for fundraising?
- Do I fully understand and endorse the case explaining why someone should contribute?
- Do I myself contribute to the fullest measure within my means?
- Do I continually offer my additions to the mailing list?
- Do I assist staff in identifying and evaluating prospects – individuals, corporations and foundations?
- Do I share in cultivating key prospects?
- Do I introduce potential donors to staff members and help schedule face-to-face meetings with potential donors?
- Do I write follow-up and acknowledgement letters?
- Do I write personal notes on annual appeal letters?
- Am I prepared to make a solicitation myself?

Train Board Members (and Staff) to Make an "Ask"

Board members must remember that:

- People give because they are asked.
- People give money because they want to belong.
- People give because there is a longing to be a part of something bigger than themselves.

Your agency should:

- Hire an outside consultant or identify an volunteer experienced in fundraising to conduct a board training on fundraising.
- Develop a concise presentation (5 minute pitch) for board members.

- Assign board members role play activities to make “an ask”.
- Practice “the ask” in person and on the phone.
- Create easy environments where board members can make “the ask” (e.g. events, parties, rallies, phon-a-thons).
- Establish a buddy system where board members collaborate on fundraising efforts as well as provide support and encouragement.
- Make sure brochures and reports are up-to-date and plentiful and distributed to board members.

A board member can participate in fundraising efforts by:

- Developing a compelling and persuasive letter or appeal to donors.
- Providing names of prospective donors or funding entities.
- Holding a fundraising party for the organization at their home or other location.
- Writing thank you notes to donors.
- Asking friends and relatives to become donors.

Ten Ways Board Members Can Raise \$3,000 in 90 Days

1. Make a contribution to your domestic violence program. Before you can go out and ask for a contribution, you must support your own agency financially.
2. List all of your friends who could make a donation to your agency. Call them to tell them about your organization and follow-up with a formal letter with information about your organization and a giving envelope.
3. Set up a challenge campaign. Identify a business that will match the funds that you raise. Let people know that every donation will be matched dollar for dollar.
4. Ask friends to host a dinner party with a theme. The invitation should make reference to support the agency. During the party give a short presentation about your agency. As host, ask your guests to make a generous donation. Present giving envelopes. Consider including a small auction to raise additional funds at the event.

5. Hold an auction. Seek donated auction items and services from local businesses. Set up an auction online.
6. Solicit small businesses, faith-based institutions, civic and professional organizations for \$500. Often, a simple letter proposal or presentation will generate a \$250 - \$1,000 donation.
7. Ask friends who belong to service clubs, fraternities or sororities, etc. to discuss your agency in their group and ask for donations.
8. Ask you your faith-based institution if your agency can benefit from a second passing of the offering plate after giving a brief talk about your agency.
9. Determine which of your friends work for corporations that have matching gift programs. Ask them to make a donation to your agency and get their gift matched by their employer. Encourage them to ask their co-workers to make a gift and get their gift matched as well.
10. Hold a raffle. Seek an in-kind donation such as a flat screen television from a local business or weekend vacation package from a local travel agent. Identify a local service organization to sell raffle tickets to friends, family and the general public. A service could also be raffled, e.g. house cleaning, yard maintenance, etc. Frequent flyer miles can also be sold or donated to a raffle. (Most airlines allow you to give away miles, but be sure to check the rules of the airlines). Ask 10 friends to buy 10 tickets at \$10 each. (You will have raised \$1000)

How to Find Potential Board Members

- **Ask current board members to annually identify at least 2-3 potential board members.** Good board members tend to identify promising prospects. Stress that the Board members should not inquire about willingness to serve at this point, you are just generating ideas and information.
- **Have a Board brainstorm.** You can also include staff, trusted volunteers and other trusted allies of the organization. Use different groups of folks based on skills or organizational needs. For example, have the group brainstorm individuals who have extensive ties to a specific neighborhood in your community such as pediatricians, small business owners etc.
- **Consider donors who are loyal to the organization.** They may not want to serve (or they may!), but they also could have recommendations for others who would be good prospects.
- **Look right under your nose!** There are folks you know in your everyday life. Your accountant, lawyer, minister, next-door-neighbor or small-business owner in your community.

- **Target the professional associations of those professions you need.** If you need a CPA on your board, find the local association of accountants and approach the president. You can place an ad in their newsletter or give a presentation at their next meeting or function.
- **Looks at other boards.** Are there folks on the Board in your community who are looking for a new cause or who must rotate off the Board after several years of service? Talk with other executive directors or board chairs.
- **Attend meetings of civic and business groups in your community.** The Chamber of Commerce, the Kiwanis and Rotary Clubs all have members who are committed to the community and to the agencies in the community.
- **Recruit your agency's clients.** In many ways, no one has a better understanding of what your agency does and its importance.
- **Hold an open house or reception.** If you have a new or renovated building, are thanking the community for their support or having an event (i.e. during the holiday season), this is a perfect time to also encourage community members to become more involved with your agency.
- **Issue a news release about your agency.** The topic should not be board recruitment, but you can always slip in a message about volunteers and board members needed at the end of the release.
- **Distribute recruitment brochures at local fairs, conferences or charity events.** Agencies often distribute literature about their services at these events and include information about serving on the board of directors.

Recruitment Resources

Where Do You Look for New Board Members?

Your board of directors can help identify potential board members

Identify members of other nonprofit boards

Clients

Contributors

Small Businesses

Corporations (Community Affairs, Human Resources, Marketing)

Professional Associations

Civic Groups (Rotary, Kiwanis, Lions)

Foundations

Government

Schools/Colleges/Universities

Religious Organizations

News/Entertainment/Education Media

Television/Radio/Print Media

Community Leaders

Other Nonprofits

Chamber of Commerce

Why Do Board Members Need an Orientation?

Through an orientation, board members:

- Get further acquainted with the mission, goals, objectives and programs of the organization
- Have an opportunity to get to know other Board members and feel more comfortable participating in a group
- Have an opportunity to better understand how their interests and skills can benefit the organization
- Have an opportunity to have their questions answered

Board Orientation & Resource Manual

What is a Board Manual?

A board manual is an orientation tool for new members and a central resource workbook about the organization and board. Materials can be added and removed to create an up-to-date reference book.

What Does a Board Manual Look Like?

A manual can be a sturdy, three-ring binder/notebook with a table of contents, clearly divided and labeled sections, and pockets on the sides for miscellaneous insertions.

What Goes in a Board Manual?

Manuals contain any informational materials and resources that a Board Member might need to refer to for clarification of his or her role, information on getting to know the organization, and resources to help them perform their job as board members effectively. The manual should include the following:

- Mission Statement
- Articles of Incorporation and Bylaws
- "Brief Organizational History of" Fact Sheet
- Annual Report of "Description of Current Programs/Services Provided"
- Current Strategic Plan
- Board Meeting Minutes from Past Year
- Annual Calendar of Meetings, Programs and Special Events
- Organizational Chart
- Individual Board Member Responsibilities
- Committee Structure and Job Descriptions
- Board List with Committee Assignments, Business Affiliation, Addresses, Phone and Fax Number as well as E-mail

- Board Member Information Form (with details such as spouse's name, other board memberships, areas of interest and expertise – to return to staff)
- Perspective Board Member Referral Form (return to Nominating Committee)
- Personnel List and Job Descriptions of Key Staff
- Program Statistics
- Current Budget
- List of Funding Sources and Amounts
- Sample Appeal/Grant Proposal
- Most Recent Audited Financial Statement
- Newsletter, Press and Other Promotional Literature

Fundraising Materials

Fundraising Materials Every Agency Must Have

Annual Report

- Include names of individuals, corporations etc. who have given; include donor levels or ranges
- Briefly outline fundraising goals and developments
- Elaborate on the importance of a partnership with the private sector
- Include a pie chart showing the source of private contributions

Tri-fold brochure (image brochure)

Include a contribution card to the tri-fold. This can be combined with the current tear-off that invites the reader to request more information about the partnership.

Newsletter

- Include a contribution form on the last page of your newsletter.
- Include a resource development section that contains:
 - articles on specific fundraising campaigns such as your direct mail campaign
 - the results of successful fundraising efforts
 - a profile on the development director or a board member who has made a significant contribution to fundraising efforts (not necessarily monetary)

- the results of 100% board giving (every board member has made a financial contribution to organization). Your agency may have set a financial goal to be raised specifically through personal donations from your board.
- announcements about special fundraising events/ results of events
- acknowledgment of volunteers participating in fund raising efforts
- acknowledgment of donors with a donor listing page

Other Fundraising Materials

Fact Sheet that can be included in any direct mail piece. This can include vision and mission statement as well as key goals/activities of the organization.

Corporate Packet that may include the materials above along with separate page with specific levels of giving for corporations and specifically how their corporate contribution will be used. This packet can be distributed to those board members who may be willing to make personal contact with corporate representatives.

Faith-based Institutions Packet that includes information about how youth groups, Sunday school classes and outreach ministries can get involved.

Civic and Professional Organizations Packet that include how organizations can host fundraisers and volunteer.

Frequently asked questions document that provides information about your mission, the need you are addressing, your target audience, how many women and families you serve as well as how your agency is funded and more.

Database and Institutional Management

A fundraising database, if used correctly, is a vital resource for any nonprofit. If a database is not well designed or not used properly, it can be major obstacle to fundraising.

Data must be ORGANIZED.

- Determine what you want to include: donor type, gift type, source of donor.

Data must be CONSISTENT.

- Review your coding structure and determine what is to be reported.

Data must be CORRECT

- Correct inaccurate data where possible and deleting where necessary.
- Have clearly documented data entry procedures that are periodically reviewed and involve board, staff and volunteers in updating.

Fundraising Software: An Outline of Information to Include in a Database

Information to Capture in a Database

- Donor/prospect name
- Street address
- City, State, Zip (9-digit if possible)
- Telephone (home and office)
- Fax (e-mail)
- Title and company (professional, business etc.)
- Business address
- Past giving history (totals for year)
- Total gifts for current year including to what the donor was responding (e.g. annual appeal, major donor solicitation, special event, etc.)
- Solicitor name
- Contact history (dates, notes)
- Personal information (especially for major donors, including: spouse, children, affiliations, hobbies, pets, connections, attitude about organization, any past history with organization, etc.)

Also the database should allow you to document the following:

- Donation amount/value of in-kind donation
- Date of check or the date check was received
- Date that acknowledgment letter was sent
- Whether the donation is in the form of a check, cash, credit card or in-kind donation
- To what campaign or event the donor is responding (i.e. holiday appeal, special fundraising event)

The database should allow you to generate gift reports and conduct gift processing. The following defines these two processes:

1. Gift Reports

- Reflect and display accurate fund raising results
- Permit greater understanding of the performance of fund raising methods
- Permit analysis of performance activity within each solicitation method used
- Make comparisons of the performance of current solicitation methods with past-year methods

- Provide renewal rates and average gift size
2. Gift Processing - the procedure by which gifts are received, recorded, transmitted for deposit, receipted and acknowledged in an orderly sequence.
- Sources of gifts
 - Purpose or use of funds
 - Results of each fundraising program

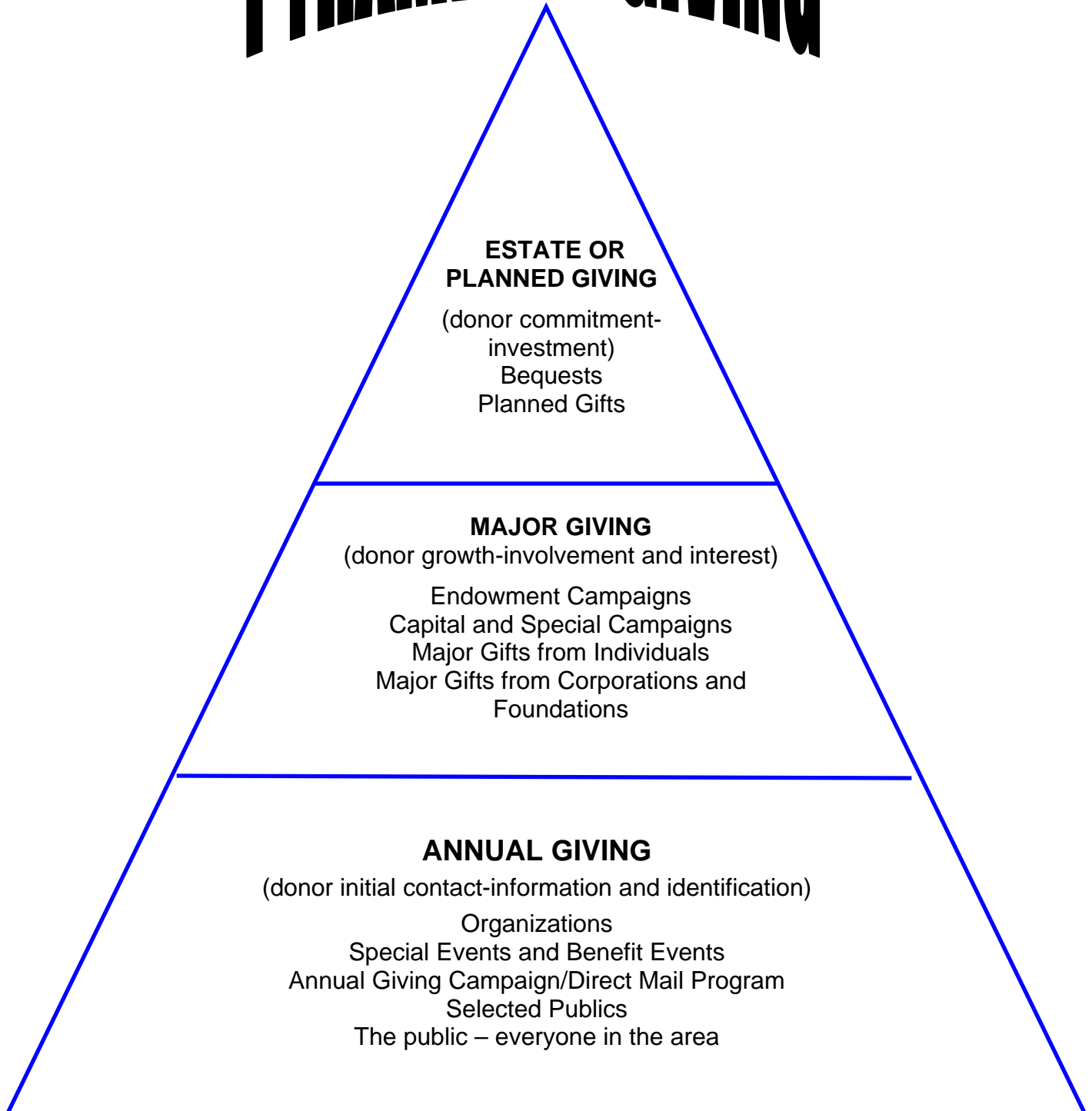
Chapter 2: Effective Fundraising Strategies

Ladder of Influence

The higher up the ladder you choose your strategy, the more effective the particular vehicle or approach.

Most effective	Person to person
	Personal letter with phone follow-up
	Personal phone call
	Personal letter
	Fund-raising benefit
	Impersonal letter/direct mail
	Impersonal phone call (telemarketing)
	Newsletter
	Brochure
	News Story
Least effective	Media Advertising

PYRAMID OF GIVING



Rate of Return

The Rate of Return is the gain or loss generated from an investment over a specified period of time. It is a comparison of the money earned (or lost) on an investment to the amount of money invested.

Personal Face-to-Face:
50-75% return

Personal Telephone with Letter Follow-up:
10-30% return

Direct Mail:
1-10% return

Special events

- Rate of return varies
- Time consuming
- Often break even on new events
- Return depends on outreach

The Annual Campaign

Your Annual Campaign provides opportunities for donors to give support to a mission that aligns with their interests, needs or values.

What is Annual Giving?

- Conducted each and every year for the purpose of raising money to assist in paying a nonprofit organization's regular, ongoing expenses.
- Usually is for operational expenses but it can be applied to any purpose.
- Usually an organization's primary source of unrestricted contributed income.
- Should be the mainstay of an organization's fundraising efforts.

The goals of any annual campaign should include:

- Stimulating the contribution of unrestricted funds.
- Raising an awareness and acceptance of the organization and its responsibility to raise money.

- Developing a base of knowledgeable volunteers.
- Cultivating prospects for future giving.

Establishing an Effective Direct Mail Campaign

Direct mail is often considered the most expensive way to raise funds, but if done effectively, it can provide a relatively inexpensive way to dramatically increase your number of donors. Direct mail done well broadens your organization's visibility, identifies prospects and volunteers, as well as successfully raises money.

A successful direct mail solicitation program begins with a written plan that includes the following four steps:

1. Set Goals and a Budget

Set specific, measurable, quantitative goals. Know the size of your constituency and how much you want to raise. After setting goals, develop a realistic budget. A rule of thumb for budgeting is to assume the cost of mailing will be from 40 to 60 cents per piece including forms, printing, envelopes, computer time for list conversion, merge/purge, letter production, inserting and sorting, delivery to the post office and postage.

2. Develop a Schedule

Include a mailing calendar as part of the plan. How many appeal campaigns will you conduct and when? Consider the theme and season of your appeals. The best times to conduct mailings are September to November and March to May. Specialty mailings can be effective during holidays such as Mother's Day or Valentine's Day.

3. Target Your Audience

Decide who will receive the appeal. Conduct an "audit." Who are your current donors? Identify former donors, volunteers, vendors, members, clients and other friends of your organization. Also, gather prospects from board members, staff and current donors and trade names with other organizations.

You may also consider purchased and leased lists from a broker – often the best source of individual mail prospects because performance data on prior mail use is known.

4. Test and Evaluate

Consider starting with a test mailing or create two types of direct mail pieces and determine which package works best. Create an evaluation component that includes: the number of pieces mailed, total cost of the mailing and average size of the gift.

Consider other factors when evaluating your campaign such as:

- What percentage of donors renew?
- Would a phone call to those who don't donate be worth it?
- What is the percentage of donors upgrading their gifts?
- How many are making several gifts?
- Was the mailing date optimal?
- How much was the cost of your campaign and what was the return on investment?

Direct Mail Defined

Direct mail is the organized and systematic dissemination of mailed information about an appeal for support. Direct mail is sent to someone who has or could have a relationship with your nonprofit. **Mass mail** goes to everyone without regard to a possible affiliation with you.

A **direct mail appeal** is the entry point that brings donors closer to your nonprofit. There is a cost to donor acquisition, renewal and upgrading, but it is essential to the program's vitality and growth.

Before you get started ask yourself the following:

- Is your organization well known and well respected in the community where you will solicit? Does your organization have name recognition?
- Is your organization unique in your community?
- Does your organization have emotional appeal?
- Have you done your homework? Do you know the specific markets you want to target? Do you have a good mailing list?
- Is there a clear and critical need that can be explained in the appeal?
- Can you offer benefits to the donors and/or show how their gift will make a difference?
- Do you have enough time and money to test your direct mail thoroughly?
- Can you afford to lose your initial investment in direct mail?
- Do you have other fundraising programs designed to bring in money while the mailing program is being coordinated?
- Do you have a follow-up mechanism designed to keep records of all gifts? Do you have an established procedure to recognize new donors?

Advantages of a Direct Mail Campaign

Direct mail is often considered the most expensive way to fundraise, but if done effectively, it can provide a relatively inexpensive way to **dramatically increase** the number of donors.

Direct mail:

- provides a public relations vehicle that can **broaden an organization's visibility** and bring low cost recognition — can help publicize new programs
- **identifies prospects** upon which other programs (giving clubs, major gift prospects, estate planning) depend and identifies potential **volunteers**
- **raises funds** (often unrestricted, operational and programmatic dollars).

Acquisition helps an organization find and recruit donors who can then be cultivated and solicited to renew and upgrade their contributions. In order to maintain a donor base and remain constant, 20% to 30% of donors must be replaced each year. Keep in mind that attrition is normal—expect it. Replacement is essential.

Initially acquisition may just break even or a nonprofit may take a loss, but there are exceptions. Usually results must be seen for their long-range potential.

Creating a Direct Mail Campaign

A successful solicitation program begins with a written plan that includes the campaign goals and budget, the target audience and a testing and evaluation component.

1. *Setting Goals and a Budget*

A. Develop goals using specific, measurable, quantitative terms. Know the size of your constituency.

- Acquire 150 new donors by December 31, 2003
- Recapture ___% of lapsed donors. A LYBUNT gave Last Year But Unfortunately Not This year.
- Recapture ___% SYBUNT gave Some Years But Unfortunately Not This year.
- Increase average gift size to \$_____.
- Increase the number who give more than once a year by _____%.
- Lower cost per dollar raised by _____%.

B. Develop a realistic budget.

- Some nonprofits will spend as much as \$3 to raise \$1, but that is not always necessary.
- State the cost in terms of building a base: investing in the future.
- Rule of thumb for budgeting: Assume the cost of mailing each piece will be between 40 and 60 cents per piece including forms, printing, envelopes, computer time for list conversion, merge/purge, letter production, inserting and sorting, delivery to the post office and postage.
- Budget an increased workload for those who acknowledge, record and process gifts.
- Seek support from companies and individuals to help underwrite printing graphic design costs.

C. Develop a schedule and coordinate.

- Include a mailing calendar as part of the plan. How many appeal campaigns will be conducted and when? Consider the theme and season of your annual appeal.
- What other mailings are being sent to donors by the nonprofit? Newsletter? Annual Report?
- Allow 90 days to produce a mailing.

2. *Targeting Your Audience*

A. With a plan in place decide who will receive the appeal.

B. Conduct an "audit." Who are your current donors?

- Determine what earlier direct mail appeals have worked and with which groups of people.
- Look for characteristics shared by people who already support you (age, gender, where they live, whether their family members have used your services and what other organizations they support).
- Look at the type of direct-mail packages that have done well for your organization and other nonprofits—i.e. those packages that tell a story of a person helped, carry an endorsement or feature a particular part of your program.
- Identify former donors, volunteers, vendors, "friends", members and clients. Gather prospects from the board of directors, staff, current donors and trade names with other like organizations for one time use.
- Consider purchased and leased lists from a broker. Often these lists are the best source of individual mail prospects because performance data on prior mail use is known.
 - Choose lists from organizations with similar missions.

- Always look for evidence of mail responsiveness and philanthropic behavior/interests.
- Always do a merge-purge to remove the names of your current donors.
- Segment your mailing audience into subsets composed of those who have some characteristic in common. Segmentation allows appeals to be tailored to a particular group.
- Determine the criteria for you mailing list.
 - First-year donor
 - Provides support annually
 - Lapsed donor
 - Date of last gift
 - Gift size
 - Number of years given

3. *Testing and Evaluation*

- A. Consider starting with a test mailing or create two types of direct mail pieces and determine which packages works best.
- B. Create an evaluation component that includes:
 - The number of pieces mailed
 - Total cost of the mailing
 - The number of responses by solicitation segment
 - Total dollars received by segment
 - Average size of the gift
- C. Consider other factors when evaluating your campaign: attrition, results of upgrading, frequency of giving and distribution by gift amount.
 - What percentage of donors renew and how can that be improved?
 - Would a phone call to those who don't donate be worthwhile?
 - What is the percentage of donors upgrading their gifts?
 - How many are making several gifts? Can this be increased?
 - Was the mailing date optimal?
- D. Determine the cost: Cost per dollar raised is the cost of mailing divided by the dollars raised. It is the cost of raising each dollar on your initial return on investment (ROI).

Things to remember when evaluating your program

- Keep donor and prospect results separated if they were solicited at the same time.
- Keep a daily log of gifts as they arrive.
- Percent of response will vary with mailing list and time.
- The average gift varies by the nonprofit, segment and appeal. Experience will let you know what you should expect.

Direct Mail Tips and Tidbits

- An often cited direct mail survey revealed that 100 pieces of typical direct mail were mailed, 15 were thrown away and unopened, 33 were gladly received and 52 were at least opened and examined. Thus 85 out of 100 potential donors read the message.
- Request for a first-ever gift will yield a rate of return approximately 1-2%. (More than one appeal must be sent to the same people to achieve a higher level of performance.); between 6%-12% for re-solicitation (renewal) mailings.
- Expect responses to be returned in 30-45 days. Usually at the 15th to 18th day from the day of the first response you have reached 1/2 of the expected total donation.
- Nonprofit third class mail reaches the home late and sometimes not at all. Some nonprofits have begun using first class postage. Send yourself a test mailing.
- Selection of the target audience and careful attention to accuracy of the names on the mailing list are the most important elements in a direct mail program. Good design and copy have little value if the name is misspelled or if the direct mail is sent to an undeliverable address.
- Best times to conduct mailings are September to November and March to May. Specialty mailings can be effective during holidays such as Mother's Day or Valentine's Day.
- The time between the initial letter and follow-up appeals should be 4 to 6 weeks.
- No more than one follow-up letter to an initial appeal is recommended.

The Direct Mail Package

Contents include:

- Outer Envelope
- Appeal Letter (or card)
- Enclosures (i.e., fact sheet or card, brochure)
- Response Form
- Reply/Return Envelope

About Follow-up Mailings

- Save Follow-Ups for the very strongest campaigns within your appeal cycle (such as “Holiday”, “Annual Fund” and so forth).
- Limit the Follow-Up mailing to the most responsive names.
- Change the package format from the original and all other mailings in your annual plan.
- Mail the Follow-Up two to three weeks after the original campaign.
- Add a deadline (Respond by May 30!!)
- Include a line such as “if you’ve already given, thank you and if you can give again....”
- Don’t spend as much on postage (send nonprofit rate to all segments).
- Keep the message short, simple and clear.
- Measure success by net income and additional donor activity generated, particularly the frequency of giving.

The Direct Mail Keys

These ingredients, in order of importance, will determine your letter's success. (Percentages tell how much each matters):

- Your organization's, record, message and leadership (50%)
- List selection (25%)
- The actual wording of the letter (10%)
- The offer—how you structured the “pitch” or marketing concept (5%)
- The format—the size, shape and color of the letter and envelope (5%)
- The design (5%)

Remember the 5 Ws. Be sure each mailing is based on a unique marketing concept and fits into an overall marketing strategy. For every mailing, make clear to *whom* you're writing, *what* you want from them, *why* you need money, *when* you need it and *what* you're offering in return.

Direct Mail

A Winning Solicitation Letter

Lead: Catch the attention with a provocative opening. Does it create immediate interest? Will the prospect begin reading? There should be a strong theme and the use of story telling, case histories or news to introduce the problem or issue.

Writing Style: Is it easy to read, friendly or personal?

Focus: Is the focus simple and clear? Or do you try to tell too much? Does the letter focus on a specific problem, need or goal? Does it focus less on the needs of the cause and more on the needs of the people served by the cause?

Program Solving: Does it offer solutions and hope? Does it offer believable solutions to genuine problems – solutions that are time or money related?

Reader Recognition: Does it make the reader feel important if he or she sends a donation? Is the letter written only to one person? Does it use the word “you” several times on every page? Also, show appreciation for the donor.

Personal Benefits: Are the personal benefits that come with a donation emphasized? Does the donor get a publication, discounts or other services?

Photos: Are pictures and illustrations used? Does the mailing package devote sufficient space to describing pictures or illustrations?

The Request: Have you actually, clearly asked for a contribution? Is there a strong, straightforward request for a gift, without apology? Has the best case been made for the recipients of the donations? Is the need stated several times and in several ways before the final request? Ask for the gift early and repeat your request for a contribution later in the body of the letter. Ask for a specific sum.

Urgency: Is an immediate response urged? Write with a sense of urgency, but not despair. Offer a strong reason to give now i.e. to help reach a campaign goal. Offer hope. Spell out the consequences for inaction.

Suggested Gift: Does the donor know exactly how much money you want? Have you eliminated any chance that the donor will wonder how much to send? Remember, you get what you ask for. Ask for more than the average gift you seek.

The P.S.: Have you included a post script that describes an action that the potential donor should take or important point that you would like to emphasize? Is it as good as the lead? Remember, the P.S. and the lead usually are read, even if the body of the letter is not.

Length: Is the letter long enough to create interest; to state the problems; to tell the story in its most interesting form; to arouse emotion; to offer hope and the opportunity to participate in something significant; to state your credentials; to ask for the gift and to offer attractive personal benefits?

Format: Does it look like a letter? Is there good use of white space? Are short paragraphs mixed with medium length paragraphs? If it is a long letter, does it make good use of graphic devices like subtitles, underlines, indented copy blocks and bulleted lines to increase readability? Remember, if it can't be easily read, it won't be read at all.

Photos: If photos or other pictures are used, are they interesting? Are they clear enough to understand? Do they tell a story? Are there captions? Are they lively and descriptive?

Six Ways Board Members Can Enhance Your Direct Campaign

1. Provide names and addresses of friends, clients and colleagues.
2. Write personal notes on direct mail appeals.
3. Handwrite addresses on direct mail appeal envelopes.
4. Make follow-up calls to personal friends.
5. Send personal thank you notes or make personal calls acknowledging contributions.

Sample Solicitation Letter

Dear Friend,

My nephew, Corey, was kind-hearted and generous. He once dreamed of having career in law enforcement. He was an avid Star Trek fan. He knew everything about the Titanic and enjoyed building scale models. He liked going dancing. Corey was murdered by his abusive partner – despite his best attempts to find resources to assist him in surviving the relationship.

When Cory was a senior in high school, he met a man named Clyde over the internet and they began dating. A few months after his high school graduation, Cory moved into Clyde's house. Throughout their relationship, Clyde insisted on maintaining control of Corey's money and on knowing where Corey was at all times. On September 23rd 2002, Clyde hit Cory in the head with a frying pan as Corey was trying to leave their home.

Corey moved out of the home that he and Clyde had shared for almost two years. He looked for help form local agencies, including police and domestic violence programs. Unable to find help or a safe place to stay, he moved into the apartment of a friend who lived in a nearby town. Finally, with a lot of support from a friend, Corey took out a protective order and assault charges were filed. However, Clyde continued to stalk him, leaving him notes and sitting in his parked car outside of the apartment where Cory was living as well as at Corey's workplace.

Corey stayed at his friend's apartment until December 8th, 2002 when he suddenly disappeared. Soon thereafter, he was reported missing to the police. In June 2003, Clyde called his mother and confessed to killing Corey. Corey's body was discovered buried in Clyde's backyard. He had been bound and shot. Corey was 20 years old when he was murdered. On a plea agreement, Clyde was sentence to 24 to 30 years in prison.

The North Carolina Coalition Against Domestic Violence is working to make sure that no one else has to endure what Corey did.

Last year, we began Project Rainbow Net, an initiative designed to address domestic violence in lesbian, gay, bisexual and transgender (LGBT) communities. Project Rainbow Net provides training, technical assistance and resources to domestic violence programs and LGBT people/organizations across the state about how to help LGBT survivors of partner abuse. We do this so that the **next time someone like Corey needs help, she or he is able to get it and knows where to go.**

We need your help! The Colorado-based Gill Foundation has pledged \$5,000 in challenge funding to create and sustain Project Rainbow Net. In order to meet this challenge we must raise at least \$5,000 on our own from North Carolinians like you! **Please join us in our work to end partner abuse in the LGBT relationships by making a \$250 contribution to Project Rainbow Net.**

If you have questions or would like more information about Project Rainbow Net or NCCADV, go to www.projectrainbownet.org or www.nccadv.org, or call us at 888-232-9124. **Thank you for helping us to make North Carolina safer for ALL families.**

Sincerely,

Carol Manion
Corey's Aunt
Project Rainbow Net Advisory Council Member

PS Make a financial contribution TODAY in support of Project Rainbow Net and your donation will be MATCHED, dollar for dollar by the Gill Foundation!

A reply card and envelope are included for your convenience. Thank you for your stamp.

NCCADV is a 501 © 3 organization. Financial information about this organization and a copy of its license are available from the State Solicitation Licensing Branch at 888-830-4989. All contributions are tax deductible.

Thanking Donors

- Send thank you (acknowledgement) letters within 72 hours of the receipt of their gift.
- State the specific amount of the gift in your thank you letter. The donor will need this for their tax records.
- Create letters for each level of giving, i.e. small (\$1-\$99), medium (\$100-\$250), large (\$550+) gifts.
- Letters should be signed by the executive director and/or board chair.

- Send a different letter to those donors who make multiple donations annually. Send handwritten letters, cards or letters written by clients or participants.
- Change the content of each letter annually.

Sample Thank You (Acknowledgement) Letter

Dear Mr./Ms.:

Thank you for your contribution of \$50 to Project Rainbow Net, an initiative sponsored by the North Carolina Coalition Against Domestic Violence. Your financial support will help us to begin to address domestic violence in the lesbian, gay, bisexual and transgender communities in North Carolina. Through your generosity, Project Rainbow Net will provide training, resources and technical assistance to LGBT organizations, individuals and domestic violence service providers across the state.

As a supporter of the project you have several options for involvement. You are invited to training events that will be sponsored by Project Rainbow Net. All trainings will be advertised and posted on the NCCADV's website at www.nccadv.org. You may also wish to participate on Project Rainbow Net's advisory council, which will shape the training events and will work to develop services to LGBT survivors of battering.

In addition, NCCADV's Domestic Violence Resource Center is available for your use. The Resource Center house books, films and periodicals on subjects that are pertinent to the struggles of those seeking violence free lives.

One in every four LGBT people will experience relationship violence. The challenge that remains is enormous. By joining together as a statewide network of individuals we are making progress. On behalf of those who have survived relationship violence and of those for whom violence will be prevented, thank you. Together we are making a difference.

Sincerely,

Mary Beth Loucks-Sorrell
Executive Director

Reply Card Text

Yes! I want to Help LGBT Survivors of Partner Abuse!

Please accept my enclosed contribution of:

\$500 \$100 \$75 \$50 \$25 Other

Name _____

Phone _____

Address _____

Email _____

Thank you for your support.
All contributions are tax deductible

Partnerships with Corporations

Eleven Steps to Corporate Fundraising

1. Do not send a form letter. Do your homework and tailor your appeal.
2. Send a letter to the chief executive officer of company or the contributions specialist, because he/she more than likely makes funding decisions.
3. Do not send the contributions officer a blind letter. Call him/her first explaining who you are and what your organization is trying to accomplish.
4. Do not seek contributions from corporations far from the location in which it operates.
5. Only send one or two attachments along with the letter.
6. If at all possible find someone who knows the company to make the first call.
7. If you have a contact, ask the person about how to best package your request.
8. Remember that large companies often like big projects. They often want to publicize projects to employees, shareholders and the community.
9. Plan ahead and submit your request early. Know the budget cycle of the corporation.

10. If the company says “no” this year they may be a donor next year.

11. Say thank you by telling the donor what has been accomplished with the gift.

Corporate Research Worksheet

Name of Corporation _____

Street
Address _____

Mailing
Address _____

Phone _____ Fax _____ E-mail _____

Nature of Business _____

Number of
Employees _____

Name of the CEO _____

Familiar names on the Board of Trustees _____

How often does the Board meet? _____

When and where is the annual meeting? _____

Who is the Public Relations Director? _____

Who is the Marketing Director? _____

Do they have a charitable foundation? _____

Who is the executive officer of the foundation? _____

Do they have written guidelines on contributions? _____

Who should receive solicitation
proposals? _____

What time of the year should proposals be sent? _____

Are there dollar limits to contributions? If so, what? _____

Additional research information:

Cause-Related Marketing

Cause-related marketing (CRM) is defined as the public association of a for-profit company with a nonprofit organization, intended to promote the company's product or service and to raise money for the nonprofit. CRM is different from corporate fundraising because the money gifted is not an outright gift to a nonprofit and therefore is not tax-deductible.

The term "cause-related marketing" was first used by American Express in 1983 to describe its campaign to raise money for the restoration of the Statue of Liberty. American Express made a one-cent donation to the Statue of Liberty every time someone used its charge card. The number of new card holders soon grew by 45%, and card usage increased by 28%. In their efforts to diversify and enhance their funding base nonprofits have embraced CRM.

Cause-related marketing could include simple agreements to donate a percentage of the purchase price for a particular item or items to your agency for a specific project or something more involved.

Corporations have been drawn to CRM due to the competition of the expanding global marketplace and the need to develop brand loyalty.

A number of recent studies have documented that consumers carefully consider a company's reputation when making purchasing decisions and that a company's community involvement boosts employee morale and loyalty.

Source: The Foundation Center

Special Event Fundraising

Challenges Associated with Special Events

Special events can:

- Be expensive. If not planned correctly, special events can leave your organization covering some costs that it may not be able to recoup.
- Require too much work and lead to volunteer or staff burnout. Some events require a lot of work for very low return, in terms of funds raised.
- Be time-consuming.
- Have the potential for unfavorable publicity.

Say “Yes” to a special event when you:

Are sure you can't *lose* money.

Have a good volunteer pool.

Know the event will generate lots of positive media.

Special events provide a unique opportunity to expand the constituency of your organization and market your organization and its mission. Special events are not only an excellent strategy for acquiring, retaining or upgrading donors, but they also help your organization build meaningful community relationships. Nonprofit organizations committed to capacity building and sustainability should host at least one special event annually to achieve fundraising goals, generate publicity and raise visibility.

Steps for Event Planning

- **Select an appropriate and memorable event.** Hold a non-judgmental brainstorming session at which board members, staff and volunteers provide initial input into what type of event to sponsor.
- **Consider several criteria in selecting an event:** how the event will affect your organization's image, how the event relates to your organization's mission and fits into your overall fundraising plan, the amount of volunteer work and upfront money required and the event's repeatability.
- **Develop a strategic plan.** Once you have selected the type of event your organization will sponsor, develop a specific plan of action to execute the event from beginning to end. The strategic plan should outline the amount of funds the organization wants to raise through the event, how the organization intends to raise it and from whom the funds will come. The plan should also include specific strategies for recruiting and motivating volunteers, expanding the constituency of your organization, obtaining endorsements and increasing the media visibility of your organization throughout the planning and execution stages of the event.
- **Draft an event timetable.** Plan your special event at least one year in advance, especially if this is your organization's first time hosting such an event. An event timetable includes every task that needs to be completed and a definitive deadline for completion.
- **Determine who will make the event happen.** The special event committee's role is to provide overall planning, secure corporate sponsorships and determine the invitation list for the event. The committee will typically consist of one or more board members, one of whom should serve as co-chairperson or honorary chairperson. The committee should also include non-board members, such as

current, past and prospective contributors, honorary members and political and/or prominent community leaders.

Designate a staff liaison to complete administrative tasks for the committee. Once the special event committee has been established, select subcommittee chairpersons to handle specific tasks. Potential subcommittees include corporate solicitation, logistics, speakers, auction, refreshments and entertainment.

- **Develop a tactical plan for the utilization of event volunteers.** Create an organizational chart specifically for volunteers, as this will help to clarify roles and relationships between various players in the event organization as well as aid in recruiting. Hold a kick-off event where volunteers can select on which subcommittees he or she would like to serve. As you recruit volunteers, make clear your expectations regarding their volunteer time.
- **Construct an event budget.** If this is your organization's first time hosting a special event or if it is the first time your organization has hosted an event of this type, project conservative revenues and high expenses. Develop a preliminary budget which includes several streams of revenue. Revenue sources may include ticket sales (several pricing levels), raffle tickets, an auction and corporate sponsorship. Expense items may include catering, venue rental, entertainment and invitations. Be sure to secure as many donated services and products as possible. Once you have developed your event budget, your organization can analyze whether this event is worth hosting in terms of the projected income and rate of return.
- **Develop a specific marketing plan.** Events are excellent publicity-generating tools, as they give the media a reason to focus on your organization. Generating publicity means capturing an audience's attention through advertising and the event itself. Develop specific strategies for getting coverage in the local newspaper, on the radio, through speaking engagements, or even sponsoring a door-to-door campaign to increase the visibility of your organization.
- **Solicit endorsements.** Securing corporate sponsors requires initial phone calls, solicitation letters, face-to-face meetings and follow-up conversations. Offer as much as you can to entice corporations to sponsor your event, but only make commitments that you can deliver while staying within your budget.
- **Learn from this year for next year.** The best events are those that become a tradition in your community. Do not abandon an event simply because the turnout was small the first year, or you did not achieve your fundraising goals. Conduct a comprehensive evaluation of your event so that you can improve upon the planning and execution of the event for next year. In addition to measuring the fundraising success of your event, do not forget to assess the friend-raising success of the event and any positive publicity that resulted from the event.

The key to a successful special event is extensive planning and commitment from your board members, staff and volunteers. While planning a special event requires a lot of hard work, your agency will benefit greatly from the unrestricted funds raised and new friends made as a result of your special event.

Ten Ways to Publicize Your Corporate Sponsors

1. Display sponsor banner at event.
2. Display small sponsor banner or logo on podium.
3. Distribute sponsor products to event participants and other organizational constituents.
4. Include sponsor name or logo in organization's newsletter.
5. Display sponsor name or logo in advertisements about the event in newspapers and magazines.
6. Recognize corporate sponsor representatives at kick off events and press conferences relating to the event.
7. Add sponsor logo to organization's website and include a hotlink to sponsor website.
8. Display sponsor logo on T-shirts.
9. Provide category exclusivity to sponsor (a guarantee that once the sponsor signs on, none of their competitors will be allowed to sponsor).
10. Invite corporate sponsors to your event and recognize them at the event.

Key Elements for a Special Event

Goals

- Raising **Money**
- Re-visiting your **Mission** statement
- **Motivation** of your volunteers
- **Interaction** with the community you serve
- **Involvement** of your board
- **Recruitment** of additional volunteers
- Developing **Valuable Networks**: expanding your constituency
- **Media Visibility** – marketing your organization
- Solicit **Endorsements**

Planning

- Draft an event **timetable**
- Write a **strategic plan** for this special event (amount of funds the organization wants to raise, how and from whom?)
- Specify **responsibilities** for event leadership
- Write a **tactical plan** for utilization of volunteers
- Construct an event **budget**
- Develop a specific **marketing plan** for your event

Organization

- Recruit a **chairperson** for your event
- Define **committees** for the event (job descriptions and committee descriptions)
- **Recruitment** of committee members
 - current contributors
 - past contributors
 - prospects
 - honorary members (past honorees, political and prominent community leaders)

Administration

- Documents
- Contracts
- Insurance
- Printing
- Decorations
- Acknowledgments (fundraising software)

An Alternative Approach to Special Event Fundraising

Planning a special event may be challenging for your organization due to limited staff, time and financial resources. Your nonprofit may instead partner with a local civic organization or business to plan and host a special event with the funds raised donated to your organization. Build relationships with Rotary, Kiwanis and Lions clubs, the Junior League, fraternities, sororities and faith-based organizations, such as a women's group. A partnership with one of these organizations in hosting your next special event may be ideal for your nonprofit.

Collaboration – Partnerships with Religious Institutions, Civic and Professional Organizations

Civic and Professional Organizations

Civic organizations (service clubs) and professional organizations will often adopt a nonprofit and sponsor a fundraising event or simply make an annual contribution to organizations. Common civic and professional organizations include: Rotary, Kiwanis, Lions, Shriners, Elk, Junior League, service fraternities and sororities, colleges and universities, alumni organizations, lawyers associations, accountant associations, medical associations and professional organizations.

- Ask your board and staff if they are members of civic or professional organizations.
- Offer a speaker from your nonprofit for one of their monthly meetings.
- Share with the members of the organizations the importance of your mission and how they can get involved. Be specific on how they can support the work that you are doing in their community.

Civic and professional organizations can:

- make financial and in-kind contributions
- provide volunteers
- recommend potential board members
- identify funding sources and prospects

Religious Institutions

Build relationships with religious institutional leaders in your community by:

- Meeting with various church leaders identified by your board and staff
- Holding events at various religious institutions
- Participating in community events sponsored by local religious institutions – Many churches will hold community outreach events where nonprofits can display their materials to gain exposure.
- Presenting a “minute” about your mission or organization during religious services and share how members of the congregations can get involved

Your agency should:

- Seek financial contributions from a discretionary fund. Some religious institutions have a formal funding request application process.

- Request a second collection during services.
- Seek support from various groups within religious institutions, such as women's and men's ministries, youth ministries, missions groups and associations of religious leaders from various denominations.
- Identify religious organizations that will adopt your agency and sponsor an event, such as a statewide association of Lutheran women.

Social Entrepreneurship

Community needs nationally are growing in size and diversity. There is more competition among nonprofits to secure government and philanthropic funds. Because of this reality, nonprofits are recognizing the benefits from adopting "for profit" business approaches. Nonprofits are "reinventing" themselves as social entrepreneurs by combining the passion of a social mission with a business opportunity.

If your agency is looking to diversify its funding base and decrease your reliance on donors, you may want to consider developing an earned-income venture where you generate profits which, in turn, support the work of your agency to service the community. Earned-income is a form of social entrepreneurship and an increasingly popular topic among nonprofits.

Many domestic violence agencies have established outreach stores to generate funding to support their mission.

For information about creating an outreach store in your community contact: The Association of Domestic Violence Outreach Stores (ADVOS) at 919-815-2195 or 919-815-0743 or ncadvos@aol.com.

Venture Forth!

The Essential Guide to Starting a Money-Making Business in Your Nonprofit Organization, Rolfe Larson, Published by Fieldstone Alliance

Successful Proposal Writing

Definition of a Foundation

A non-governmental, nonprofit organization, with funds (often from a single source: an individual, a family, a corporation) and programs managed by its own trustees or directors; established to maintain or aid social, educational, charitable, religious or other activities serving the common welfare, primarily by making grants to nonprofit organizations.

A Foundation's Motivations for Giving

Community support
Sociopolitical concerns/philanthropic interests
Provide seed money for new projects
Tax advantages
Innovation of nonprofit
Professionalism of nonprofit
Geographic location
Reputation of nonprofit
Expertise of nonprofit
Demonstrated ability to garner matching funds

Types of Foundations

Private/Independent Foundations

- Private, nonprofit organizations with funds generally managed by trustees or directors
- Usually support social, educational, religious, cultural or other community activities through grants
- Regulated by the IRS
- Assets are usually a gift of a family or individual
- Grants are made from the revenue produced by investment of assets.

Community Foundations

- For and by a specific community
- Its assets from which grants are made comprise a pool of funds created by many donors instead of a single or limited source.
- The geographic area of the foundation interest and grantmaking is usually evident in the foundation name.

Special Interest Foundations

- Restrict their grants to a specific field of interest, often as a result of the terms of a will or their Articles of Incorporation
- Narrow focus, but good source of information in their areas of grantmaking

Family Foundations

- Established to facilitate the charitable contributions of a particular family
- Very similar to independent or private foundations
- Family influence is present—usually are donors and sit on the board of the foundation
- Giving patterns are often tied to the interests of family members
- Much smaller level of grantmaking
- Often offer funding for general operating funds

Corporate or Company-Sponsored Foundations

- Derive funds with which to make grants from a donor profit-making corporation which usually bears the same name
- They represent the most visible form of corporate giving
- Grantmaking tends to be focused on educational, cultural and social welfare needs of communities where corporation's facilities and employees are located
- Exist to enhance corporate image

Cover Letter/Summary/Introduction

Letter of Inquiry or Cover Letter

A letter of inquiry introduces your program and project and is a request to submit a formal proposal. This might be the first step of a foundation's application process.

The cover letter should be one page and is not needed if the foundation requires a simple letter proposal.

The letter:

- introduces your organization (include mission statement)
- describes the specific request of the organization (include amount requested)
- expresses enthusiasm
- should be signed by the highest official in your organization

Proposal Summary

The funder may require a proposal summary (also called abstract or executive summary). The summary should:

- identify who you are
- show credibility, the need to be address, briefly states the objectives of the program or project and brief methodology
- list total cost of the project
- list the amount requested
- be brief, clear and interesting

Proposal Introduction

The introduction should:

- establish who is applying for funding
- outline briefly purposes and goals, programs and activities, clients or constituents
- provide evidence of accomplishments
- offer statistics, quotes and/or endorsements in support of accomplishments
- support qualifications of areas of activities
- logically lead in to the problems statement (defined below)
- be brief, interesting, free of jargon

The Need Statement or Problem Statement

What community need does this project address?

- Make a logical connection between your agency's background and the problems and needs you propose to address.
- Make sure your goals are realistic in addressing the problem and the timeframe to address them is realistic.
- Clearly define the problem you are trying to solve. What is the need and why does the need occur? Who are the people with the need? What are the consequences of the broader community if the need is not addressed?

- Be sure to state the need in terms of the community and/or the individuals, not in terms of your own organization and its needs.
- Determine if the funder has funded other projects similar to your project. What makes your organization unique? You may want to contact those funded organizations. Determine how your project differs from what they have funded.
- Make sure you do not overstate your problem. You want to show that the problem is solvable. State the consequences of meeting the need.
- Use the needs statement to support your methodology for addressing the problem.

Convince the funder that there is a genuine need. What evidence do you have to support your claim? Include the following in your need statement:

- Brief case studies
- Verifiable statistics
- Feasibility studies
- Statewide or national findings
- Quotes
- Your own research and experience
- Statements from clients and from other organizations

Make sure all claims are documented.

Goals and Objectives

How will the community be improved by this project?

A goal is a broad based statement of the ultimate result of your project.

Goal Example: Our court advocacy program will help victims of domestic violence gain a better understanding of the court system.

Objectives are the outcomes that are measurable and will be achieved through this project. They are tangible, specific, concrete, measurable and achievable in a specified time period. When possible, objectives should be stated with action verbs (to increase, to decrease, etc.).

Objective Example: To provide support and information to 300 victims of domestic violence who are seeking protective orders or using the criminal court system in the course of one year.

Objectives are promised improvements in the situation described in the need statement.

There are four types of objectives.

1. **Behavioral** – A human action is anticipated.

Example: To ensure that 500 students in 20 public schools will learn how to recognize an abusive relationship, how to seek help and what their rights are. To ensure they're in a healthy relationship by the end of the 2008 school year.

2. **Performance** – A specific time frame within which a behavior will occur and an expected proficiency level.

Example: To ensure that 97% of clients served by Consumer Credit Counseling services gained the knowledge and skills to become efficient money managers.

3. **Process** – The manner in which something is an end in itself.

Example: To document counseling methods for incarcerated women who have experienced intimate partner violence, identifying those with greatest success.

4. **Product** – A tangible item results.

Example: To create an educational brochure that provides information on battering, children, the law and healthy relationships.

Methodology and Staff Qualifications

What will our organization do to address the need and achieve objectives?

- Describe in detail the activities that will take place in order to achieve the desired results.
- How will the funder's money be spent?
- Justify why you are using particular methods to achieve objectives.
- A timeline should be included and followed by a step-by-step explanation of how you intend to proceed.
- Include the staff to carry out the goals. Include the qualifications of key staff (this can be an attachment).
- If there are opportunities to collaborate with other organizations to achieve objectives, include a description of such collaboration.

Example:

Goal: To provide crisis intervention and advocacy services.

Objective: To provide 50 sexual assault survivors with support group or individual services in 2007.

Methods:

- Hire a full-time counselor by December 1, 2007.
- Provide crisis intervention training for staff and volunteers.
- Provide weekly individual counseling sessions.
- Design and hold weekly support groups to help women empower themselves. Provide transportation and child care.
- Provide as needed referral and assistance for victims with legal, medical, vocational housing and educational concerns.

Evaluation

How will you know that you have succeeded with this project?
How will you demonstrate and document it?

Two purposes of evaluation:

- To determine how effective your project/program is in reaching its stated objectives.
- To provide information necessary to make appropriate changes and adjustments in your program as it progresses.

Ask yourself:

- Is there a proposed evaluation?
- Does it measure the accomplishment of objectives?
- Is there a process evaluation or monitoring procedure detailed?
- Are the data collection methods presented?

An evaluation can include quantitative measures:

- Weekly support group is held for sexual assault survivors
- Pre and post interviews to assess knowledge of VAW are given to group members (if it is a “closed” group)

- Weekly attendance statistics are gathered
- Services rendered are tracked via confidential client files or database

An evaluation can include qualitative measures:

- Use assessment/evaluation forms with group members to determine their level of satisfaction with materials and topics covered
- Complete exit interviews with shelter residents to determine need for follow up services

Subjective evaluations tell you how people feel about the program, but seldom give concrete results.

Objective evaluations are more professionally prepared. Often, an outside organization conducts an evaluation for you.

Indicate how you will use the evaluation findings and stress the significance of the findings.

Budget and Future Funding

How will the funder's money be used?

How will the program/project be funded beyond the grant?

The Budget

The budget is a one-page statement of projected expenses. It serves as a justification of expenditures. It tells what costs are to be met by the funding source and what costs are to be met by other sources.

Include detailed items:

- Personnel Salaries and Wages
- Fringe Benefits
- Consultant and Contract Services
- Rental lease or purchase of equipment
- Supplies
- Travel
- Indirect costs (also called overhead costs)

A budget narrative can be created to explain any unusual line items in the budget. If costs are straightforward and tell the story clearly, a budget narrative is not needed.

The budget narrative can be structured in two ways:

- Notes on the budget (footnote-style numbers on the line items in the budget keyed to numbered explanation)

- Straight text

Future Funding

The section on future funding should list future funding sources that will be sought to continue the project (if the project is ongoing). If specific sources have not yet been identified, a plan of action should be outlined, i.e. a plan to seek funding from other sources such as churches, corporations, etc.

Appendix

- An audited financial statement
- I.R.S. Determination Letter
- Indication of Nonprofit Corporation Status
- Roster of board of directors with affiliates and information about board structure (indicate if holds position on board, their profession or former job, and include address, phone number, fax number and e-mail address)
- Organizational chart
- Organizational budget (different from budget for project itself)
- Letters of support or endorsement (clients, board members, other professionals in the business, volunteers, donors)
- Resumes or curriculum vitae of key staff
- Job descriptions (often part of proposal itself)
- Brochures
- News clippings
- Annual report

Acing the Funding Interviews

- Make sure everyone participating in the interview is familiar with the organization's proposed program and with the organization in general. This is where the case statement is useful.
- Share as much information as possible about the funding source and the particular person participating in the interview. This can make the interview feel much more like a conversation.

- Divide the interview into sections and have individuals assume responsibility for making key points. Identify roles for the staff, board and volunteers taking part in the presentation to the funder. Funders are most impressed by demonstrated knowledge, participation and commitment of board and other volunteers and or members.
- Hold a rehearsal or role-play of the interview.

Funders' Site Visits

- Site visits may take place during the grant application process and after the funding is given.
- Visits play an important part in funding decisions and require just as much attention as the proposal itself.
- Visits provide an opportunity to show off your good work and build relationships with funders.
- Site visits give the grantor more hands-on data about the program the agency and people who will be working on the project. The nonprofit has the opportunity to verify information, clarify issues and answer questions.

What Funders Look for

- Is the staff committed, competent and energetic?
- What are the relationships among staff?
- Is the board knowledgeable and committed to the project?
- Where will the project take place?
- Does the organization's allocation of its resources to this project reflect its level of commitment to the project?
- Does this project meet grant requirements? Is the organization doing what it says its doing?
- Are the plans realistic?
- Who are the key players of the organization and or project? Key individuals to introduce may include: directors, fiscal officers, people who wrote the proposal, people running the project, people who planned the project, a community

member involved in the project, people who are served by the project and board members.

What the Funder Wants to See

- The staff in action.
- Clients being served.
- Where the program will take place.
 - Show the facility
 - Set up discussion session with staff
 - Provide a brief tour pertaining to the project to be funded

Managing a Funded Proposal

- Does your organization have the financial systems in place to properly monitor the use of grant funds? What is the development officer's (or executive director's) role in this stewardship? What kind of reporting procedures will be put into place?
- Grant sources may require reports. If required, provide thorough and timely reports. If not, provide at least an annual report on the progress of the project and on the use of funds.
- There should be an ongoing relationship between funding personnel and the project personnel. If any issues relating to the grant arise, they should be resolved together.
- Find appropriate ways to keep funding-source staff and board aware of and involved in your project.
- Encourage site visits or ask funders to serve on an advisory board.

Nonprofits and State Grants

Points to consider when applying for a grant funded by a state agency:

- Find out who is assigned to oversee the grant.
- Are they assessable and helpful in answering your questions?
- Find out what the accounting process will be.
- What type of accounting will you need to have in place? Is this something your agency can handle or will you need to include this in the grant budget?

- Will the amount of money you receive require a single audit and what is the expense of having that done?
- What is the reimbursement process? If you are reimbursed on a monthly basis can your agency cover the cost until you receive your monthly check?
- Can you request a percentage of the money upfront?
- What will the rules regarding changing budget line items and can your agency live with those rules?
- Even though the grant is awarded on a particular date, when can you expect to see your first check?

Workshops

- Will you and/or other staff members be expected to attend training sessions and workshops pertaining to this grant?
- Find out how costly the training session will be, as you will need to budget this into the grant.

Record Keeping

- What type of reports will you need to prepare for the state and how often?
- Is there an evaluation component required with the grant and will you need more staff to handle all of the record keeping requirements?

Once You Receive the Grant

READ THE CONTRACT!!! Everything that is expected of your agency will be completely spelled out in the contract. Don't hesitate to call the state agency if you do not understand something in the contract. Make sure your agency can turn your financial report in on the day requested by the grantor. This makes a major difference in how timely you receive your reimbursement.

Federal Grants

- 80 hours to compose
- Attend local technical assistance conference and seek help from Federal staff
- Get feedback
- Consider coalitions/potential partners

- Apply again
- Include executive summary

Sources

Grants.Gov

Provides federal grant announcements. Subscribe to listserv and receive announcements weekly.

<http://www.grants.gov/search>

Federal Register Grant Information

www.tgci.com

Catalog of Federal Domestic Assistance: federal programs, projects, services and activities which provide funding or benefits to nonprofits and the public.

www.gsa.gov/fdac

www.cfda.gov

Federal requests for proposals (RFP) appear in the Federal Register. Published daily, The Register is the comprehensive guide to Federal agency regulations, proposed agency rules and documents that are required by statute to be published. It costs \$500 per year, but generally is available in public and university libraries, or you can access it online at www.access.gpo.gov/su_docs/aces/aces140.html.

Criteria Funders Use to Judge Proposal

- Is there a compelling need for this project?
- Is this project consistent with our funding priorities?
- Does the organization and staff have the capabilities to implement this project?
- Does the proposal indicate an expertise with the subject?
- Do the objectives seem believable (i.e. achievable)?
- Is the project compatible with the organization's mission and other program commitments? (Or is the organization just "chasing dollars" to meet a fundraising goal or to fill gaps in the budget?)
- Is the program cost-effective?
- How many people will be served? At what cost?
- Are program participants/clients involved in decision-making or are they portrayed as passive recipients?

- Does the project seem to be breaking new ground? Could it be a model for others?
- Will the findings from this project be valuable to other organizations and funders?
- Is there a meaningful evaluation process?
- Can the organization obtain these funds from the other, more appropriate sources (e.g., its own members, local funders)?
- Are other agencies included in the plan (especially those that the funder may have supported previously)?
- Is there a clear and feasible plan for long-term funding?

Preparing and Writing a Winning Proposal

- Do your homework before you submit the proposal. Is there a match between your programs and the grantor's funding priorities? Seek information at the library and from other nonprofits funded by the potential funders, and request an annual report from the foundation.
- Make personal contact with staff and board members of the foundation. If you can talk with the staff of the foundation about your idea, they can help craft a proposal and you may have a better chance of being funded.
- Share the foundation's board list and staff with your board and volunteers. They may have personal contacts with the foundation board and staff. They can communicate by letter or by phone with their personal contacts and share information about the organization and their involvement.
- Establish a planning or advisory committee to critique the first draft of your proposal. This committee could include board members, volunteers, clients or others with expertise and representatives of similar agencies.
- Use plain English. Avoid jargon.
- Use action verbs not passive verbs. Be clear and concise.
- Layout is important. Use white space and underlines, bullets and indentations to indicate the next subject. Headings are always effective. If at all possible, don't single space.
- Don't bind the document and make sure the pages are clearly numbered.
- Make sure you send the number of copies requested. No more, no less.

- Limit the number of backup documents sent, i.e. brochures, videos etc. Sometimes one or two news clippings will suffice.
- Do include an annual report.
- Call the funder two weeks after sending the proposal to make sure it has been received and to see if the staff person at the foundation has any questions.
- **DON'T GIVE UP!** If your proposal is not funded, call the funder and ask for feedback. Ask the funder if a new or revised proposal can be resubmitted.

Chapter 3: The Solicitation Process - Identifying, Involving and Retaining Current and Prospective Donors

Common Reasons Why People Give

Because they are asked
Power and influence
A need to improve the quality of community life; to help solve a problem
Knowledge of organization and belief in an organization's goals
Affinity with your cause; person could have been served by the organization or knows someone who has benefited from organization.
An intense interest in a particular program
Recognition
Peer pressure
Admiration for professional leader
Good business
Family tradition
Financial planning considerations (tax benefits)
To match a gift or gifts made by others
To initiate a challenge gift to encourage other gifts
Guilt
Memorial opportunity/honoring family and friends
The appeal of your campaign material

Prospect Research - Where to Look for Donors

Prospect research is essential to any fundraising campaign, but especially to your major gifts campaign. It affords you the opportunity to obtain useful background information about an individual's assets, philanthropic interests, business interests and other affiliations prior to meeting with him or her. The more you know about a prospect, the greater your chances of receiving a large gift by offering them an opportunity to give to a cause that is important to them.

Helpful websites for prospect research:

Info USA
www.infousa.com

411
www.411.com

International People Directory
www.infobel.com

Thomson's Dialogue Database Collection
www.dialog.com

Switchboard
www.switchboard.com

The Ultimates: A People Finder
www.theultimates.com

ZoomInfo Biography Site
www.zoominfo.com

Search Lists for List Building Efforts

Why List Building?

Most of your fundraising efforts will focus on donors that have given to your organization in the past. However, one essential key to building a successful and sustainable fundraising program is getting your organization in front of as many prospective donors as possible. This can be done by building lists of prospective donors and then targeting these donors through a variety of donor acquisition methods like direct mail, invitations to events, phone banking, etc.

Adding names to your organization's list of prospective donors is an excellent way to help your organization build its donor base. However, it is essential to remember that **you must seek out only those prospects that have a likelihood of donating to your organization and / or becoming involved with your organization in some capacity.** If you do not think the prospect will find your organization relevant – then the “prospect” is not a “prospect”!

How An Organization Determines the Name of a Potential Prospect ?

Always keep in mind that just because you think the prospect should be giving to your organization does not mean the prospect will. The following characteristics, in isolation, are not solid predictors of a strong prospect: financial capacity, level of financial contribution to other organizations, interest in your issue or an issue similar to yours, resident of your service area, involvement with your organization, etc. However, the more characteristics like this that a prospect has, the stronger that prospect is for your organization.

How Does My Organization Build A List?

There are many ways to go about adding prospects to your database for fundraising purposes. Some of these methods include:

- List Brokers
- Sharing Lists with Other Nonprofit Organizations
- Requesting / Buying Lists from Organizations

- Collecting Names through Research

The purpose of this section is to discuss some methods for collecting names through research and investigation.

Techniques for Collecting Names through Research

As noted earlier, it is often possible to share lists or purchase lists from other nonprofits or organizations in your geographic area. However, it is also possible to retrieve this data from the Internet or via another organization's annual report and newsletters.

You will want to make a list of the sister and like organizations in your geographic area that are doing work similar to your organization, and then find this information on their website. You can also find these names in non-electronic format through annual reports and newsletters. This data will usually only include the names and levels of donors, without any contact information. It will be up to you to find the contact information.

With proper supervision and instruction, this is a perfect task for volunteers to assist your organization. Your organization should develop a template for volunteers to use when entering names and contact information. This will dramatically simplify the merging process when you bring the collective work of your volunteers into one large list.

In the event of incomplete donor information, there are seemingly limitless methods to secure the mailing address, telephone number and pertinent background information on the other organization's donor. The following information consists of basic first steps that should prove useful as you search to complete contact information of donors of other organizations as you continue to build your list.

If you have a donor's name and have a pretty good idea the city or county where the donor resides, your agency can use a variety of methods to secure a person's address and phone number. The three methods most commonly used are searching by **phone listings**, **tax records** and **Googling**.

In the initial steps of list building you are simply adding names to your list so you can seek to acquire donors. You are seeking a quantity of good prospects at this point so getting hung up on finding the contact information for one person is not the best use of your time if you can secure five more names in that time.

If you have a name you cannot locate that is a high dollar donor to an organization, there are advanced methods you can employ to find the contact information. You will want to keep a running list of larger donors for which you cannot find contact information - and then return to search for those names using advanced techniques.

Phone Listings

If you only have a person's name and city, you can use www.whitepages.com to look-up their street address and phone number. This site only works if the phone number is listed. If you have a prospect's name and no other data, use www.switchboard.com and type in the person's name, skip the city and put in the state.

You might have the person's address, name, and city but still need their zip code. If you have the address and city you can look-up any zip code at: <http://zip4.usps.com/zip4/welcome.jsp>.

Tax Records

Many times a member or donor of an organization might not have a phone listing or, in some cases, the phone listing might be in a different person's name. In this case, as long as you know (or can make a best guess) in which city or county the person resides, you can search tax records to find the person's contact information. You can find a pretty comprehensive county listing of tax assessors that have searchable databases on the Internet at: <http://indorgs.virginia.edu/portico/assessors.html>.

Simply click on the county you are looking for, and the link will take you to the county's site where you can likely search by name or address. It's best to search by real estate listings first to get the address and value of a person's residence. However, if the person is not listed in the residential property, you might try the personal property listings where automobiles are listed.

Once you have located the person and their address, it's usually always a good idea to go back to www.whitepages.com and search by reverse address. This is a method that will help you capture the phone number of a donor who does have a telephone number but does not have the number in their name.

Googling

The most effective searches for individuals involve putting their name in quotes (" "). You can narrow down the search by typing in the city where the donor lives and by the organization or issue of the organization to which the donor gave. There are several tutorials on leveraging the power of Google on the Internet, and the reader should look into these resources for more information.

Other Methods of List Building

- **List Brokers** – There are a number of companies that serve as list brokers and have a variety of lists they “rent” to you for usage in a direct mailing campaign. These lists might include subscribers to the New Yorker, registered Democrats, Nature Conservancy members, Planned Parenthood, etc.

Keep in mind that you usually must order a minimum of 5,000 names from each list. This might not be cost effective or possible if you are targeting donors in a sparsely populated area. Also, when you “rent” a list you do not physically *receive* the list(s); rather, the list is sent to your mail house for processing with your mailing piece. You do maintain ownership of the names of any of the prospects that donate to your organization. Also keep in mind that the owners of the lists that you use in your mailing must approve your mailing materials.

One of the better known list brokers is “Names in the News”. For more information visit: <http://www.namesinthenews.com/>.

- **Sharing Lists with Other Nonprofit Organizations** – Working with another organization in your targeted geographic area to share donor/volunteer/prospect names is often one of the quickest and most cost effective (free) methods to acquiring new donors.

You want to pick out an organization that is similar to your own and that has donors in the same geographic area. You also want to make sure you are sharing the same types of data with the organization. (e.g. volunteers, donors giving under \$100, prospects that have not yet given, etc.).

If your organization does share names, you should let your constituency know this upfront, and have an ‘opt-out’ option to protect the privacy of your donors. Also, you should not share the names of your most loyal donors that you have worked so hard to cultivate. Do not feel selfish, as it is very likely you will not be receiving the ‘best’ names from the organization you are sharing with either.

You should generate a list sharing agreement with the other organization outlining the terms of use with the list. You should also plant a few names and addresses in the list to ensure the list agreement is not abused (i.e. include a false name with the address of the Executive Director).

- **Requesting / Buying Lists from Organizations** – Some membership organizations e.g. civic clubs, faith based institutions, etc., will share their membership directory with certain nonprofit organizations. Others will make it available for a price. As with any list acquisition, always ensure the list contains enough potential donors to make it worth targeting.

No matter how you gather the data for your lists:

You always want to ensure the data you rent, purchase, swap, find through research, or receive for free is current data and contains fresh addresses. It is very disheartening to spend your time and resources on lists that contain bad addresses or where prospects have moved. Also, where possible, always try to receive the data electronically so you can manipulate the data and use it again for future mailings.

Using Guidestar: The Basics

Go to <http://www.guidestar.org>

Register and then Search for the foundation by name. You might need to use the “Advanced Search” feature and search by name and city. Once you find the foundation you want to learn more about, click the hyperlink then click the most recent 990 link for the foundation. Don’t feel overwhelmed if the file is really large - you are only concerned with a few of the pages!

Here are some guidelines for how to use some of the important pages within Guidestar:

Page 6

This page provides the list of officers, directors, trustees and foundation managers. This page is the key to finding out who is making decisions about grant proposals. You can gather the names and research the addresses to add these folks to your mailing list. Very often the addresses on this page are not the addresses for the trustees, rather, the address/es are for a post office box or to the accountant or trust manager’s address.

Page 9

This page provides information about the procedure for submitting applications to the foundation.

Box #2 reads, "Check here if the organization only makes contributions to pre-selected charitable organizations and does not accept unsolicited requests for funds." If this box is checked, this foundation may not be a good prospect for grant funding – but that does not mean you can’t “message” the trustees.

Section “d” outlines any specific restrictions or limitations on grants by geographic area, fields of interest, types of institutions, or other factors.

Page 10

This page of the return provides a complete grants list. This is often the only method to find out a foundation’s entire grant portfolio. Unlike larger foundations that often have websites and annual reports, grant dollar and recipient information for smaller foundations is often very hard to find.

*Appendices**

One last thing on the 990, many times **foundations will put relevant data in appendices** that can usually be found at or near the end of the file. In other words, page 6 or page 10 might reference an attached schedule — in which case you then want to scroll to the bottom of the document, then work your way up looking for the attachment. This data is almost always at the end of the record.

Giving Circles – A New Trend in Individual Giving

Some individual donors are adopting a different approach in their charitable giving. Instead of donating \$50 to five charitable organizations, they are donating \$250 to a giving circle. Similar to an investment club, members of a giving circle pool their money and jointly decide which charitable organizations to support.

- According to a study by New Ventures in Philanthropy, more than 220 known giving circles have been formed in 40 states, with members donating as little as a dollar per day and up to \$20,000 annually.
- While some giving circles have existed for a while, approximately 80 percent of these organizations have been formed in the past five years.
- Several of the larger circles have given hundreds of thousands of dollars in a single year, and since 2000 the groups as a whole have donated more than \$44 million.
- Giving circles are usually organized around a particular issue or area of interest, such as issues affecting women and minority populations, the environment or education.
- A study by the Foundation Center reveals that giving circles have diverse interests, with the top being youth development (34%), women and girls (27%), human services (25%) and mental health/crisis intervention (20%). Notably, these numbers differ somewhat from foundation giving trends. In 2004, the Foundation Center reported that grant dollars funded education (26%), health (18%), human services (15%), and arts and culture (12%).
- Many giving circles have also reported success with foundations matching their circles' annual contributions or matching specific donations to the charitable causes that the giving circle has supported.

Giving circles:

- Allow members to maximize the impact of their charitable contributions.
- Allow members to connect substantively with the communities and causes they care about and participate in a social network of people who share similar interests and values.
- Give members an opportunity to gain an in-depth understanding of a specific area of interest, develop strategies on ways the group can have an impact and leverage monetary contributions with volunteerism and by lending their individual expertise to the nonprofits the giving circle supports.

As with all fundraising, partnerships with giving circles require relationship-building. Be passionate about the work of your domestic violence agency. Share the mission and activities of your agency with the community at-large through your agency's website and the media. You never know who might be a member of a giving circle.

Conversations with friends, family members and colleagues, are the best ways for a giving circle to learn about and consider donating to your domestic violence agency.

Sources

New Ventures in Philanthropy, www.givingforum.org

Foundation Giving Trends, 2004, www.fdncenter.org

Learn more about giving circles by visiting the following sites:

Greensboro Future Fund, Greensboro, NC

www.cfgg.org

Next Generation of African-American Philanthropists, Raleigh-Durham, NC

www.ngaapfund.org

Rainmaker's Circle, Washington, DC

www.wawf.org

Women's Impact Fund, Charlotte, NC

www.ffc.org

Womenade, Winston-Salem, NC

<http://womenade.tripod.com>

The Art of “the Ask”

How Not to Ask for Money

The Most Common Mistakes

Not asking

Beating around the bush

Dishonesty

Begging, apologizing or demanding

Ignorance about your organization’s financial picture

Asking for too little

Making assumptions

Giving up

Stopping at yes

The Art of the Ask

The "ask"ing process is the most critical element of any fundraising campaign, especially with major gift campaigns. While each solicitation presents an opportunity to secure another gift, it is also possible to make critical errors that may result in a lower donation or no donation at all.

The following tips for making “the ask” will help you to be far more effective in securing the gifts you seek and in meeting your agency’s needs.

- **The most effective method of fundraising is person to person.** Meet with your prospective donor face to face. Requests conducted over the telephone often result in substantially smaller gifts or refusals.
- **Be knowledgeable about your organization and community needs and the issues you are trying to address.** Tell them why you are involved and what the agency organization means to you with clarity, sincerity and passion.
- **Know your prospective donor.** Do your homework and learn as much as you can about the prospect and their interests through board relationships, internet research and newspaper publications prior to the visit. Such information will give you more credibility and leverage in the meeting.

- **Determine who should participate in the meeting.** You may want to bring a board member, client or another staff member. Having at least two people present will take much of the pressure off of a lone solicitor. The second person can contribute any comments the first person forgets. In addition, while one person is talking, the other person can observe the prospect and determine which aspects of the presentation are most effective.
- **Schedule the appointment.** Ask for a specific date and time to meet. If they are uncertain about their schedule, set a tentative date. Invite the prospect to meet you onsite, if possible. Otherwise, schedule the meeting at the prospect's office or home to ensure the formality of your request.
- **Meet with the donor and make “the ask”!**

You should:

1. **Open with pleasantries.** Thank the prospect for seeing you and begin the conversation with something relating to the prospect, i.e. job, family etc.
2. **Get to the subject.** Describe the mission, goals and objectives and name one or two major accomplishments of the agency. Be prepared to describe the services offered to clients and the difference the prospect's contribution makes by sharing at least one client story. Tailor to the prospect's interest, i.e. you may know that he or she already supports women's organizations so there might be greater interest providing support for a domestic violence shelter. Be brief, but thorough, with your presentation.
3. **Get to the asking.** The purpose of the visit is to ask for money. Ask the prospect to consider a specific donation amount. Convey “the ask” as an opportunity for the donor. Talk about opportunities for the clients your organization serves, not the needs of your agency. Stay sensitive to what your prospect is thinking while you are talking and remember to focus on the prospect's interests.
4. **Be prepared for any number of negative responses.** Consider all of the negative responses that could be presented and determine the best way to respond. One way to anticipate and address negative responses from a prospect is to "rehearse" the meeting with your co-solicitor.
5. **Never leave empty handed.** Remember that gift requests are not “all or nothing.” If the prospect denies a cash contribution they might provide sources for in-kind donations or direct you to other prospects. Your job is to identify the level of volunteer and financial support at which the donor prospect is willing to say “yes.”
6. **Leave on a positive note.** Rarely do people commit to a financial gift right on the spot. Ask if it would be helpful to send any additional information that would

aid them in making their decision. Always express your thanks to the prospect for his or her time and consideration of your request.

7. **Thank the prospect.** After the meeting, you should promptly follow-up with a thank you note and provide any requested materials and information that you were unable to provide during the meeting. When a prospect makes a donation, be sure to send a formal acknowledgement to the appropriate person (s).

Sample Prospect Information Form

A. Prospect Identification and Contact Information

1. Name of Prospect:_____

2. Type of Prospect
- Corporate/Business
 - Foundation
 - Individual
 - Other

Brief Description of Prospect_____

3. Identified/referred by:_____

Name_____

Telephone_____

Relationship to this agency_____

Relationship to this Prospect_____

4. Contact information_____

Name(s) and Title(s)_____

Address:_____

Telephone_____ Fax_____ E-mail_____

B. Knowing Giving Patterns

- Amount Giving Annually—Approximate Total (for current donors)_____

Questions to Answer:

- How much is the prospect able and likely to give?
- What else does the prospect support and what are the giving patterns?
- What programs or causes seem to interest the prospect?
- How can your organization show a relationship to the prospect's interest?
- What should be the method, timing and focus of the request? How much, for what purpose, by whom and when? Are special efforts needed to interest or involve the prospect in your organization's work?

Sample Fundraising Visit Report

Prospect Identification

Type of Potential Contributor: Individual or Institution

Name: _____

Person(s) met with and title (s): _____

Meeting Information

Date of meeting: _____

Where meeting was held: _____

Names of entity solicitor(s) and status (board, staff, friend): _____

Results

- Commitment for \$
To be forthcoming by (date)
To be used for what purpose
Other materials or action required by our agency before the funds are released (i.e. submit full proposal, provide additional information etc.)
- No commitment
Reasons:
Any follow-up necessary? (materials to be sent, follow-up meetings needed) Invited to revisit partnership?

Follow-up needed

Deadline

Person Responsible

Building Relationships and Developing Life-long Donors

15 Ways to Lose a Donor

1. Don't thank promptly
2. Don't inform about use of donation
3. Act as if donation not important
4. Don't effectively manage the overall operations of your agency
5. Obtain negative publicity
6. Send donor too much information
7. Fail to offer donor opportunity to get involved
8. Foster poor staff/volunteer morale
9. Not responsive to client's needs
10. Fail to identify benefits
11. Only contact donor once a year
12. Fail to respond to calls or requests
13. Incorrectly thank a person
14. Misspell a donor's name
15. Over appreciated/unappreciated

A Volunteer's Role in Fundraising

Volunteers can:

- Chair a special event or serve on a special events planning committee.
- Chair a campaign or drive.
- Serve on a prospect advisory committee (a committee that identifies individuals and corporations to solicit)
- Host a fundraising event.

- Ask their peers for contributions.
- Serve as a member of the development committee (a volunteer does not have to be a board member to serve on the development committee).
- Conduct support services for fundraising including office work, preparing mailings, filing and research.

Keys to Upgrading Donors

- Know donor history of each donor.
- Involve donors in organization on annual basis.
- Involve board in prospect research and cultivation.
- Establish donor recognition activities.
- Establish clubs/levels of giving.
- Create endowment fund/planned giving opportunities.

Chapter 4: Taking Your Fundraising to the Next Level

Major Donor Campaigns

A major giving campaign is a time-limited campaign in which the fundraising goal is made public. In defining major giving, it is important to remember that from the donor's perspective, any sacrificial contribution to your organization is a major gift, regardless of its relative size. Nonetheless, to reach the fundraising goals of your organization's major giving campaign, it is essential for development staff to direct the most energy toward those gifts that will have the greatest impact.

The most effective major giving campaigns involve extensive planning, including garnering the support of the organization's board of directors, conducting effective prospect research and knowing how to make "the ask."

Initial Steps Toward Developing a Major Donor Program

It is imperative that organizations recognize the power of developing and implementing a major donor (major gifts) program in developing their organization's unrestricted revenue. Soliciting and cultivating individuals is fundamental to a successful major donor program. Consider this:

National funding trends demonstrate that 84% of all charitable giving comes from individuals.

- Examine the current and past funding composition of your organization to determine the impact of individual donors on your organization's funding mix.
 - What percentage of annual funding comes from individuals? This amount should also include small family foundations where a personal relationship has been developed with trustees.
 - Is the organization overly dependent on any one particular source of funding?
 - How much revenue is considered unrestricted?
 - What areas are there for growth?
 - Are there any threats to current funding?
 - What fundraising assets does the organization possess (e.g. Board Members, staff, public awareness, etc.)?
 - Does 100% of your board of directors make an annual financial contribution to the organization?
 - Is there a "give / get" policy to actively engage the Board in fundraising activities?
 - Is there a Board Fundraising Committee or a Resource Development Team that leverages the efforts of the Board in fundraising?

- Before getting too far in developing a major donor program the organization needs to determine just what does being a “major donor” mean?
 - What amount does the organization consider a major gift?
 - How does the organization treat a major donor? Do you treat them like an ATM and only contact them when you need money or do you strive to actively involve them in the organization’s work?

- In building the major donor program you need to identify the **10%** of donors that will provide **90%** of the major gifts campaign total. The organization does not have unlimited resources and must allocate its time to target those individuals that have the biggest potential payoff to the organization.
 - Mine current records of individuals that have donated to the organization. Develop a list of these individuals with the potential, interest and ability to become major donors to your organization.
 - Mine records of engaged individuals and organizations in your database that have not yet given a donation but that could give a major gift in the future.
 - Generate new leads of prospects not yet engaged by organization but that could make a major gift in 2006.

- Differentiating a strategy to message and involve each donor based on his or her interests is fundamental to your organization’s success. The most difficult gift to get is the first gift, but if you do a great job of stewarding the donor’s investment and communicating that return on investment to the donor, you can maximize the donor’s joy of giving and ensure a mutually beneficial relationship.

- Based on any information you currently have about donors and prospects, develop a brief and cursory profile of each prospect. Determine the key information to be included in this initial profile. *A thorough profile of each prospect will be developed at a later date.*
 - Amount sought. (Rating / Evaluation of the prospect’s major gift potential).
 - Affiliation with the organization.
 - a. Is donor actively involved? How?
 - b. Who on staff/Board does the donor know?
 - c. Does a current major donor know the prospective major donor?
 - Identify the donor’s motivational triggers when considering a gift.
 - Chart the donor’s giving patterns to other organizations and sister organizations.
 - What are the donor’s affiliations (Boards, Clubs, etc.)?

It is essential to systematize this profile and not keep it in the Executive Director’s head. Fundraising software will help you not only store this information, but also leverage it in successful cultivation and solicitation efforts.

- Based on your work in developing prospects to solicit you will want to develop a target ask amount for each prospect. Based on those amounts, you should then set an overall target (albeit preliminary) major gifts goal for the year.

One way to better visualize the major gifts goal is to develop a gift chart containing the number of prospects related to each level of contribution needed to achieve the major gifts goal.

Sample Chart for an \$180,000 goal:

Number of Donors	Gift Amount	Total
1	\$25,000	\$25,000
4	\$10,000	\$40,000
8	\$5,000	\$40,000
10	\$2,500	\$25,000
20	\$1,000	\$20,000
35	\$500	\$17,500
50	\$250	\$12,500
		\$180,000

In this table reveals the value of allocating resources toward those donors that have the propensity to donate the largest amounts.

Capital Giving

What is a Capital Campaign? (Capital Giving)

- A technique for raising money for a one-time need over and above the annual budget.
- Usually to finance buying, building or refurbishing a building.

Factors that Influence Campaign Success

- institutional readiness
- constituent readiness

Important pre-campaign activities

- strategic planning
- internal audit
- feasibility study

Primary Components of a Capital Campaign

- campaign development strategies
- staff and volunteer roles
- communication plans
- campaign budget
- procedures for recording pledges
- procedures for final campaign wrap-up
- campaign timetables

Three Phases in a Capital Campaign

1. *Planning Phase*

- case development
- planning/feasibility study
- pre-campaign planning
- leadership enlistment
- pre-prospect research

2. *Cultivation phase* (This phase can begin during the planning phase and continue through the solicitation phase.)

- marketing the case among key constituencies
- testing the reaction of prospective donors and volunteers
- responding to questions in advance of solicitation
- permitting constituents to assume ownership of the plan
- developing print and audiovisual materials
- securing media attention for the organization
- positioning and securing early leadership gifts
- focus groups of information meetings

3. *Solicitation Phase*

- volunteers and staff ask for pledges
- board, staff, inside groups and two top prospective donors to give credibility to the campaign by making donation.
- determine “ask” amount ranges
 - leadership gifts (top levels on the gift range)
 - major gifts (mid-level gifts)
 - general or community gifts (lower-level gifts)
- volunteer training
- preparation of support material

It is recommended that 40-50% of the financial goal should be made prior to making a public announcement of the campaign. In addition, sufficient prospects should be identified to complete effort prior to announcing the campaign publicly.

Campaign Public Relations Efforts

- press releases
- public endorsements (community leaders, athletes, media figures, public figures)
- new conferences
- staged events (ground breaking, mortgage burning, cornerstone laying, ribbon cutting)
- highlight volunteers and talk about your success stories

Planned Giving

What is Planned Giving?

- Any method of charitable contribution other than a current gift of cash.
- Planned giving is NOT a replacement of current giving.
- It is a way that donors can make significant gifts to a nonprofit while receiving favorable tax and financial benefits.

There are two types of planned gifts:

1. Outright or current: a complete transfer or realized gift of cash or stock as part of an estate plan
2. Deferred-testamentary giving or life income arrangements to be realized in the future, such as bequests, charitable annuities etc.

Planned gifts have become increasingly popular because of their significant tax advantages and ability to provide lifetime income. The most common types of planned gifts include:

Bequest	Charitable gift of cash or other assets received upon death of donor; a provision in donor's will.
Charitable gift annuity	Contract between charity and donor. In exchange for donation, the donor exchanges cash, stocks or other assets for an agreed-upon income for life.
Pooled income fund	Often compares to mutual fund. Charity "pools" contributions for investment purposes. Donor contributes remainder interest irrevocably to charity and retains life-income interest for one or more beneficiaries.
Charitable Remainder	Trust that provides income to individual for life or a specific period of time. At end of time period, trust principal is

distributed to charity. In charitable annuity trust, payout is set percentage of trust's original value, while in charitable remainder unitrust income is based on percentage of fair market value of trust assets.

Charitable lead trust Assets are placed in trust with specified amount of income, either fixed or percentage of principal, generated by trust to be distributed to charity. At end of trust term, principal can be returned to donor or designated heir.

Retained life estate Donor gives home to charity, while retaining right to live in house for remainder of his or her life.

Cultivating a Planned Gift

- Through donor profiling determine the consistency and frequency of a gift and the amount of the gift.
- Communicate in your newsletter and other mailings a willingness and ability to receive end-of-life gifts and to be included in a will.
- Develop good relationships with estate attorneys, trust officers, financial planners and clergy people (planned giving gatekeepers.)
- Communicate frequently, credibly and personally with donors building knowledge and trust.
- The board has an active role in prospect identification and solicitation.
- The solicitation process will take several visits.

Chapter 5: Thinking Outside the Box

Fundraising in Rural “Low-wealth” Communities

How can agencies located in rural communities successfully fundraise?

- Nonprofits in rural communities are finding that fundraising requires organizing a community around its assets and connecting long-term vision to create action.
- Successful fundraising requires a “spark-plug” where one or more highly motivated members of the community help jumpstart the fundraising process. A sparkplug could be the mayor, mothers, doctors, teens, teachers, ministers or business owners. To reach their fundraising goals, domestic violence agencies must mobilize money and people transcending race, class and other socioeconomic lines.
- Successful fundraising requires that agencies change the negative language of *deficits* into a positive language of *assets*. Everyone is a prospective donor and the community—at large is a beneficiary of your agency’s services.
- Fundraising in rural communities must be intentional and inclusive. The goal is to bring people together around the key issues facing your community’s future.
- With strong community-based, fundraising focus, rural agencies can leverage other funds from foundations, government and the business sector. The rural community must be the “lead investor” and outside resources will want to become supporters. Educating foundations, government and the business sector about the needs of your rural community is critical.

Strategies for Raising Money

- Ask for an honorarium for making a presentation. Making presentations is a good way to increase your visibility in your community, addressing questions that members of your community might have about your organization and adding names to your mailing list.
- Tourism and recreation are often thriving business in rural areas. Partner with local businesses to raise funds through their current events and activities.
- Do not hold more than two fundraising events annually. One signature fundraiser that is unique to your community and attracts a diverse group of people is ideal.
- Use your annual report newsletter, e-newsletter, email and website effectively. Consider online programs such as iGive.com and Amazon.com where the buyer can designate your agency to receive a donation each time they make a purchase.

- Get to know your business community. Create a membership program that provides an opportunity for businesses or organizations to join your agency as a corporate member at specific giving levels (\$250 Bronze, \$500 Silver or \$1,000 Gold) Banks and realty offices may be easiest to approach and secure funding.

Philanthropy and Communities of Color

Philanthropy in communities of color has historically gone unrecognized. Why people of color traditionally excluded from fundraising? It is often assumed people of color are only receivers, but in reality they are also givers and important shapers of our society. Philanthropy in communities of color has a long and vibrant history in the United States. Its form has been shaped by traditions of immigrant homelands and the experiences of minorities as they have had to struggle together to survive. (*Caring from Each Other – Philanthropy in Communities of Color*, Lisa Durham)

How can your agency effectively change its approach to fundraising to include communities of color? The first issue to address is the composition of your board.

Program Work Only

Nonprofits often recruit people of color to assist with programmatic work or simply recruit people of color to give the appearance of being diverse. Ask people of color to serve on other committees such as the finance committee.

Banker Boards

Nonprofits try to fill their board with bankers and company presidents which often leave people of color out. Your agency must also seek grassroots workers and not only directors.

It's Who You Know

Organizations seek board members who are wealthy or know wealthy individuals and assume that people of color are not wealthy or have wealthy contacts. Your agency should not underestimate an individual's capacity to give and the value of their network.

Lack of Training

Organizations seek those who are expert fundraisers. Boards must train new fundraisers and be willing to invest the time in money.

"We Are So Glad Just to Have You"

Organizations are just excited to have people of color serving on their board and do not hold them to the same standards. Your expectation of board members should be the same for all.

Fear of Losing Control

Having people of color on your board means that an organization becomes accountable to a new group of people. Your agency must welcome change and give up control.

Your agency must:

- Make sure the people of color serve on the fundraising committee.
- Provide fundraising training for board members and staff.
- Be representative of the community which you serve.
- Seek support for communities of color. Trust that the people of color that have been recruited to the board know how to approach fundraising from their community. New fundraising methods might be appropriate.
- Plan for leadership transitions especially when a person of color is replacing a white director. You want to put the person of color in a position in which he or she can succeed.

Source: Why People of Color Need to Be Good Fundraisers, *Mike Roque*

Internet Resources

Asian Americans/Pacific Islanders in Philanthropy

www.aapip.org

The membership and advocacy organization seeks to promote philanthropy in Asian Pacific American communities and to provide resources to underserved areas.

Hispanics in Philanthropy

www.hiponline.org

The mission of the association is to strengthen partnerships between institutional philanthropy and Hispanic communities. Founded in 1983, Hispanics in Philanthropy represents corporate, government, and private grantmakers.

National Center for Black Philanthropy

www.ncfbp.net

The organization promotes giving and volunteering among African-Americans, supporting organizations and institutions involved in Black philanthropy, and educating African-Americans and others about the importance of philanthropy.

Native Americans in Philanthropy
www.nativephilanthropy.org

Founded in 1990, the organization promotes philanthropy that supports the traditional values of Native Americans. The group also provides professional development opportunities for Native Americans working in the philanthropic sector.

National Black United Fund
<http://www.nbuf.org>

The mission of the National Black United Fund is to build a viable philanthropic institution for Black American opportunity, growth, and change. Our strategy is to use philanthropic resources to meet vital needs in Black communities, and to use those resources as venture capital to leverage social and economic change.

Fundraising on the Internet

Tips to make your website more personal and friendly to the donor:

Online fundraising is more than just a “donate now” button featured on your organization's website. Your organization should:

- Provide the organization’s mission and contact information. Your website should clearly state your organization's mission and location, general contact information and contact information for each staff member. You may want to include your organization’s contact information as a footnote at the bottom of every webpage.
- Drive potential donors to your website by providing good content. Your website should include information about your organization’s history and accomplishments, a description of programs and services, current events and activities.
- Be sure to update your website with new, pertinent information monthly. Interesting and timely content can make your website a resource for people tracking or researching issues related to your mission, thus converting general web visitors into donors. Include links to helpful websites and feature resources and publications associated with your organization’s mission.
- Tell readers how to become supporters. Your homepage should have a navigation button that reads "Support Us," "Get Involved," "What Can I Do?" or something similar. This link should lead to an introductory donor page that outlines levels of giving, how donations will be used and benefits to the donor. Because supporters want to know that they are supporting worthy causes, how donors' contributions will specifically be used may be a topic worthy of a separate page on your website which could be linked from the introduction donor page.

- Tell supporters how to donate. Provide a link to a payment page and be clear on how donations can be made, i.e. check or money order or by credit card. If you are unable to offer online donation opportunities, offer a printable donation form to mail in or fax.
- Address ethical, privacy and security concerns. When a donor decides to make an online contribution, he or she wants to be reassured that your organization maintains the highest standards of ethics, privacy and security.
- If your organization promises not to sell or provide email addresses to other organizations, be sure that your organization strictly adheres to those policies. In addition, honor any requests donors make to remain anonymous.
- Incorporate your website into everything your organization does. Be sure to feature your website address on business cards, stationary, brochures, T-shirts, event invitations and every printed document. To drive individuals to your website, include links to your website within emails sent to current donors, prospects, collaborators, volunteers, friends and colleagues allowing them to click for further information or to donate online. E-mail banners with a link to your website can be added to each staff member's e-mail signature. Your goal is to drive as many current and potential donors as you can to your organization's website.

Remember the following:

- Fundraising online is only one effective strategy that should be included in your comprehensive fundraising and marketing plan.
- Your website and online fundraising activities enhance your efforts to build long-term relationships with donors.
- The best way to fundraise is a combination of techniques.
- Although more and more organizations are sending solicitation letters via e-mail, you must be sure to consider those donors who do not have access to the internet or simply do not like receiving solicitation letters via the internet.
- Some view requests for contributions via an e-mail impersonal or they may have security concerns about donating online. Consider segmenting your donors - those who will receive online solicitations and those who will receive a letter in the mail. During specific fundraising campaigns, send reminders to current and potential donors.

Online giving has increased more than two-hundred-fold in the past five years, *from \$10 million in 1999 to about \$2.62 billion in 2004*. A major reason for the increase has been the ability of charity websites to appeal to potential donors on a personal level.

Source: "Web Lets Donors Find Specific Needs and Fill Them." USA Today, 9/11/05.

According to a recent survey by the Pew Internet & Life Project, the number of Americans who gave money to charities online has increased significantly in the past year, bolstered by 13 million people who donated over the internet to help victims of Hurricanes Katrina and Rita. Since 2001, the number of online donors has increased by 53 percent, with 26 million people having donated online at least one time. With this surge in online giving, it is important to identify ways your nonprofit can benefit from this emerging trend.

Helpful Resources

Web Links

About.com's Nonprofit Charitable Organizations

Weekly articles and links to resources for nonprofit organizations, including nonprofit managers, donors, fundraisers and volunteers.

<http://nonprofit.about.com>

Alliance of Nonprofits for Insurance, Risk Retention Group (ANI-RRG)

Liability insurance tailored exclusively for 501(c)(3) nonprofits in CO, CT, DC, DE, IA, KS, MD, MI, MO, NB, NC, NV, OH, OR, PA, UT, VA, VT & WA. Broad Coverage, competitive pricing with free, effective loss control and risk management tools.

<http://www.ani-rrg.org>

Association of Fundraising Professionals

Home page for AFP, formerly the National Society of Fundraising Executives.

www.afpnet.org

Benton Foundation's Best Practice Toolkit

Tools to help nonprofits make effective use of communications and information technology.

www.benton.org/Practice/Toolkit

Board Café

An electronic newsletter exclusively for members of nonprofit boards of directors. Short enough to read over a cup of coffee, Board Café offers a menu of ideas, information, opinion, news and resources to help board members give and get the most out of board service.

www.boardcafe.org

Board Source

The premier resource for practical information, tools and best practices, training and leadership development for board members of nonprofit organizations worldwide.

www.boardsource.org

Chronicle of Philanthropy

This national magazine on grants and giving has informative articles, a searchable guide to grants and a host of other information available online. Some material is free, most requires a password.

www.philanthropy.com

Council of Better Business Bureaus

A watchdog site. Within this site is the Philanthropic Advisory Service, with reports on most-asked questions about charities and other soliciting organizations.

www.bbb.org

Council on Foundations

COF works to support foundations by promoting knowledge, growth and action in philanthropy. This site outlines what role foundations play in your community, how to start your own foundation and what the Council does to support foundations.

www.cof.org

Energize

Portal on volunteer management, including books, links, articles, interviews and more.

www.energizeinc.com

Give Voice

The place where you can speak directly to elected officials about the issues affecting the nonprofit sector. Offers email and fax action alerts.

www.givevoice.org

GrantsAlert.com

Provides resources for those searching for education grants and identifying new funding opportunities for their organizations, schools, districts, consortia and state education agencies.

www.Grantsalert.com

Grassroots Fundraising Journal

Offers practical, how-to instruction on fundraising strategies such as direct mail, special events, major gift campaigns and online fundraising.

www.grassrootsfundraising.org

GuideStar

The donor's guide to the nonprofit universe.

www.guidestar.org

HandsNet

Promotes information sharing, cross-sector collaboration and advocacy among individuals and organizations working on a broad range of public interest issues.

www.handsnet.org

Helping.org Nonprofit Resources

A collection of resources to help nonprofits with day-to-day operations, technology, getting computer help as well as building and marketing websites.

www.helping.orgnonprofit

Idealist

A global directory of nonprofit-related information, including nonprofit organizations, consultants, products, services, publications and events. Nationwide listings on jobs and internships are also found.

www.idealist.org

Iknow

A clearinghouse for links to websites on nonprofit information. Links can be searched by topic or by keyword.

www.iknow.org

Internal Revenue Service

What you need to know if your organization plans to apply for tax exemption. The questions enable you to determine whether an organization is eligible to apply for recognition of exemption from Federal income taxation under § 501(a) of the Internal Revenue Code and, if so, how to proceed.

www.irs.ustreas.gov/prod/bus_info/eo/eo-appl.html

Internet Nonprofit Center

This site features news and innovative programs. Search IRS files with the Nonprofit Locator and find answers with the Nonprofit FAQ.

www.nonprofits.org

Management Assistance Program for Nonprofits

Great source of templates and materials for nonprofit managers.

www.mapnp.org

MediaNet

A web-based tutorial for media and public relations on the Internet. The online media guide features discussion, examples, articles, resource lists and links covering the range of online media and PR. The site offers overviews and in-depth information on media relations, email press releases, clipping services, media contact databases, online publications, website development and email lists.

www.internetnewsbureau.commedianet

National Council of Nonprofit Associations

A network of 37 established and 15 emerging state and regional associations of nonprofits serving over 22,000 member nonprofits.

www.ncna.org

N-TEN Nonprofit Technology Enterprise Network

N-TEN's resource listings includes technology service providers, articles and sample technology policies for nonprofits.

www.nten.org/ntresources

Nonportal

An array of nonprofit resource providers to share their information.

www.nonportal.org

Nonprofit Gateway

A network of links to Federal government information and services.

www.firstgov.gov/Business/Nonprofit.shtml

Nonprofit Genie

A collection of FAQs on topics such as board development, consultants, databases, DSL, entrepreneurship, Federal Form 990, financial management, fiscal sponsorship, fundraising insurance, Internet and telephone systems, strategic planning, technology planning and volunteer management.

www.genie.org

Nonprofit Risk Management Center

The Nonprofit Risk Management Center provides information on managing risk in the human resources area as well as others (e.g. avoiding litigation).

www.nonprofitrisk.org

Nonprofit Tech

A technology assistance organization for nonprofits. Their website features tips and tricks, a technology forum and software recommendations for Mac and Windows, among other resources.

www.nonprofit-tech.org

The Philanthropy Journal Online

A publication of the A.J. Fletcher Foundation, in Raleigh, N.C., the Philanthropy Journal reports on philanthropy and nonprofits throughout the U.S. and abroad.

www.philanthropyjournal.org

Philanthropy News Network

Philanthropy news updates daily.

www.pnnonline.org

Points of Light Foundation

Information on volunteer management.

www.pointsoflight.org

ServeNet

A place to post volunteer opportunities.

www.servenet.org

Tech Soup

Tech Soup is set up to be the portal to the nonprofit technology world. It also contains links to TechSoup Stock, formerly known as Discount Tech.

www.techsoup.org

The Foundation Center

Offers funding and nonprofit resource libraries in New York, Atlanta, San Francisco, Cleveland, and Washington DC that you can visit and an informative and in-depth website.

www.foundationcenter.org

TGCI's Library of Winning Grant Proposals

Offers a library of winning grant proposals that consists entirely of recently funded, top-ranked grant proposals in a wide variety of subject areas. All the proposals have been selected by major government funders from among their highest-rated grant applications.

<http://www.tgcigrantproposals.com>

Books and Publications

Fundraising

Fundraising for Social Change, by Kim Klein
Chardon Press
3781 Broadway
Oakland, CA 94611
510-596-8160

Religious Funding Resource Guide
4429 South Dakota Avenue, NE
Washington, DC 20017
202-832-8071

Grassroots Fundraising Journal
3781 Broadway
Oakland, California 94611

Grant Seekers Guide
Moyer Bell Limited
Colonial Hill/RFD 1
Mt. Kisco, NY 10549

Make Your Own Events Special:
How to Plan and Organize Successful Special Events
Program for Nonprofit Organizations
Cause Effective: Nonprofit Resource Development Center
39 West 14th Street, Suite 408
New York, NY 10011
212-807-6896

The Chronicle of Philanthropy
PO Box 1989
Marion, Ohio 43306-4089

Activists Guide to Religious Funders
Center for Third World Organizing
3861 Martin Luther King, Jr. Way
Oakland, California 94609

Taft Foundation Reporter and Taft Corporate Giving Directory
Federal Register
Superintendent of Documents
US. Government Printing Office
Washington, D.C 20402

Fundraising for Social Change 4th Editions
Kim Klein
John Wiley and Sons, 2000

Fundraising for Dummies
John Mutz and Katherine Murray
IDG Books Worldwide

Raising More Money
Terry Axelrod / Hardcover / Published 2000

Relationship Fundraising
Ken Burnett / Hardcover / Published 1996

Over Goal: What You Must Know to Excel at Fundraising Today
Kay S. Grace / Paperback / Published 2003

Developing Your Case for Support
Timothy L. Seiler
Josey Bass 2001

Fundraising on the Internet: The ePhilanthropy.org Guide to Success Online, 2nd
Edition, Mal Warwick, Editor / Hardcover / Published 2001

How to Write Successful Fundraising Letters
Mal Warwick / Hardcover / Published 2001

Revolution in the Mailbox: Your Guide to Successful Direct Mail Fundraising
Mal Warwick, Editor / Hardcover / Published 2003

How to Write Successful Fundraising Letters
Mal Warwick / Hardcover / Published 2001

Boards that Love Fundraising: A How to Guide for your Board
Robert M. Zimmerman and Anne W. Lehman / Paperback / Published 2004

Hidden Gold
Harvey McKinnon/Paperback/Published 2001

Grant Writing

Winning Grants Step by Step, Second Edition, Mim Carlson

Grant Writing Start Up Kit, Jossey Bass

Grantseeker Toolkit, James Aaron Quick, Cheryl Carter New

Story Telling for Grant Seekers A Guide to Creative Nonprofits, Cheryl A. Clarke

Successful Grantsmanship, Susan Golden

Grant Writing for Dummies, Bev Browning, Wiley Publishing

The Foundation Centers, Guide to Proposal Writing, Fourth Edition

Management and Nonprofit Boards

The Guide to Nonprofit Management, Robert Wilbur

Managing A Nonprofit Organization in the 21st Century

Financial and Strategic Management for Nonprofit Organizations

The Jossey-Bass Guide to Strategic Communications for Nonprofits : A Step-by-Step Guide to Working with the Media to Generate Publicity, Enhance Fundraising

Measuring Performance in Public and Nonprofit Organizations

The Budget-Building Book for Nonprofits : A Step-by-Step Guide for Managers and Boards

Nonprofit Boards That Work: The End of One-Size-Fits-All Governance

Glossary of Terms

Accounting Policy

A predetermined policy dictating the appropriate account management of all contributions received.

Accounting Procedures

Those procedures established to make sure that all contributions are properly accounted for, managed and disbursed in accordance with the approved accounting policy.

Accounts Receivable

Office procedure to control collections on pledges, including file reflecting balances due on pledges, terms of payment, records of payments made and dates made.

Acknowledgement

Written expression of gratitude for gift or service.

Acquisition Mailing (or prospect mailing)

A mailing to prospects to acquire new members or donors.

Advisory Board

A group of influential and prominent individuals whose association with a development program is calculated to lend credibility and implied endorsement of the program's goals and objectives.

Analysis

That section of a study that deals with the factors essential to success in a fundraising program; principally the case for support, leadership potential and fields of support.

Annual Giving

A fund-raising program that solicits gifts on a yearly basis. Annual gifts are generally expended during the year in which they are received and fall into one of two categories: unrestricted gifts, to be used as needed, and restricted gifts, designated for a specific purpose. Annually repeating gift programs; seeking funds on annual or recurring basis from same constituency; income is generally used for operating budget support.

Annual Report

A voluntary report published by a foundation or corporation describing its grant activities or a voluntary report by a nonprofit describing its activities, accomplishments and benefits to the community. Annual reports range from simple, typed documents listing the year's grants to elaborately detailed publications.

Appeal Letter

A letter which is frequently mass-produced, requesting contributions for a charitable institution, program or cause.

Articles of Incorporation

A document filed with the secretary of state or other appropriate state office by persons establishing a corporation. This is the first legal step in forming a nonprofit corporation.

Assets

Cash, stocks, bonds, real estate or other holdings of a foundation. Generally, assets are invested and the income is used to make grants.

Audit

An external evaluation of financial procedures used by nonprofit institution or agency.

Benefactor

One who makes a major gift to an institution or agency; also, an arbitrary classification of contributors whose gifts are above a certain level, which is calculated to single them out as a group and to stimulate similar giving by others.

Beneficiary

In philanthropic terms, the grantee receiving funds from a foundation or corporate giving program is the beneficiary, although society benefits as well.

Benefit

A form of fundraising which involves staging a special event for charitable purposes with all proceeds exceeding expenses designated as revenue to benefit the charitable institution.

Bequest

A sum of money made available upon the donor's death; a gift provided for in a person's will.

Bricks and Mortar

An informal term indicating grants for buildings or construction projects.

Budget

A detailed breakdown of estimated income and expenses for a development program, prepared in advance. Budgets show various cost categories, including personnel, printed materials, purchase and rental of equipment, office expense, headquarters, mailing charges, costs of events, etc.

Bylaws

Rules governing the operation of a nonprofit corporation. Bylaws often provide the methods for selecting directors, creating committees and conducting meetings.

Campaign

An organized effort to raise funds for a not-for-profit organization.

Campaign Costs

Expenditures that are deemed essential to the planning and operation of a campaign and that are directly related to campaign budget projections.

Capital Appeal

A carefully organized, highly structured fundraising program using volunteers, supported by staff and consultants, to raise funds for specific needs, to be met in a specific time frame, with a specific dollar goal. Allows donors to pledge gifts to be paid over a period of years.

Cash Flow

Predictable cash income to sustain operations; in capital campaigns or whenever pledges are secured, anticipation of annual cash receipts resulting from payments on pledges.

Case

Carefully prepared reasons why a charitable institution merits support (in the context of the "case bigger than the institution"), including its resources, its potential for greater service, its needs and its future plans.

Case Statement

A document stating the most crucial needs of a particular organization that warrant financial support; a written document presenting the case for support to potential donors. The case statement "makes a case," in a clear and compelling way, for a program or project. It states the project's mission and goals and show how the program will meet those goals.

Challenge Grant

A grant made on the condition that other funding must be secured, either on a matching basis or via some other formula, usually within a specified period of time, with the objective of stimulating giving from additional sources.

Charitable Deduction

An allowable adjustment of income, gift or estate tax liability for the value of any charitable gifts or legacies.

Charitable Fundraising

Raising money to help not-for-profit organizations dedicated to helping specific causes or ranges of causes, to achieve their aims.

Charitable Trust

A body constituted as a charity whose express purpose is to give money away to other voluntary sector bodies across a wide range of needs.

Charitable Lead Trust

A trust that provides income to the charitable organization, with the corpus of the trust reverting to the donor or donor's family after a specified period of time.

Charitable Remainder Annuity Trust

A trust in which a donor transfers assets to a trustee subject to the right to receive a fixed percentage of initial net fair market value of property for life.

Charity

In its traditional legal meaning, the word "charity" encompasses religion, education, assistance to the government, promotion of health, relief of poverty or distress and other purposes that benefit the community. Nonprofit organizations that are organized and operated to further one of these purposes generally will be recognized as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and will be eligible to receive tax-deductible charitable gifts.

Community Foundation

A tax-exempt, nonprofit, autonomous, publicly supported, philanthropic institution composed primarily of permanent funds established by many separate donors for the long-term diverse, charitable benefit of the residents of a defined geographic area. Typically, a community foundation serves an area no larger than a state. Community foundations provide an array of services to donors who wish to establish endowed funds without incurring the administrative and legal costs of starting independent foundations.

Company-sponsored Foundation

Another term for corporate foundation

Contingent Gift

A gift that is made subject to certain conditions or restrictions.

Corporate Foundation

The philanthropic arm created by a corporation to deal with requests for contributions from agencies - locally, regionally or nationally.

Contribution (Donation)

A transfer of cash, other assets, forgiveness of debt or in-kind goods to an organization.

Contributions Committee

A corporate group organized to make grant decisions usually with the guidance of a corporate foundation or contributions administrator. Typical responsibilities include setting and interpreting policy, approving an annual budget and reviewing grant requests.

Cooperative Venture

A joint effort of two or more grantmakers. Cooperative venture partners may share funding responsibilities or contribute information and technical resources.

Corporate Contributions

A general term referring to charitable contributions by a corporation. Usually this term is used to describe cash contributions only, but may also include other items, such as the value of loaned executives, products and services

Corporate Foundation

A private foundation that derives its grantmaking funds primarily from the contributions of a profit-making business.

Corporate Giving Program

A grantmaking program established and administered within a profit-making company. Gifts or grants go directly to charitable organizations from the corporation.

Corporate Grantmaking

In a grantor-grantee partnership, a corporation—either through a corporate giving program or through a company-established foundation—makes a philanthropic contribution in support of a nonprofit organization. This gift enables the organization to continue or expand its work in the public's behalf. Typically, the company will receive acknowledgement in return for the charitable contribution, which can bolster the company's brand image. Many corporations practice what is often called *strategic philanthropy* or *corporate social investing*, targeting giving towards nonprofit organizations that not only accomplish public purposes but also fulfill business purposes.

Corporate Philanthropy

Support through gifts, equipment, supplies or other contributions by business firms to charitable institutions, sometimes through organized programs that may include corporate foundations.

Cultivation

A process of promoting or encouraging interest and/or involvement on the part of a potential donor or volunteer leader; an educative process to inform about an institution, reasons why it merits support.

Cultivation Plan

Written plan of activities that will be undertaken to build a relationship with an assigned prospect. The result would be a major gift solicitation. Results must be kept up-to-date and reported to the coordinator for prospect management.

Declining Grant

A multi-year grant that becomes smaller each year, in the expectation that the recipient organization will increase its fundraising from other sources.

Deferred Gift

A gift whereby the charitable organization does not benefit until sometime in the future, according to conditions stated in the contract.

Demonstration Grant

A grant made to establish an innovative project or program that, if successful, will serve as a model and may be duplicated by others.

Designated Funds A type of restricted fund in which the fund beneficiaries are specified by the grantors.

Development

Refers to all dynamics of a continuing fundraising program (annual giving, special gifts, planned gifts, public relations). Also known as "fundraising" or "resource development."

Demonstration Grant

A grant made to establish an innovative project or program that if successful, will serve as a model which may be replicated by others.

Direct Mail

Solicitation of gifts or volunteer services and distribution of information pieces by targeted mass mailing.

Discretionary Funds

Grant funds distributed at the discretion of one or more trustees, which usually do not require prior approval by the full board of directors. The governing board can delegate discretionary authority to staff.

Distribution Committee

The committee responsible for making grant decisions. For community foundations, the distribution committee is intended to be broadly representative of the community served by the foundation.

Donee

A person or organization that receives money. (See also *grantee*.)

Donor

A person or organization that gives money to a charitable organization. (See also *grantmaker*.)

Donor-advised Fund

A fund held by a community foundation, public charity or other entity, where the donor or a committee appointed by the donor recommends eligible charitable recipients from the fund.

Donor Designated Fund

A fund held by a community foundation where the donor has specified that the fund's income or assets be used for the benefit of one or more specific public charities. These funds are sometimes established by a transfer of assets by a public charity to a fund designated for its own benefit, in which case they may be known as grantee endowments. The community foundation's governing body must have the power to redirect resources in the fund if it determines that the donor's restriction is unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community or area served.

Donor Profile

Background information concerning prospects including biographical data, facts related to a giving record, volunteer service to the charity, personal and professional interests, etc.

Emergency Funds

One-time grants to cover immediate short-term funding needs on an emergency basis.

Employee Involvement

A broad category of collaborations between companies and nonprofits that harness the valuable network of employee interests, talent and financial resources to create value for nonprofit organizations. Employee volunteer programs, workplace giving campaigns, employee-driven contributions models, matching gifts, board member training, and other strategies for involving employees in the community fall under this broad category. For example, The Home Depot organizes employee volunteers to help KaBOOM!, a nonprofit organization that works with communities to build safe playgrounds. Through this program, The Home Depot builds strong relationships with communities, teaches employees construction skills and gives hands-on experience using tools the store carries

Employee Matching Grant

A contribution to a charitable organization by an employee that is matched by a similar contribution from his or her employer. (See also *matching gifts program*.)

Endowment

The principal amount of gifts and bequests that are accepted subject to a requirement that the principal be maintained intact and invested to create a source of income for a foundation. Donors may require that the principal remain intact in perpetuity, or for a defined period of time or until sufficient assets have accumulated to achieve a designated purpose.

E-philanthropy

This term describes the variety of methods of giving using the Internet. Many sites have been developed that accept donations in addition to providing information regarding nonprofit groups. Many e-commerce sites (e.g., charity malls) incorporate fundraising efforts by donating a percentage of their proceeds to charity. Such sites can serve as a clearinghouse for large numbers of organizations and for information that would otherwise be difficult to access.

Ethics

The moral considerations of the activities of a philanthropic organization. Also, standards of conduct and methods of doing business by organizations of fundraising consultants that provide assurances of professionalism in client relationships.

Family Foundation

A family foundation is a foundation whose funds are derived from members of a single family. At least one family member must continue to serve as an officer or board member of the foundation, and as the donor, they or their relatives play a significant role in governing and/or managing the foundation throughout its life. Most family foundations are run by family members who serve as trustees or directors on a voluntary basis, receiving no compensation. In many cases, second and third generation descendants of the original donors manage the foundation. Family foundations tend to concentrate their giving locally.

Feasibility Study

As in-depth examination and assessment of the fundraising potential of an institution or agency usually conducted by fundraising consultants and presented as a written report setting forth various conclusions, recommendations and proposed plans.

Federated Giving Program (Federated Fund)

A centralized fundraising effort usually administered by a nonprofit "umbrella" organization that distributes the contributed funds to several nonprofit agencies. Some examples of this: United Way and community chests or funds, the United Negro College Fund and joint arts councils.

501(c)(3)

Section of the Internal Revenue Code that designates an organization as charitable and tax-exempt. Organizations qualifying under this section include religious, educational, charitable, amateur athletic, scientific or literary groups, organizations testing for public safety or organizations involved in prevention of cruelty to children or animals. Most organizations seeking foundation or corporate contributions secure a Section 501(c)(3) classification from the Internal Revenue Service (IRS). Note: The tax code sets forth a list of sections 501(c)(4-26) to identify other nonprofit organizations whose function is not solely charitable (e.g., professional or veterans organizations, chambers of commerce, fraternal societies, etc.)

Feasibility Study

An in-depth examination and assessment of the fundraising potential of an institution or agency, conducted by fundraising consultants and presented in the form of a written report setting forth various conclusions, recommendations and proposed plans.

Form 990/Form 990-PF

The IRS forms filed annually by public charities and private foundations, respectively. (PF stands for "private foundation.") The IRS uses these forms to assess compliance with the Internal Revenue Code. Both forms list organization assets, receipts, expenditures and compensation of officers. Form 990-PF includes a list of grants made during the year by private foundations.

Foundation

A foundation is a non-governmental, nonprofit organization that has its own funds or endowments. Foundations are managed by their own trustees or directors and are usually founded to benefit educational, charitable, social, religious or other activities serving the common good.

Funding Cycle

A chronological pattern of proposal review, decision making and applicant notification. Some donor organizations make grants at set intervals (quarterly, semiannually, etc.), while others operate under an annual cycle.

Fundraiser

Person who organizes and orchestrates the raising of funds for a specific cause.

Fundraising

The raising of funds for a specific cause.

Fundraising Audit

An internal evaluation of development procedures as practiced by a not-for-profit institution or agency; normally conducted by professional fundraising consultants.

Fundraising Consultant

An individual operating independently, or a company organized specifically for the purpose of advising charitable institutions in all aspects of fundraising.

General Operating Support

A grant made to further the general purpose or work of an organization, rather than for a specific purpose or project; also called an unrestricted grant (sometimes also referred to as operating support).

General Purpose Foundation

An independent private foundation that awards grants in many different fields of interest, as opposed to a special purpose foundation.

General Support

Funds for general purpose or work of an organization. Funds to cover the day-to-day personnel, administration and other expenses for an existing program or project.

Gift Annuity

A gift by a donor to a charity in exchange for guaranteed stipulated lifetime annual payments. The money goes to the charity at the donor's death.

Gift-in-Kind

A contribution of equipment, supplies, or other products in lieu of money. See also in-kind contribution.

Gift Processing

The procedure by which gifts are received, recorded, transmitted for deposit, receipted and acknowledged, all in an orderly sequence.

Gift Receipt

A form which is sent to donors as an enclosure officially recognizing a specific monetary contribution, thereby satisfying IRS requirements.

Gift Renewal

A repeat gift as in an annual fund appeal.

Giving Circle

Also called philanthropic social clubs, these autonomous groups come together to give as a group, meeting regularly, sharing information and making joint giving decisions.

Grant

An award of funds to an organization or individual to undertake charitable activities.

Grantee

Also referred to as a grantseeker, the individual or organization that receives a grant. (See also donee.)

Grantee Financial Report

A report detailing how grant funds were used by an organization. Many grantmakers require this kind of report from grantees. A financial report generally includes a listing of all expenditures from grant funds as well as an overall organizational financial report covering revenue and expenses, assets and liabilities.

Grantmaker

Also referred to as a grantor, the individual or organization that makes a grant. (See also donor.)

Grassroots Fundraising

Efforts to raise money from individuals or groups from the local community on a broad basis. Usually an organization's own constituents – people who live in the neighborhood served or clients of the agency's services – are the sources of these funds. Grassroots fundraising activities include membership drives, raffles, auctions, benefits and a range of other activities.

Guidelines

A statement of a foundation's goals, priorities, criteria and procedures for applying for a grant.

Honorary Chair

A prominent person who agrees to lend his or her name to a campaign because of a high visibility community role. It is desirable that this person take an active posture.

Independent Foundation

A private foundation usually founded by one individual, often by bequest. Independent foundations are occasionally termed "non-operating" because they do not run their own programs. Sometimes individuals or groups of people, such as family members, form a foundation while the donors are still living.

In-kind Contribution

A donation of goods or services rather than cash or appreciated property.

Internal Revenue Service (IRS)

The federal agency responsible for regulating foundations and their activities (online at www.irs.gov).

Joint Funding

A grant project supported by more than one donor, each of whom may provide monies for a specific component of the overall project or who may contribute to a common pool of funds.

Kick-Off

A formal public launching of campaign through an event like a dinner to which major prospects are invited and frequently features announcement of lead gifts already in hand or committed.

Lapsed Donor

A person or institution who contributed one or more times but has not given gifts in the last campaign year.

Leadership

The force within an institution, agency, program or fundraising appeal that stimulates others to act or give.

Legacy

An amount of money left in a will or a bequest of personal property.

Leverage

The power to influence another to contribute or to serve as a volunteer.

Letter of Inquiry

Also referred to as a letter of intent, this is a brief letter outlining an organization's activities and a request for funding sent to a prospective donor to determine if there is sufficient interest to warrant submitting a full proposal. This saves the time of the prospective donor and the time and resources of the prospective applicant. (See also preliminary proposal.)

Leverage

A method of grantmaking practiced by some foundations. Leverage occurs when a small amount of money is given with the express purpose of attracting funding from other sources or of providing the organization with the tools it needs to raise other kinds of funds. Sometimes known as the "multiplier effect."

Life Estate Agreement

A donor transfers title to a home or farm to a charity, reserves the right to live in/on the property and receives income from it. At the donor's death, the home/farm is the property of the institution.

Limited-purpose Foundation

A type of foundation that restricts its giving to one or very few areas of interest, such as higher education or medical care.

Matching Gifts Program

A grant or contributions program that will match employees' or directors' gifts made to qualifying educational, arts and cultural, health or other organizations. Specific guidelines are established by each employer or foundation.

Matching Grant

Another term for a matching gifts program.

Major Gift Campaign

An organized, intensive fund-raising effort on the part of an institution or organization to secure extraordinary gifts and pledges for a specific purpose or purposes during a specified period of time.

Major Gifts

A gift of significant amount (size of gift may vary according to organization's needs and goals); may be repeated periodically. Also a program designation.

Market

Potential source of funds, members or clients (individuals and organizations).

Market Research

The process of gathering, recording and analyzing information relating to the marketing of goods and services.

Match Funding

A gift that is made on condition that it be matched within a certain period, either on a one-to-one basis or in accordance with some other formula; also a gift by a corporation matching a gift by one of its employees.

Mission

A philosophical or value statement that seeks to respond to the "why" of the organization's existence, its basic reason for being. Mission statement is not defined in expressions of goals or objectives.

Not-for-profit Organization

Organizations of members and/or volunteers that are classified by the Internal Revenue Service as providing a public benefit without purpose of profit for members of the corporation.

Operating Support Grant

A grant to cover the regular personnel, administrative and miscellaneous expenses of an existing program or project. See also general/operating support.

Patron

One who lends his or her name for purposes of promotion of a benefit or similar affair; also, a category of contributors at a certain level of giving to which an institution gives special recognition. A well chosen patron is a valuable asset and puts a nonprofit on the map. They have no legal status or obligations but lend their names to the cause as a hallmark or credibility and stature.

Payroll Giving (Payroll Deduction)

A tax-effective payroll-giving scheme involves the employer registering with one of the approved payroll agencies so that employees can give to charity and save income tax by making a regular deduction from their pay.

Philanthropy

Philanthropy includes the concept of voluntary giving by an individual or group to promote the common good. Philanthropy also commonly refers to grants of money given by foundations and corporate giving programs to nonprofit organizations. Philanthropy addresses the contribution of an individual or group to other organizations that in turn work for the causes of poverty or social problems, improving the quality of life for all citizens. Philanthropic giving supports a variety of activities, including research, health, education, arts and culture, as well as alleviating poverty.

Planned Giving

The making of gifts to a charity, resulting from a planning process which considers the effects of the gift upon a donor's estate.

Pledge

A promise to make future contributions to an organization. For example, some donors make multiyear pledges promising to grant a specific amount of money each year; a signed and dated commitment to make a gift during a specified period according to specified terms.

Pooled Income Fund

A donor transfers money/property to an irrevocable trust operated by a charity, receiving a share of income for life. Whatever remains at the donor's death is available to the charity.

Preliminary Proposal

Sometimes referred to as a concept paper, a brief draft of a grant proposal used to learn if there is sufficient interest to warrant submitting a proposal. (See also *letter of intent*.)

Principal Gift

The gift of a lifetime. The largest gift a donor will make in his/her lifetime.

Private Foundation

A nongovernmental, nonprofit organization with funds (usually from a single source, such as an individual, family or corporation) and programs managed by its own trustees or directors, established to maintain or aid social, educational, religious or other charitable activities serving the common welfare, primarily through grantmaking. U.S. private foundations are tax-exempt under Section 501(c)(3) of the Internal Revenue Code and are classified by the IRS as a private foundation as defined in the code.

Program Officer

A staff member of a foundation who reviews grant proposals and processes applications for the board of trustees. Only a small percentage of foundations have program officers.

Professional Fundraiser

Professional consultant who advises, helps to plan, coordinate and implement fundraising strategy for major capital appeals.

Proposal

A written request or application for a gift or grant that includes why the project or program is needed, who will carry it out and how much it will cost. A written application and or proposal narrative, often accompanied by supporting documents, submitted to a foundation or corporate giving program in requesting a grant.

Prospect

Any logical source of support, whether individual, corporation, organization, government at all levels, or foundation; In major gift terms, a prospect is an individual, foundation, or corporation capable of making a significant gift to a nonprofit, educational or faith-based institution.

Public Charity

A nonprofit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and that receives its financial support from a broad segment of the general public. Religious, educational and medical institutions are deemed to be public charities. Other organizations exempt under Section 501(c)(3) must pass a public support test to be considered public charities, or must be formed to benefit an organization that is a public charity (see supporting organization). Charitable organizations that are not public charities are private foundations and are subject to more stringent regulatory and reporting requirements (see *private foundation*).

Public Foundation

A nonprofit organization that receives at least one-third of its annual income from the general public (including government agencies and foundations). Public foundations may make grants or engage in charitable activities. Public foundations, along with community foundations, are recognized as public charities by the IRS. Although they may provide direct charitable services to the public as other nonprofits do, their primary focus is on grantmaking.

Quid Pro Quo

Something in exchange for something; in fundraising, the process where a donor makes a gift in exchange for specified privileges or services, with possible benefits of tax deduction.

Rate of Return (also Rate of Investment)

The Rate of Return is the gain or loss generated from an investment over a specified period of time. It is a comparison of the money earned (or lost) on an investment to the amount of money invested.

Relationship Management

A focused process of major gift prospect identification, research, clearance, cultivation, solicitation as well as recognition to achieve specific university and college development goals and to nurture enduring relationships with donors.

Reserves

A reserve of money accumulated and kept by charities as protection against the unexpected.

Resource Development Committee (Also Fund Development or Fundraising Committee)

In fundraising, an executive committee of top leadership that bears overall responsibility for a fundraising campaign.

Restricted Funds

Income or assets that are restricted in their use, in the types of organizations that may receive grants from these funds, or in the procedures used to make grants from such funds.

Revocable Living Trust

A flexible agreement where a donor transfers income-producing property to a trustee and receives income for a specified period. The remainder in the trust at the donor's death is the asset of the charity.

RFP

An acronym for Request for Proposal. When grantmakers create new program areas or initiatives, an RFP is occasionally used to solicit applications from nonprofit organizations working within the project specifications.

Seed Money

A grant or contribution used to start a new project or organization.

Share-giving

A mutually beneficial and tax-effective way to gift shares (shares of stock) to charity; it can reduce taxable income by the market value of the shares given.

Signature Event

A form of fundraising which involves the organization and staging of an annual special event for charitable purposes; all proceeds above expenses are designated as a contribution to the charitable institution concerned.

Site Visit

Visiting a donee organization at its office location or area of operation and/or meeting with its staff or directors or with recipients of its services.

Social Enterprise

A nonprofit venture that combines the passion of a social mission with the discipline, innovation and determination commonly associated with for-profit businesses. This

includes, but is not limited to, new revenue generating ventures, for-profit subsidiaries and other alternatives to traditional funding sources.

Social Entrepreneurs

Individuals who engage in social enterprise and draw upon the best thinking in both the business and nonprofit worlds in order to advance their social agenda.

Social Venture Fund

Charitable funds whose donors invest their expertise as well as their money, providing support and requiring accountability of nonprofit organizations just as venture capitalists do in business enterprises. (See also *venture philanthropy*.)

Socially Responsible Investing

Also referred to as ethical investing, this is the practice of aligning a foundation's investment policies with its mission. This may include making program-related investments and refraining from investing in corporations with products or policies inconsistent with the foundation's values.

Solicitation

The process of asking people for a contribution.

Solicitor

A volunteer who is assigned to contact past or prospective donors to solicit a gift. The solicitor is usually someone who is already a donor and whose stature with the community command respect.

Special Event

A fundraising activity where guests pay to participate and usually receive some kind of entertainment for their contribution. All proceeds exceeding expenses are designated as revenue to benefit the charitable institutions.

Sponsorship

A broad term that covers many kinds of business-nonprofit relationships from financial to in-kind operational support. Nonprofit organizations can create innovative sponsorship opportunities of many different kinds to engage additional corporate partners, reach wider audiences, increase financial support or build operational and strategic capacity. Many levels and types of sponsorship are often developed to create opportunities at various financial or in-kind contribution levels. For example, a Media Sponsor typically offers publicity support, a Sole Sponsor takes on the entire sponsorship responsibility, and a Title Sponsor is one whose name typically appears within the name of the event or product. The key is to have clearly defined responsibilities, often in a written agreement, and policies that ensure a sponsorship is consistent with the company's and the nonprofit's mission, business strategy and brand.

Stewardship

A process of recognition that continues to convey appreciation to donors and enhances donor relationships.

Sustainability

The means by which an organization will continue to offer and fund a project once the grant period has concluded

Tax Benefits

Business and individuals savings income, gifts and estate taxes brought about by carefully planned giving to charitable institutions.

Tax-exempt Organizations

Organizations that do not have to pay state and/or federal income taxes. Organizations other than churches seeking recognition of their tax-exempt status under Section 501(c)(3) of the Internal Revenue Code must apply to the Internal Revenue Service. These organizations may also be exempt from sales and local property taxes.

Technical Assistance

Operational or management assistance given to a nonprofit organization. It can include fundraising assistance, budgeting and financial planning, program planning, legal advice, marketing and other aids to management. Assistance may be offered directly by a foundation or corporate staff member or in the form of a grant to pay for the services of an outside consultant.

Telemarketing/Phonathon

A technique employed to secure verbal commitments for gifts via telephone calls from teams of volunteer callers, generally utilizing a bank of phones at a business location followed by a written confirmation of a the pledge.

Third Sector

A term used to describe all nonprofit organizations and institutions. Also known as the voluntary sector.

Trust

A legal device used to set aside money or property of one person for the benefit of one or more persons or organizations.

Trustee

The person(s) or institutions responsible for the administration of a trust.

Trust Funds

Money, securities, property held in trust by an agent of wealth (bank, estate manager, solicitor) or managed by an institution under trust agreement to produce income for the beneficiary.

Unrestricted Funds

An unrestricted fund is one that is not specifically designated to particular uses by the donor or for which restrictions have expired or been removed.

Venture Philanthropy

The philanthropic application of venture capital principles and practices. Venture Philanthropy assists nonprofit organizations in the planning, launch and management of new programs or social purpose enterprises. In addition to grants, Venture Philanthropists provide networking, management advice and an array of other supports to organizations within a given portfolio of charitable investments. (See also social venture fund.)

Volunteering

The willingness of private individuals to serve voluntarily, a great variety of programs and causes, both in fundraising appeals and other capacities.

Year End Giving

The practice among many charitable organizations of seeking gifts, usually via mail campaigns, in the last two or three months of a calendar or financial year on the premise that prospects will take last minute advantage of opportunities to secure tax deductions.



The North Carolina Coalition Against Domestic Violence

123 W. Main Street, Suite 700

Durham, NC 27701

Phone: 919.956.9124

FAX: 919.682.1449

Toll Free: 1-888-232-9124

www.nccadv.org

The INS Group (Innovative Nonprofit Solutions) is a consulting firm based in Raleigh, North Carolina. The INS Group's mission is to help organizations create innovative solutions to build their capacity. The consulting firm accomplishes this by assessing, designing and implementing strategic fundraising as well as marketing and management programs for nonprofits, community-based, faith-based and educational institutions, as well as government agencies nationally. The INS Group provides the following services:

- General Strategic Planning
- Strategic Fund Development Planning
- Board of Directors Development
- Board of Directors Resource Development Training
- Resource Development Audits
- Grant Writing and Grant Research
- Grant Writing and Fundraising Workshops
- Project Management



The INS Group

P O Box 20575

Raleigh, NC 27619

919-231-2870

rpeebles@theinsgroup.com

www.theinsgroup.com

TMC | consulting

mike@crum.org

The INS Group © 2006