WE ARE ONE TRAVELERS AID.

Innovation Matters. Embracing Change. Shaping the Future.
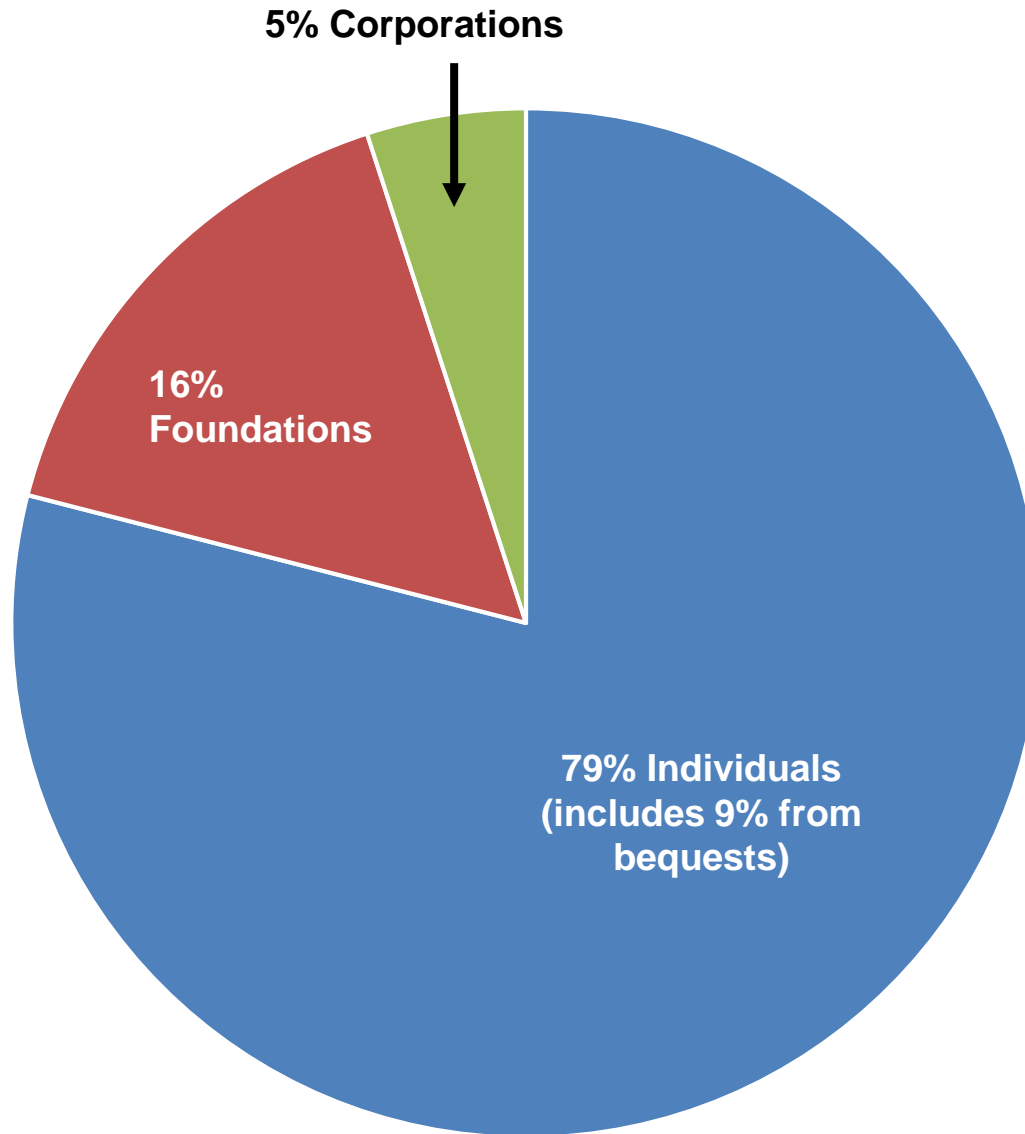
2019 Annual Conference , Charlotte, N.C.

Raising Funds – From A to Z

June 13th, 2019
Mark Goldstein, CFRE | Randall Hitt
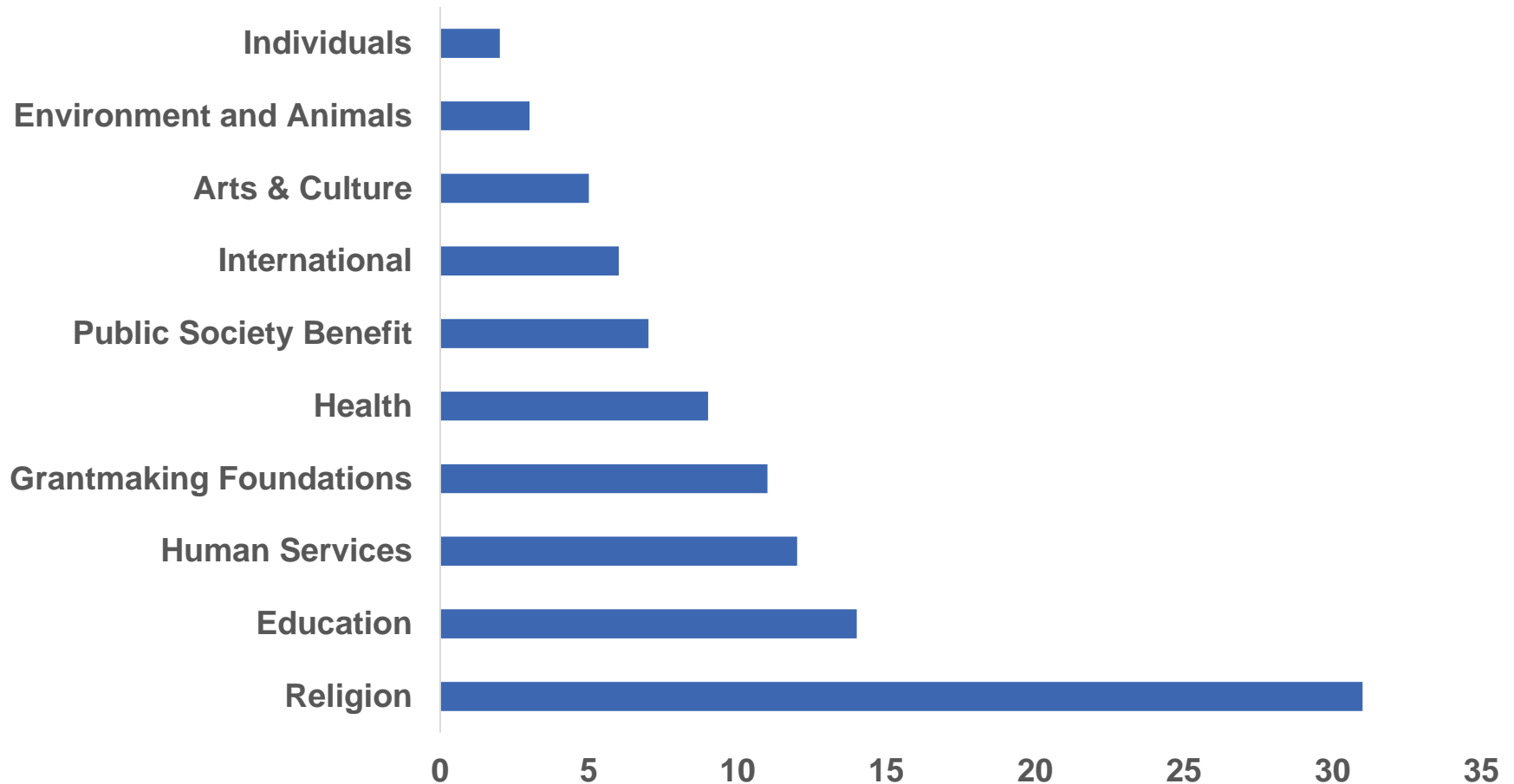
Philanthropic Sources of Giving – A to Z

5% Corporations

16% Foundations

79% Individuals (includes 9% from bequests)

Other Sources of Support

- **Fees for Service**
- **Government Grants and Contracts**
- **Investment Return**

Source: Giving USA 2018 Report

A to Z Giving Goes To . . .

Source: Giving USA 2018 Report

It's about **PEOPLE**

A Cardinal Rule in Fundraising:

People Give to People!

Managing Expectations: Accept These Truths

You're NOT Getting Money . . .

. . . Funders CHOOSE To Give To You!

Managing Expectations: Accept These Truths

You Must Get Your Story Straight.

What's The Heart (story)?

What's The Head (data)?

How Do You Measure Success?

What Are You Asking For?

It's not the EVENT.
It's not the SOCIAL MEDIA VIRAL CAMPAIGN.
It's not "getting RICH PEOPLE" on your board.

It's all about NURTURING RELATIONSHIPS.

Managing Expectations: Accept These Truths

There is NO magic bullet.

It's a process of identifying the

- *RIGHT people at the*
- *RIGHT time to ask them for the*
- *RIGHT gift.*

Look in the mirror and ask yourself "what's your role?"

Case/Grant Application Content

A Case or Proposal articulates how an organization will address a dire need.

- ✓ Contact information
- ✓ Summary
- ✓ Background
- ✓ Needs Statement
- ✓ Goals and Objectives

- ✓ Methods
- ✓ Staffing and Collaboration
- ✓ Evaluation
- ✓ Sustainability
- ✓ Budget

Contact Information

Agency: Old MacDonald's Farm
Project Name: Grow for the Gold
Contact: Sadie MacDonald, Executive Director
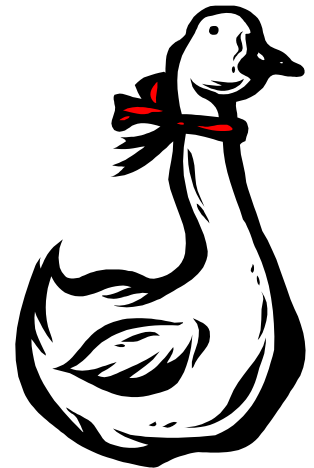**Phone:** 1 (865) OLD - MACD
Fax: 1 (865) MAC - FAXD
E-mail: sadie@e-I-e-I-o.com
Physical Address: Had-a-Farm Pl., Knoxville, TN
Mailing Address: PO 000, Knoxville, TN, 37901
Web site: www.e-I-e-I-o.com

Summary

- Write this LAST.

- "Lead with the need."

- Include key bits from each section that follows.

- Make it the most compelling section—it may determine whether someone keeps reading.

- Don't exaggerate. If the truth isn't enticing enough, your case may need more work.

- Keep it brief. About 1/3 to 1/2 of a page.

- If you aren't sure whether this, or another part of the case, is interesting enough, read it out loud.

Background
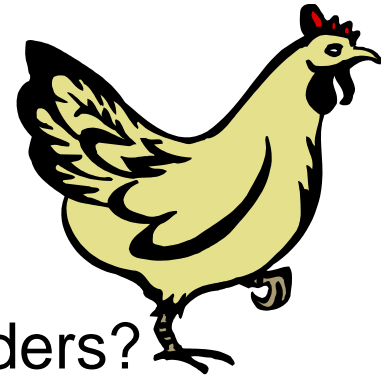
- What MUST the reader know up front?
- Set the stage. What do you WANT to tell readers?
- Organization's mission and relevant experience

  "Old MacDonald had a farm — then she added educational programs for youth and has sustained them for 30 years."

- Accomplishments, Regional Characteristics, Environment, Constituents
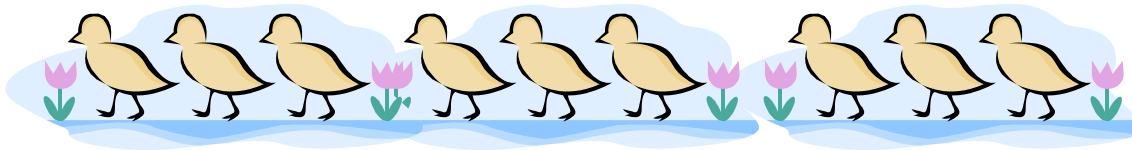
Needs Statement

- State each need "thesis" in a single sentence
- The lack of your service is not the need
- Provide objective, relevant evidence of the need
- Give specific examples that tug at the heartstrings
- Quote constituents or authorities
- If the project is local, use local information —

"Old MacGyver's Farm closed, so that 20% of families lost work and can't afford groceries."
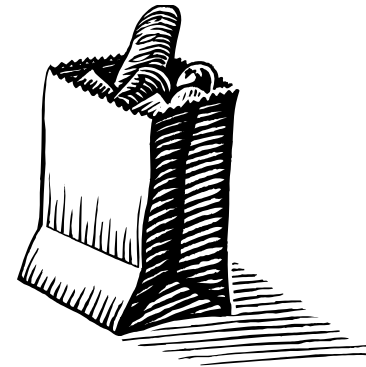
Note that *Needs* are…

- External to your organization.

- Remarkably impactful.

- Measureable and objectively documentable.

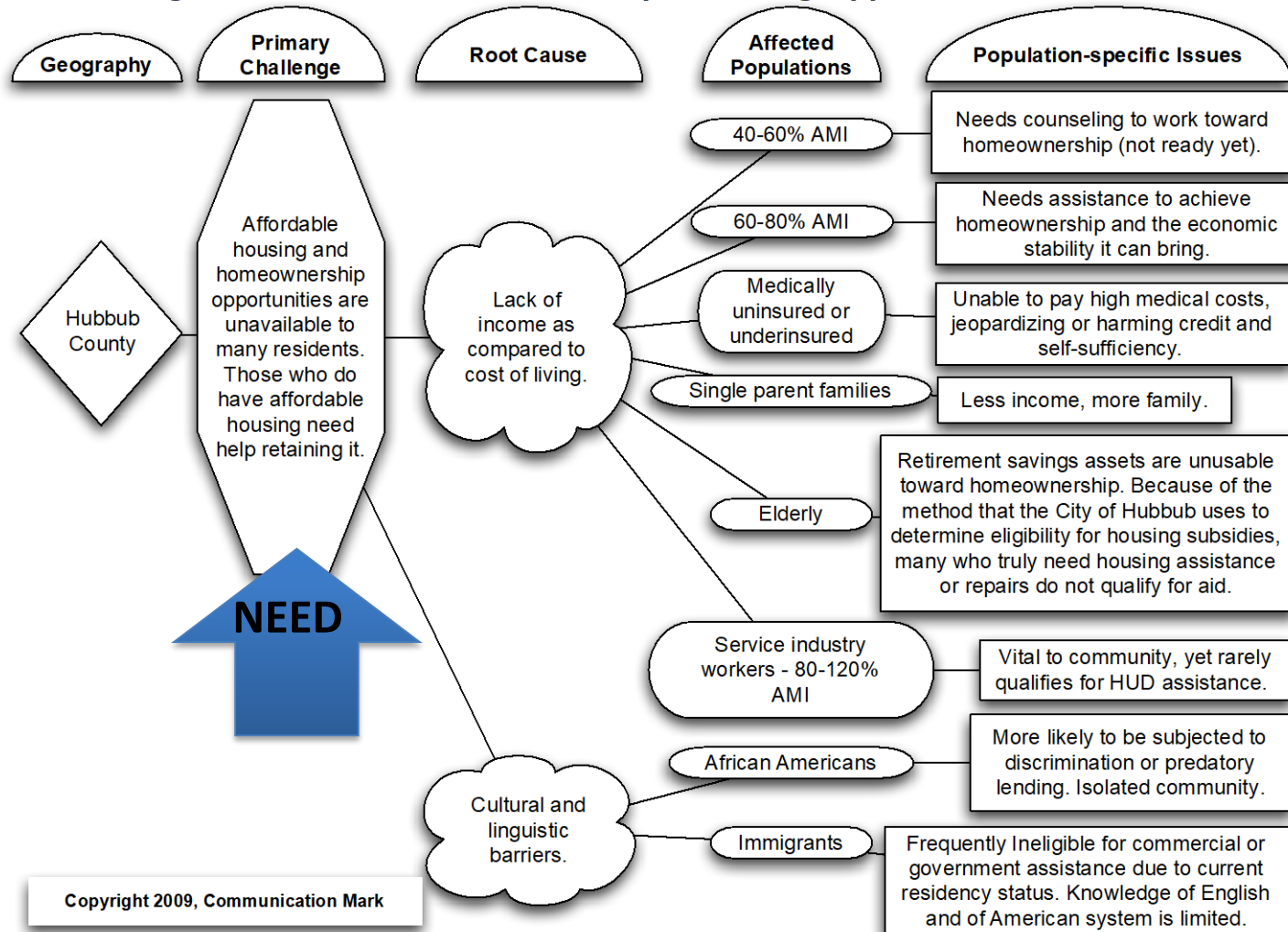- Are best when universal and indisputable.

- Are not a lack of products or services.

- Align with organization missions.

Case / Grant Application Content

Sketching Out the Need: Homeownership / Housing Opportunities

Geography — **Primary Challenge** — **Root Cause** — **Affected Populations** — **Population-specific Issues**

Hubbub County

Affordable housing and homeownership opportunities are unavailable to many residents. Those who do have affordable housing need help retaining it.

NEED

Lack of income as compared to cost of living.

Cultural and linguistic barriers.

- 40-60% AMI → Needs counseling to work toward homeownership (not ready yet).
- 60-80% AMI → Needs assistance to achieve homeownership and the economic stability it can bring.
- Medically uninsured or underinsured → Unable to pay high medical costs, jeopardizing or harming credit and self-sufficiency.
- Single parent families → Less income, more family.
- Elderly → Retirement savings assets are unusable toward homeownership. Because of the method that the City of Hubbub uses to determine eligibility for housing subsidies, many who truly need housing assistance or repairs do not qualify for aid.
- Service industry workers - 80-120% AMI → Vital to community, yet rarely qualifies for HUD assistance.
- African Americans → More likely to be subjected to discrimination or predatory lending. Isolated community.
- Immigrants → Frequently Ineligible for commercial or government assistance due to current residency status. Knowledge of English and of American system is limited.

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Strategies

- A strategy is a plan of action intended to accomplish a specific goal (it is not an objective or task).

- Nonprofit organizations exist to provide a public benefit (a strategy that meets a need).

When organization leaders disagree on strategy, they will not be able to work as a team to implement the best solution.

Note that *Strategies* are...

- Long-term.
- Not goals, tasks, outcomes or objectives.
- Require leadership decisions.
- Clear and defensible.

Goals and Objectives

- **Goals** are broad aims that may never be achieved: **"Old MacDonald's goal is to plant a zucchini here, a zucchini there, so no one goes hungry."**

- **Objectives** are measurable aims: **"We will plant 2,000 zucchinis this year."**

- **Outcomes** are measurable results: **"90% of participants will have less hunger due to zucchini."**

- **Tasks** are short-term "to-dos" that bring you closer to an objective: **"Ms. MacDonald will buy a new power hoe to use to plant zucchini."**

Methods and Staffing

- Follow a participant through the project
- Use the "flow chart method" to chart the project
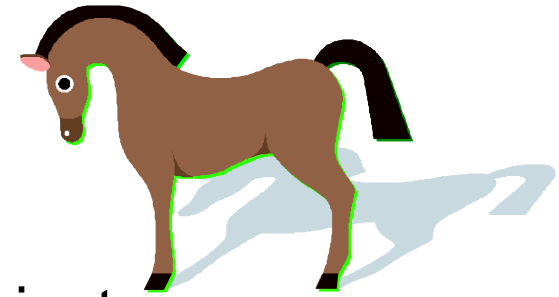
First, Old MacDonald will work with DSS to register eligible families to receive the zucchini. Second, the Farm will take its neigh-neighs here, there and everywhere to deliver zucchini to the families. Third, a baaa-baaa will be here and there to eat any dropped zucchinis so that they don't rot in the street.

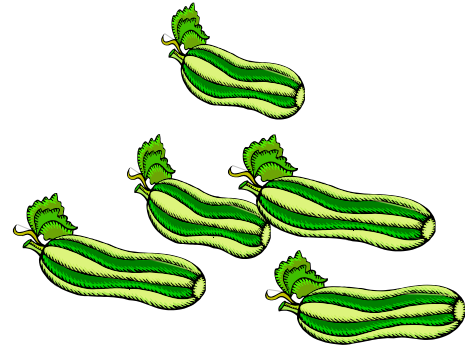# Personnel and Collaborations

- List key personnel and collaborators.

- Briefly describe their experience and roles.

"**Sadie MacDonald has a Masters in Biotech from MIT. She will use her experience cloning a quack-quack here with a moo-moo there to mate the zucchinis with fast-growing spaghetti squash from Indianapolis. This will produce the zoom-zoom-zoom-zucchini for the project. MIT is donating $5,000 toward the power hoe.**"

Evaluation

- Is the outcome measurable?

- Who will measure?

- What is used to measure and track this?

- When? How often?

- What will be measured? **Measure the reduction in hunger, don't just count zucchinis.**

Sustainability

- If applicable, how will the project continue to exist and produce a benefit after the requested funding expires?

"Once in full bloom, the space-age zucchini shoots seeds for several yards, spreading the zucchini throughout the farm's fields. Our endowment, started last year with a generous donation from Old MacDonald's State Farm Insurance, will cover the annual $2,000 watering costs for the project."

Budget

- One page
- Income = expenses
- Include all costs, including in-kind income, and "overhead" that can be allocated to projects.
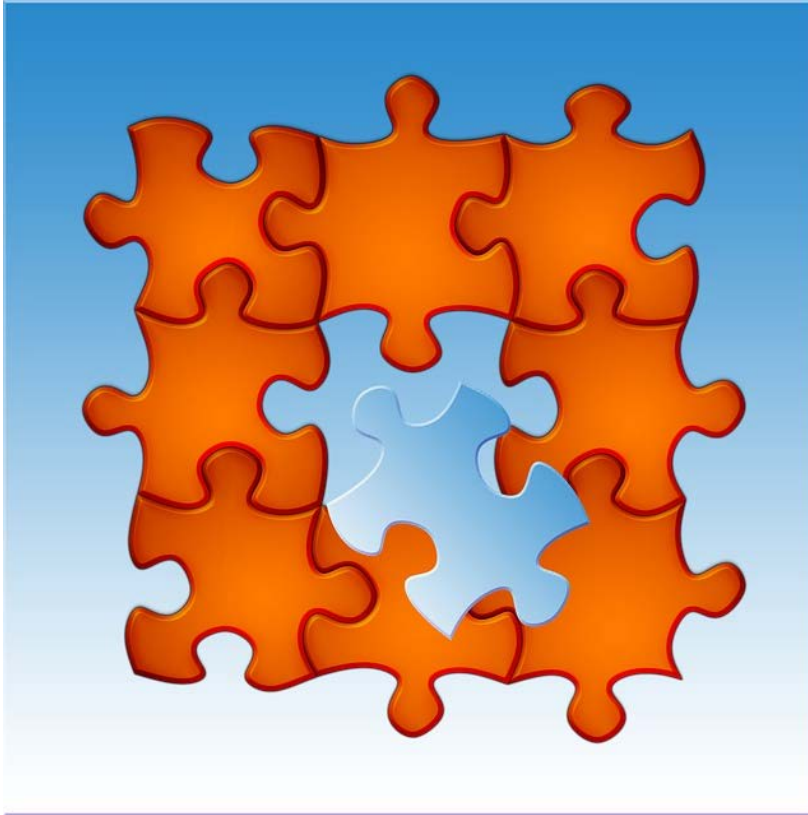
What Next?

- Have leadership approve the content.
- Fundraise without leadership having to approve content of asks.
- Use your case as a template for proposals and for more stimulating donor pieces.
- Have your fundraisers study the case.

What Works and What Doesn't Work?

- ✓ Linkage

- ✓ Interest

- ✓ Ability

High LIA = Works
Low LIA = Not Work

Listen and learn to cultivate relationships = works.
Tell donors information and create transactions = not work.

What Works and What Doesn't Work?

- Board
- Major Current Donors
- Current Donors
- Event Sponsors
- Former Board Members
- Former Donors
- People With Similar Interests
- Organization's Social Media Followers
- Bill Gates and Warren Buffett

Love You!

Myeh!

Prioritize time on those who love you the most = works.
Constantly look on the outer edges = not work.

What Works and What Doesn't Work?

Segment Your Donors for the Right Asks

- Major Givers
- Recurring Givers
- Loyal Givers

Know your donor, nurture your donor = works.
Don't know who gives = not work.

What Works and What Doesn't Work?

- Set goals rooted in data.
- Determine what you should be doing to accomplish your goals.

Define your path for success = works.
Randomly "sticking" numbers on paper = not work.

In Closing . . .

- Reflect on the national data and filter it for your organization.
- Expect success by thriving on a process of investing in relationships.
- Be definitive on what drives your fundraising efforts.

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Thank You!

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