



Nonprofits:
We're Here to
Help YOU



Fundraising Basics: *It's not about the money – OK, maybe a little*

TUESDAY, MAY 17TH, 12PM | FACILITATOR: BONNIE OSINSKI

Jewish Community Council of Greater Coney Island's NonProfit HelpDesk

We focus on small and emerging nonprofits, offering

- Workshops
- Training
- Consulting

2,500 organizations have worked with us, benefiting from support in:

- financial management
- fundraising
- governance
- human resources
- management and operations
- marketing and social media
- strategic planning
- technology



FUNDRAISING BASICS

A Trip Around the World of Fundraising

YOUR GREATEST FUNDRAISING CHALLENGE?



IT'S NOT ALL ABOUT THE MONEY

FOLLOW YOUR PASSION

- Don't start with the money
- Money is the means to an end
- All money is not the same
- Is it taking you where you want to go?
- Is it more trouble than it's worth?
 - i.e. MacKenzie Scott

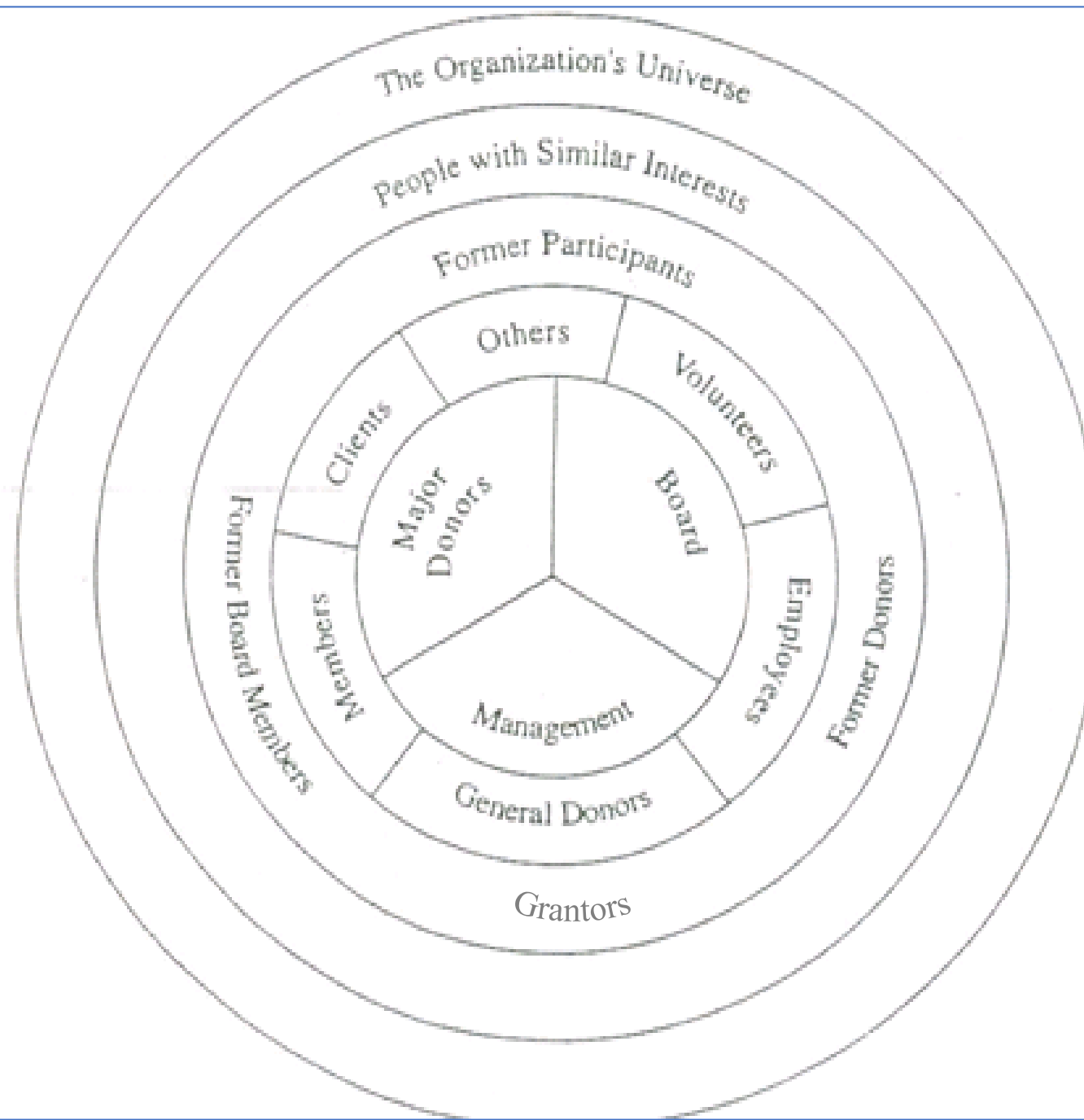


RELATIONSHIPS

MEASURES

- Becomes “we” not “they”
- Shares your mission
- Attends events, meetings
- Brings in others
- Volunteers
- Is available for advice
- Joins the board



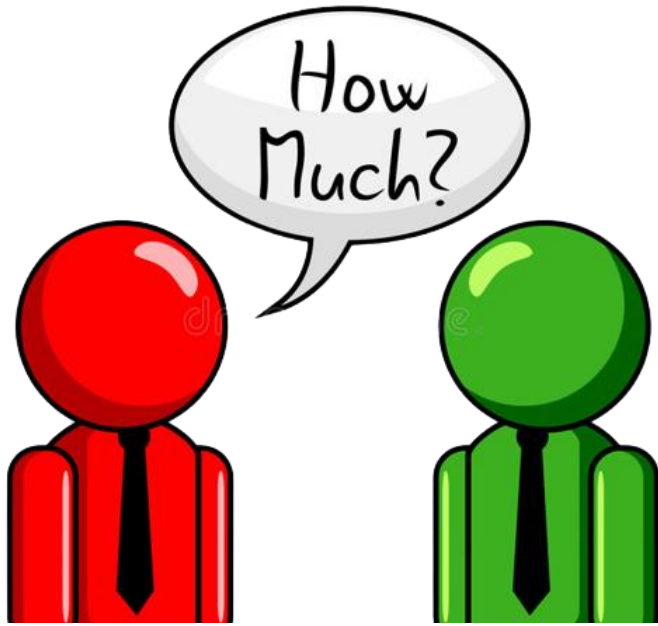


Circles of Influence

- Pull from the outer rings
- Push from the core
- The stronger the core, the more effective the organization
- Successful fundraising strengthens the core
- The further away from the core, the more expensive it is to raise funds



HOW MUCH WILL IT COST?



- You need to spend money to raise money
- Fund raising costs are incurred before you see the money, sometimes a long way before
- Most difficult at the beginning, when you are building infrastructure
- Realistic expectations are important - what can we do with what we have?
- OK to break even at the beginning – everything you try is a test – what did we learn?

THE ROLE OF THE BOARD

- More than just fundraising
- Fundraising support is more than just giving or asking for money
 - Thanking donors
 - Inviting them to visit
 - Inviting them to small events at their homes
 - Participating in a foundation or corporate visit
 - Connecting with friends or other contacts – the staff or another board member takes if from there
 - Overseeing long term relationships with specific donors



INDIVIDUAL DONORS

- Source of more than 80% of all U.S. philanthropic funds
- In aggregate, the most reliable source of ongoing, unrestricted support
- Long-term strength and survival
- Investors; advocates for your cause – your power base
- Social media and email present cost-effective options for finding general donors
- Events can bring in some new donors; reinforce & cultivate others
- Major donors often start as general donors
- Encourage monthly giving in your communications
- Down the road:
 - Only source of planned gifts; best way to build endowment
 - Even small donors can make bequests



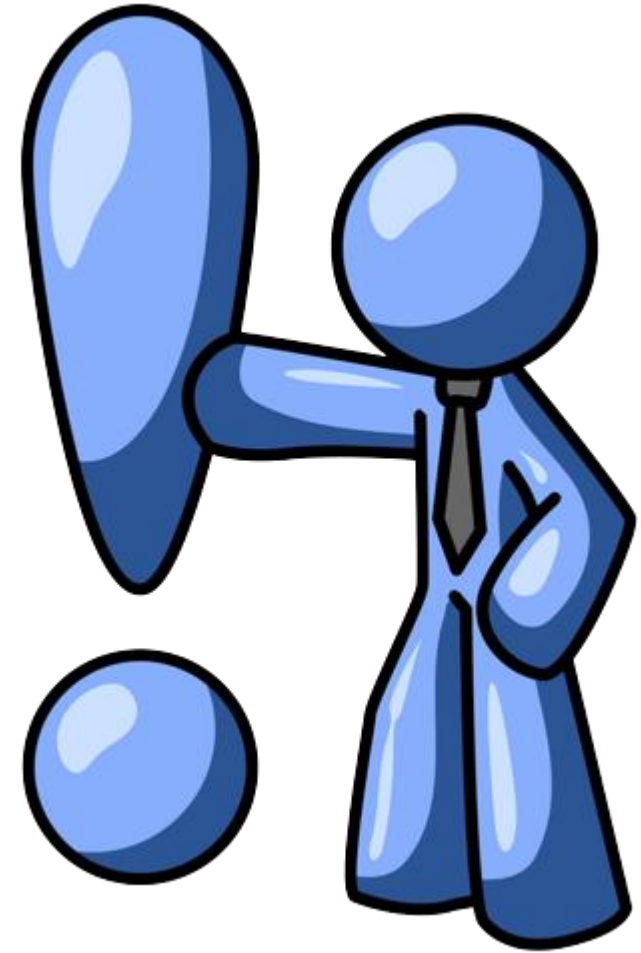
MAJOR GIFTS

- The threshold is relative to your situation
- Start by identifying donors for individual attention
- Requires time and effort to build ongoing relationships
 - Keep track of all contacts and gifts
- Donor becomes a significant part of the organization
- Willing to bring in others
- Board involvement essential
- Building your core



MAJOR DONOR PITFALLS

- Opens the organization to new levels of scrutiny
- Large donors can make demands on the organization
- Dependence on a single or small numbers of individuals



Local Businesses

- Ties to the community and visibility are key
- Source of financial, in-kind, sponsorship, matching and volunteer support
- Community support can be a reliable, long- lasting source of support.
- Excellent source of board members
 - The big guys
- Process can be very similar to foundation grantsmanship
- The more contacts, the better –board networks important
- Multiple entry points and interests possible within the same corporation
- Often short-term funding



Big CORPORATION PITFALLS

- Renting your good name
- Seeking connections with your constituency
- Developing joint marketing and sponsorships can involve complex negotiations
- Corporate scandals



FUNDRAISING EVENTS

- Can be good for building visibility and bringing in new donors
- Means for volunteer support and involvement; opportunity for donor cultivation
- The keys are sponsorships – corporate and individual – not selling tickets
- Can get board members and other supporters involved and connected
- Creative and fun
- Connect to your organization and work – even the choice of honorees
- Go digital – event web page, live streaming, videos
- Consultants well worth it for large events; free staff to focus on donor cultivation and solicitation

IT'S ALL ABOUT PEOPLE

EVENT PITFALLS

- Costly form of fundraising; staff time required is often underestimated
- Determine level of support from board members and current supporters- before starting
- Donors can become loyal to the event rather than the organization
- Long, boring presentations

Upcoming Events:



PRIVATE FOUNDATIONS

- Will ask for list of board members and other support
 - Essential resource: Foundation Directory Online
- Each foundation has its own interests – match their interests with yours
 - Not meant to be an ongoing source of support
 - Best for leverage to begin or test new activities
 - General support / Capacity building ?
 - Contacts?
 - Apply anyway if you meet their guidelines
 - Do not accept unsolicited applications

FOUNDATION PITFALLS

- Danger of mission creep as an organization seeks to match funders interests
- Multiple sources with multiple requirements = management nightmare
- Mostly restricted project grants
- Time limited – don't hire staff
- Interested in board support and other funding sources
- Usually will cap the amount to a portion of total budget



SOURCE - GOVERNMENT

- Mostly contracts – they tell you what they want
- The process of applying, managing, and reporting is expensive
- Local government grants could work for smaller organizations
- Usually low autonomy, but reliable
- Does not strengthen the core for other support -



THE ASK

- A real major donor prospect
- A shared passion for your mission
- General donor
- Built relationship over time – maybe a long time
- Knows the organization well
- Solid indications of strong interest and connection
- Not completely unaware that THE ASK is coming

YOU ARE NOT BEGGING



THE ASK

- Mission – the best place to start
- Don't ask for money the first time you meet
- Pushing too hard, too soon can jeopardize the relationship
- Put your core to work
- First gift may be smaller than expected
- Go back to building the relationship





THE ASK

How does it happen?



1. Hello and chat – grateful for your continuing support
2. Brief highlights of your recent activities
3. Your plan for the event, the goal, what you will do with the money
4. Benefits to the donor
5. “Would you consider a gift of \$\$\$\$?”



NOT ONE WORD AFTER YOU HAVE MADE A SPECIFIC ASK

THE ASK – THEN WHAT?

The donor must be the first to speak

Wow, that's a lot of money – Would you consider another amount? We would love to have you participate in some way

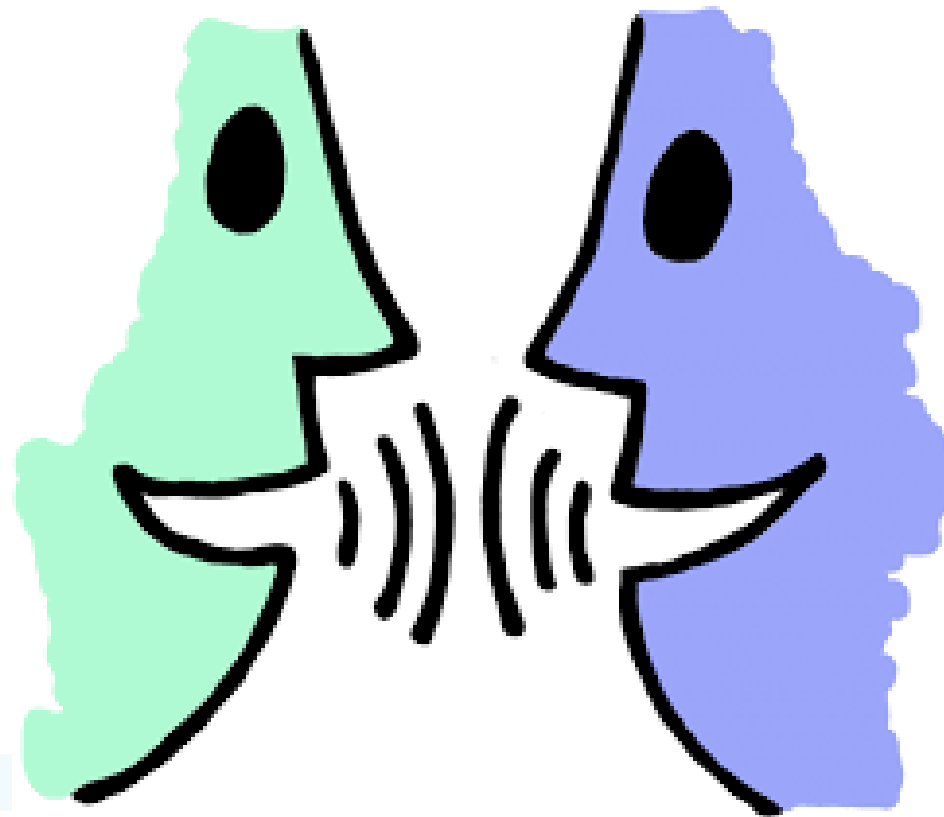
I have to talk to my spouse, significant other, accountant – We want you to be comfortable with your participation. Can we set a time to talk again?

I just can't do it at this time – Is there any way we could make it easier for you to participate in some way? Is the amount too high? – would you participate at another level?

I've already given this year – We are approaching you again because we can offer additional benefits – We wanted to offer you the opportunity to participate

ROLE PLAY

Questions and reactions



WHERE DO I GO FROM HERE?

The most important thing I learned?

What is the next thing I will do?

