



FUND RAISING BASICS



PHILANTHROPY

(Greek philein, to love +anthropos, man) A desire to help mankind.



ELEPHANT IN THE ROOM



“The problem is not that there are problems. The problem is expecting otherwise and thinking that having problems is a problem.”

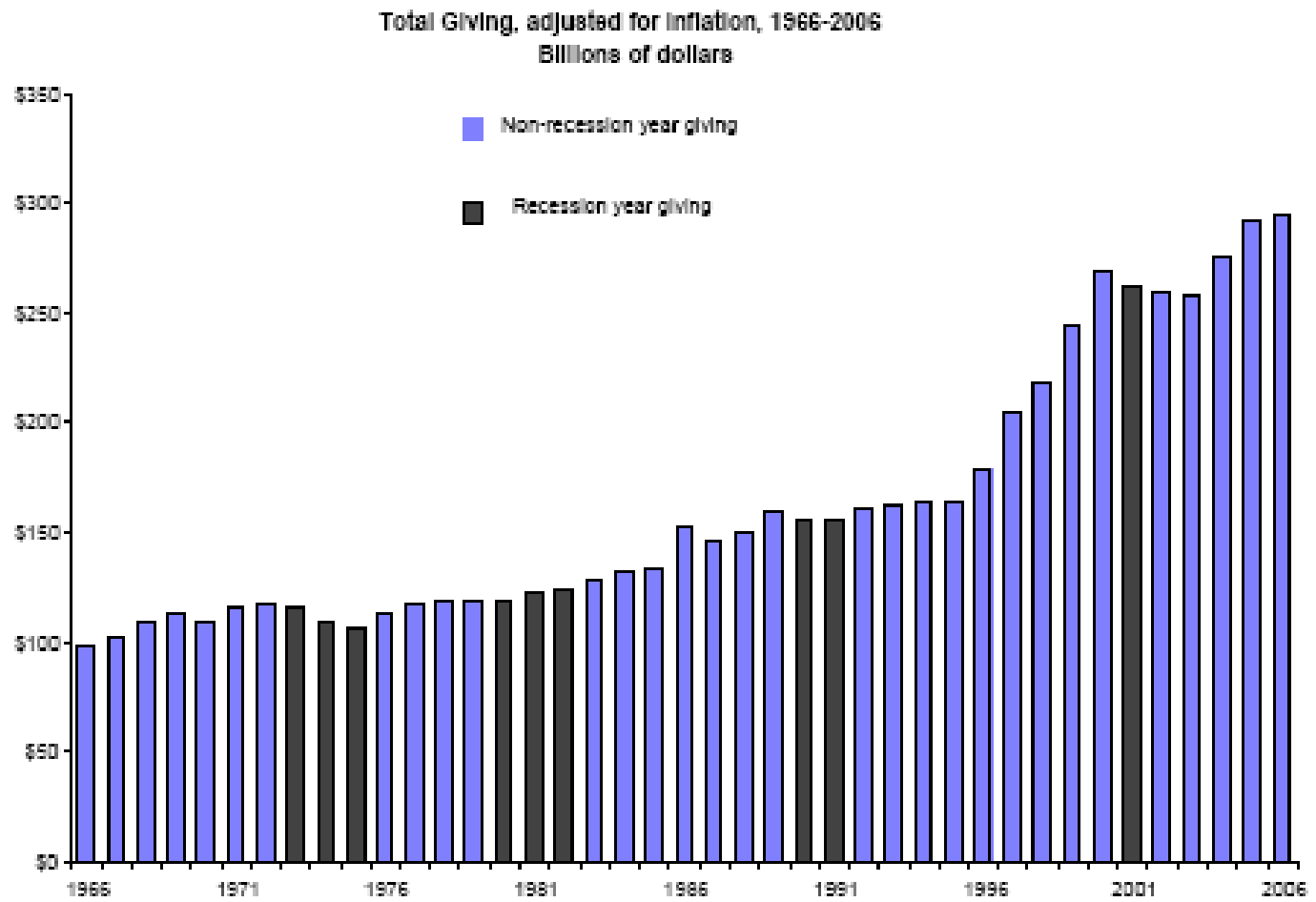
Theodore Rubin

**RECESSIONS
DEPRESSIONS
DOWNTURNS
OH MY!**

- Panic of 1797 3 Years
- Depression of 1807 7 Years
- Panic of 1819 5 Years
- Panic of 1837 6 Years
- Panic of 1857 3 Years
- Panic of 1873 6 Years
- Long Depression (1873-1896) 23 Years
- Panic of 1993 3 Years
- Panic of 1907 1 Year
- Post-World War I Recession 3 Years

- Great Depression 10 Years
- Recession of 1953 1 Year
- Recession of 1957 1 Year
- Recession of 1960-1 1 Year
- 1973 Oil Crisis 2 Years
- 1975 Stock Market Crash 1 Year
- Early 1980s Recession 2 Years
- Early 1990s Recession 1 Year
- Early 2000s Recession 6 months
- 2007 Recession ?

Figure 1





WHY DO YOU WANT TO RAISE
MONEY?

WHAT DO YOU WANT TO
ACCOMPLISH? --*REALLY*

QUESTION: Do you just want to make the match?

- Or – do you want to provide 3 to 4 childcare scholarships per year?
- Or – do you want to give preschool children a jumpstart academically?
- Or – do you want to break the cycle of poverty, high school dropout, teen pregnancy?
- Or – do you want to turn Medicaid families into productive, tax paying families?

- But we have never done any fund raising and there are no wealthy people in our communities.
- We don't know rich people.
- What if we are turned down?

SUCCESS OR FAILURE
IT'S ALL RELATIVE

- Vince Lombardi--Has little knowledge about the game of football
- Walt Disney--No creative ideas—fired from his first job as a newspaper cartoonist
- Edison--Too stupid to stay in public school
- Beethoven--No ability to compose
- Einstein--Pulled out of school by his mother
- Fred Smith--Received a grade of “C” in his Harvard economics course for a very bad idea proposed in his paper. The idea became Federal Express

- Sidney Poitier--Kicked off stage during his first audition at the American Negro Theater because he could neither read nor act
- Enrico Caruso--No voice at all
- Katherine Close--2006 US Spelling Bee champion at age 13. Fifth time she had competed for the title
- African Proverb “A good cook has many broken pots”
- Noah’s Ark was built by amateurs-the Titanic was built by professionals

Let me tell you a little story about
Miss Oseola McCarty of
Hattisburg Mississippi

BEFORE YOU ASK FOR THE
FIRST DOLLAR YOU MUST
HAVE:

➤ Mission

➤ Vision

➤ Plan

ASK THESE QUESTIONS:

- Are you a successful nonprofit?
- Do you have a strong board?
- Do you have a strategic plan that is working?
- Do you have a business plan?
- Can you undertake an organizational audit—
and I don't mean just money!



FROM WHERE DOES THE
MONEY COME?

SOURCES OF FUNDING

- Corporate
- Grants
- Individuals
- Earned Income
- Planned Gifts

A LITTLE TEST

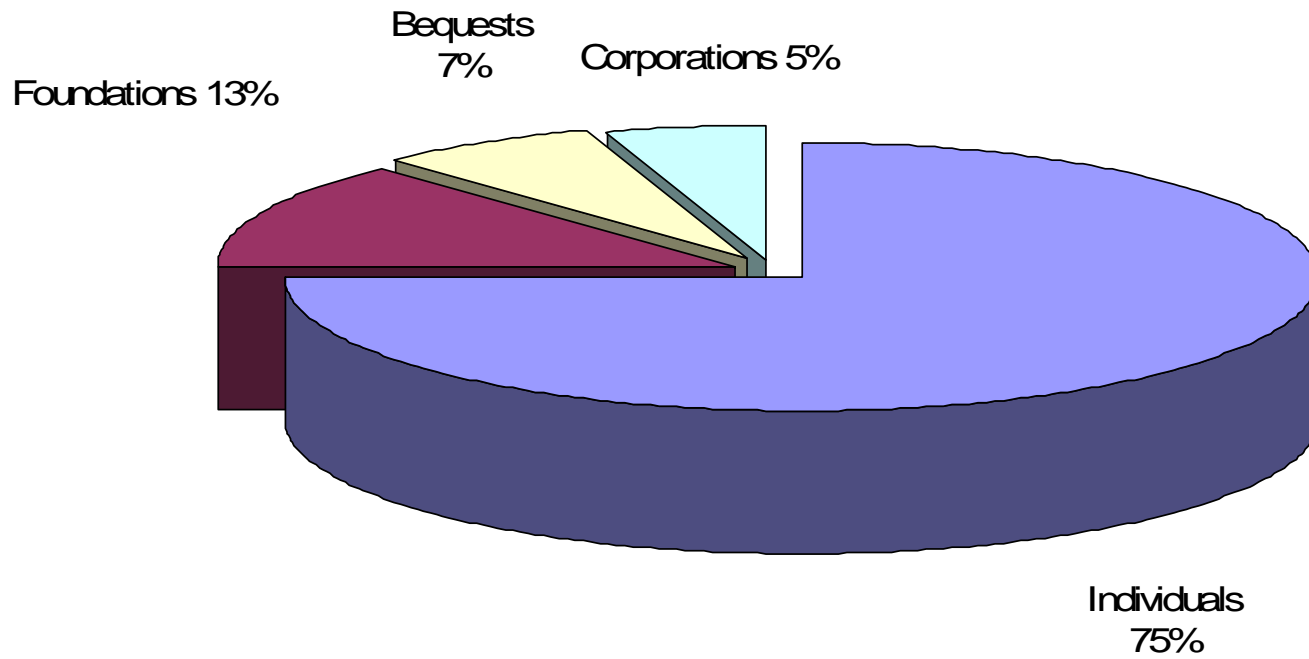
- Corporate
- Grants
- Individuals
- Earned Income
- Planned Gifts

A LITTLE TEST

Answers

- Corporate 5%
- Grants 10%
- Individuals 85%
- Earned Income ?
- Planned Gifts ?

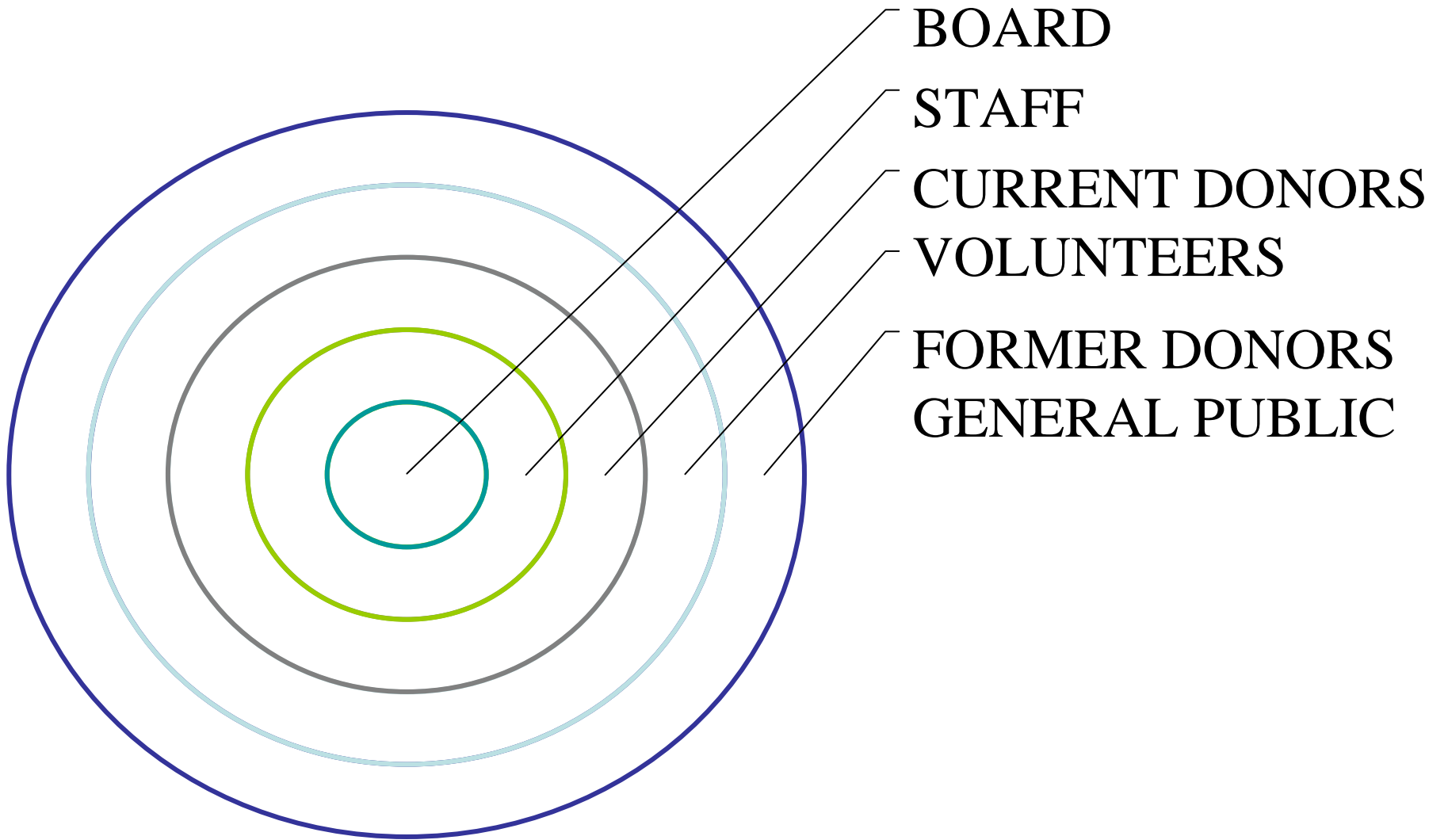
GIVING TO CHARITIES IN 2008



FROM WHERE SHOULD YOUR
FUNDING COME?

BETTER QUESTION

WHERE SHOULD YOU BE
SPENDING YOUR
TIME/MONEY/ENERGY?



A Donor Bill of Rights

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I.

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II.

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgement in its stewardship responsibilities.

III.

To have access to the organization's most recent financial statements.

IV.

To be assured their gifts will be used for the purposes for which they were given.

V.

To receive appropriate acknowledgement and recognition.

VI.

To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII.

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII.

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX.

To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

X.

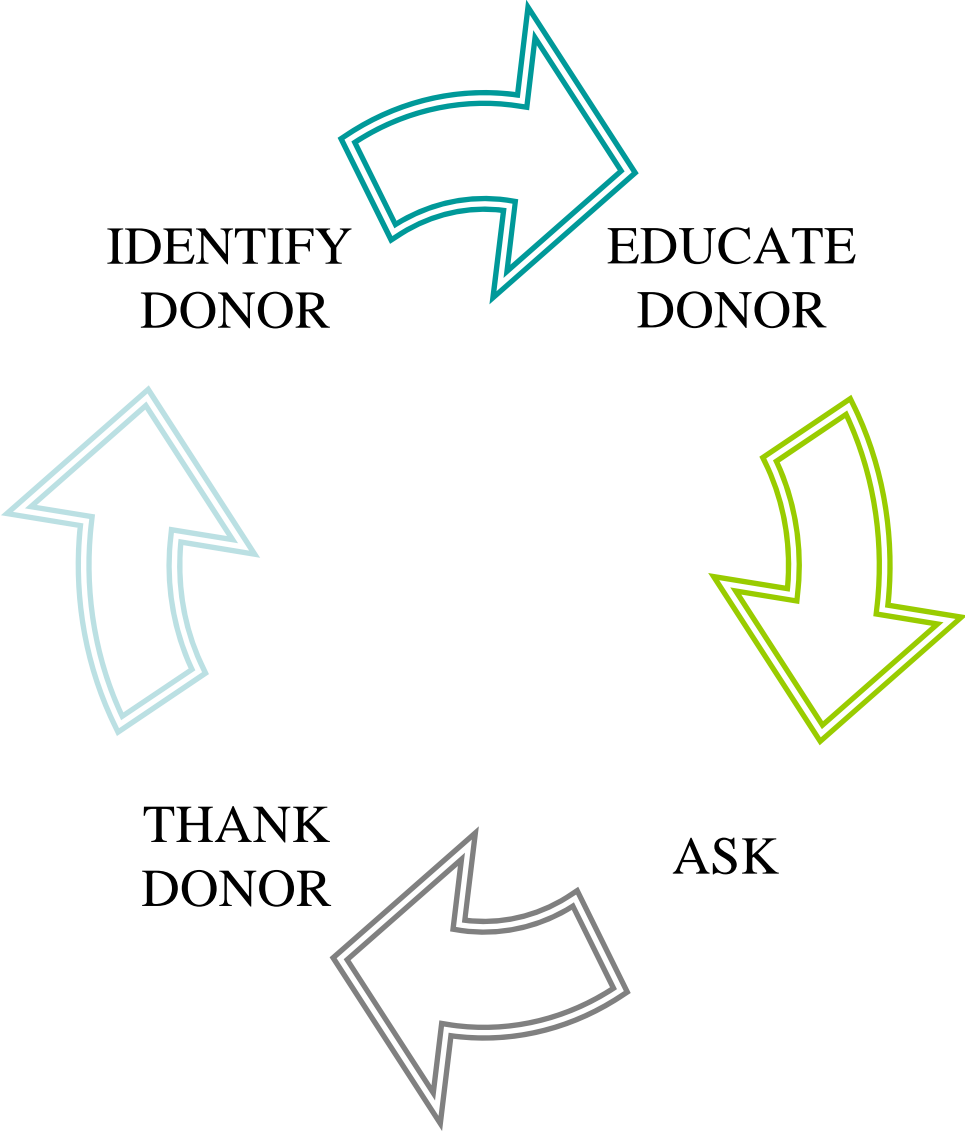
To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY
AMERICAN ASSOCIATION OF FUND RAISING COUNSEL (AAFRC)
ASSOCIATION FOR HEALTHCARE PHILANTHROPY (AHP)
COUNCIL FOR ADVANCEMENT AND SUPPORT OF EDUCATION (CASE)
ASSOCIATION OF FUNDRAISING PROFESSIONALS (AFP)

ENDORSED BY
(IN FORMATION)
INDEPENDENT SECTOR
NATIONAL CATHOLIC DEVELOPMENT CONFERENCE (NCDC)
NATIONAL COMMITTEE ON PLANNED GIVING (NCPS)
COUNCIL FOR RESOURCE DEVELOPMENT (CRD)
UNITED WAY OF AMERICA

Please help us distribute this widely.

DONOR CULTIVATION



Gift Grid

Gift Range	# of Gifts Req	# of Prospects	Subtotal	Cum Total	Cum%	Date Pledged	Date Rec'd
75,000.00	1	4	75,000.00	75,000.00	10.00%		
50,000.00	2	6	100,000.00	175,000.00	23.33%		
35,000.00	3	8	105,000.00	280,000.00	37.33%		
25,000.00	4	9	100,000.00	380,000.00	50.67%		
20,000.00	5	12	100,000.00	480,000.00	64.00%		
15,000.00	6	15	90,000.00	570,000.00	76.00%		
10,000.00	8	30	80,000.00	650,000.00	86.67%		
5,000.00	9	35	45,000.00	695,000.00	92.67%		
2,500.00	11	40	27,500.00	722,500.00	96.33%		
1,000.00	14	50	14,000.00	736,500.00	98.20%		
500.00	17	75	8,500.00	745,000.00	99.33%		
250.00	20	100	5,000.00	750,000.00	100.00%		
	100	384	750,000.00				

What You Will Need to Raise Your Match

Gift Range	# of Gifts Req	# of Prospects	Subtotal	Cum Total	Cum%	Date Pledged	Date Rec'd
400.00	1	2	400.00	400.00	10.00%		
300.00	3	6	900.00	1,300.00	32.50%		
200.00	5	8	1,000.00	2,300.00	57.50%		
100.00	8	12	800.00	3,100.00	77.50%		
50.00	9	12	450.00	3,550.00	88.75%		
25.00	10	15	250.00	3,800.00	95.00%		
10.00	20	30	200.00	4,000.00	100.00%		
	56	85	4,000.00				

ROLE OF THE BOARD

- Set Policies
- Board/Staff Relationship
- Financial Goals
- Personal Commitment
- Provide Information
- Participate Personally

ROLE OF STAFF

- Lead Position
- Management
- Case Statement
- Reporting
- Confidentiality

WHAT WE NEED TODAY

- Financial Goal
- Committee Members
- Sources of Income
- Names of Potential Donors

Where Do We Start?

- Board
- Volunteers
- People Who Have Benefited
- Local Businesses
- Your Vendors
- Who Else?

HERE ARE SOME IDEAS

4 Churches x \$250 per quarter = \$4000

\$25 per month x 12 months = \$300 x 15 people
= \$5500

1 Garden Club (10 members) pledges \$5 per
meeting (10 meetings per year) = \$500

1 Scout Troop (20 members) pledges 1/2 profits
from sales (cookies/popcorn/etc) = \$250

HERE ARE SOME MORE

- Ask your golf buddies to forgo one round of golf = \$200
- Ask your Sunday School Class to give \$50 per week = \$2600
- Have a barbeque at your house and charge for dinner \$50 per couple x 8 couples = \$400
(make it pot luck – they always bring something anyway)

MORE IDEAS?



*THANK YOU FOR
ALL THAT YOU DO!*



Cindy NeSmith

C.M. NeSmith Consulting, LLC

(803) 427-3779

rhcmn@aol.com