

## ***Fundraising? Fund development? What's the difference?***

From: Martha Vail, *Fundraising Basics for Preservation Organizations*, National Trust for Historic Preservation, 2009

**Fundraising** is about bringing in dollars within a given period of time. Think of “pledge drive,” “annual campaign,” and “seasonal appeal.” Galas and other special events are so time-limited that they are often just called “fundraisers.”

**Fund development** is about growing relationships, capacity, and revenue over the long term to meet the strategic goals of the organization.

Fundraising uses an ever-changing array of techniques and vehicles to solicit charitable gifts, from walk-a-thons to grant writing to online auctions. Fund development rests on a fairly static framework: diversification, sustainability, and inclusivity.

Fund development policies, practices, and planning will help you organize fundraising activities to take greatest advantage of organizational strengths—particularly program successes and human talent. *The goal of fund development is diversified, predictable, and sustainable revenue sufficient to support the ongoing work of the organization and to allow nimble response when strategic opportunities arise.*

A fund development plan has three components that together foster long-term sustainability *and* adequate, consistent, annual cash flow:

1. **Development Strategy:** Defines fundraising priorities that are aligned with and support the organization’s strategic goals and long-term vision.
2. **Infrastructure Analysis:** Assesses fundraising systems and identifies opportunities for improvement and growth.
3. **Fundraising Plan:** Describes in detail the year’s fundraising events, appeals, proposals, and campaigns.

The benefits of having a comprehensive fund-development plan are well worth the time and effort. The first plan is often the most challenging to create and implement. Perhaps for the first time, your organization will be systematically analyzing donor audiences and using this analysis to shape development strategies. You might need to dedicate precious time to developing policies and procedures, updating the database, or training your troops. And you’ll need to think hard about your past fundraising performance, so your future plans can gladly accentuate the positive and bravely eliminate the negative.

Remember, that first development plan can serve as a baseline against which future fundraising growth and effectiveness can be measured. Every annual plan draws from lessons learned in previous years, institutionalizes continuous improvement of fund-development systems and resources, and helps the organization schedule an optimal mix of fundraising activities.

## ***Raise \$5,000 in a Month, Just by Asking!***

### Step 1

Gather a group of 12 (or more!) board members, volunteers and staff together. Ask each person to dedicate one month of time and attention to raising \$5,000. These people will be known as your “Fearless Fundraising Taskforce.”

*Experience has shown that you will need to ask 4 people in order to receive one contribution. So your fearless fundraisers will be asking 204 people for money. That may sound like a lot, but it really means that each member of the taskforce will ask 17 people for money during the month—just about 4 per week.*

### Step 2

As a group, identify people who can give at each of the levels on the Gift Range Chart below. These should be people you know well, not strangers. Make sure to include yourselves!

<b>Gift Amount</b>	<b>Number of Gifts</b>	<b>Number of Prospects</b>	<b>Subtotal</b>	<b>Cumulative Total</b>
\$500	1	4	\$500	\$500
\$375	1	4	\$375	\$875
\$250	2	8	\$500	\$1,375
\$175	3	12	\$525	\$1,900
\$150	3	12	\$450	\$2,350
\$125	5	20	\$625	\$2,975
\$100	7	28	\$700	\$3675
\$75	7	28	\$525	\$4,200
\$50	10	40	\$500	\$4,700
Under \$50	12	48	\$300	\$5,000
Totals	51	204		\$5,000

*Agree that everyone on taskforce will make a gift. Doesn't matter how big. It's hard to ask people for money if you haven't given yourself.*

### Step 3

Choose a “Big Kahuna” who will ensure that gifts are properly recorded and deposited and that donors promptly receive an official thank you letter and gift receipt from your organization.

*One of the easiest ways to impress donors is to “thank before you bank”.*

Step 4

Members of the task force should now pair up as fundraising buddies. Buddies should schedule a time each week to check in on one another. Buddies will write thank you notes to each other's prospects—even when the prospect chooses not to make a gift. Of, course, each task force member should write notes to his or her own prospects as well.

*We can't thank people enough. Every time we ask for money, we're actually sharing information about our great organization and its work. Even if a prospect doesn't make a gift, we should thank them for listening.*

Step 5

Divvy up the prospect list!

*Each member of the taskforce should ask about the same number of people and for a range of gift amounts. It's not fair to expect only one or two people to make all the bigger requests.*

Step 6

Practice by asking one another for your real gifts

*Practicing your "ask" will help you get comfortable with the process. Another good thing about making your own gifts at the first meeting is that you start your month-long campaign with money in the kitty. You can tell your very first prospect that your group has already raised part of its goal!*

Step 7

Go forth and ask! Take a mutual oath to ask four prospects for money in the first week.

*The first ask is scary, but after two or three times you'll find you have a groove on. You will be an unstoppable fundraising machine.*

Step 8

Mid-month, have a brief gathering so that taskforce members can report their successes and share tips and tricks.

*The mid-point check-in is important; people tend to do what they've promised to do when they know their success will be immediately recognized by their peers.*

Step 9

Conclude your campaign with a celebration! And be sure to honor your fearless fundraisers in every way you can.

Step 10

Repeat steps 1-9 annually.

## 2009-2010 Engagement Plan



Name: \_\_\_\_\_

My places on the BGT “map”

People I know who should know BGT

Things I need to know/skills I need to develop

Ways I can support the BGT mission

What I am going to do	What I need to get it done	When I will do it	When I did it	How it went/next steps

## **My Favorite Fund Development Resources**

### **Books**

Penelope Burk, *Donor-Centered Fundraising*, Burk & Associates, 2003

Kim Klein, *Fundraising for Social Change*, Chardon Press, 2006

Ellis M.M. Robinson and Kim Klein, *The Nonprofit Membership Toolkit*, Chardon Press, 2003

Terry Schaff and Doug Schaff, *The Fundraising Planner: A Working Model for Raising the Dollars You Need*, Jossey-Bass, 1999

### **Periodicals**

*Grassroots Fundraising Journal*

*The Chronicle of Philanthropy*

*Nonprofit Times*

### **Web sites**

Grassroots Institute for Fundraising Training  
(GIFT is the publisher of Grassroots Fundraising Journal)  
[www.grassrootsfundraising.org](http://www.grassrootsfundraising.org)

Association of Fundraising Professionals  
(AFP's web site has lots of materials that are free to non-members)  
[www.afpnet.com](http://www.afpnet.com)

Free Management Library  
(An exhaustive compendium of resources useful to nonprofits)  
[www.managementhelp.org](http://www.managementhelp.org)

Internal Revenue Service  
(Be sure to check out the "Charities & Nonprofits" section of the IRS web site)  
[www.irs.gov](http://www.irs.gov)