



# Fund Development

## Learning Collaborative

**Presented by:** Rachael McDavid, M.A.

**January 31, 2024**



# Indigenous Land Acknowledgement

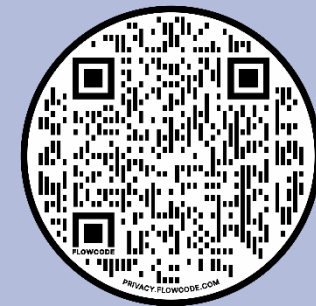
- We respectfully acknowledge that we live and work in territories where indigenous nations and tribal groups are traditional stewards of the land. Our California office resides in Tongva territory.
- Please join us in supporting efforts to affirm tribal sovereignty across what is now known as California and in displaying respect, honor, and gratitude for all indigenous people.

## Whose land are you on?

Option 1: Text your ZIP code to 1-907-312-5085

Option 2: Enter your location at <https://native-land.ca>

Option 3: Access Native Land website via QR Code



# Updated Community Agreements

- Be present and be an active listener.
- One mic, one voice.
- Practice inclusivity.
- Honor pronouns and gender identity.
- Show respect (this may look different for each person).
- Allow conflicting perspectives to exist.
- Assume best intentions.
- Take space, make space.
- Share what you are comfortable sharing.
- Protect individual privacy.
- Practice self-care.
- Encourage growth of self and for others.
- Support resource sharing.





## About Me

Rachael McDavid is a senior program manager I with Advocates for Human Potential, Inc. (AHP) and a Grantee Coach with PWI/EPOC. She holds a master's degree in organization development and has over 15 years of nonprofit management experience. One of her career highlights was leading a capital campaign for a private school in Tampico, Mexico.

# Welcome!

## Learning Objectives:

- Gain an understanding of the different forms of fund development and effective practices for each.
- Identify areas of growth for your organization's fund development toward the long-term goal of peer program sustainability.





# Agenda

We will cover:

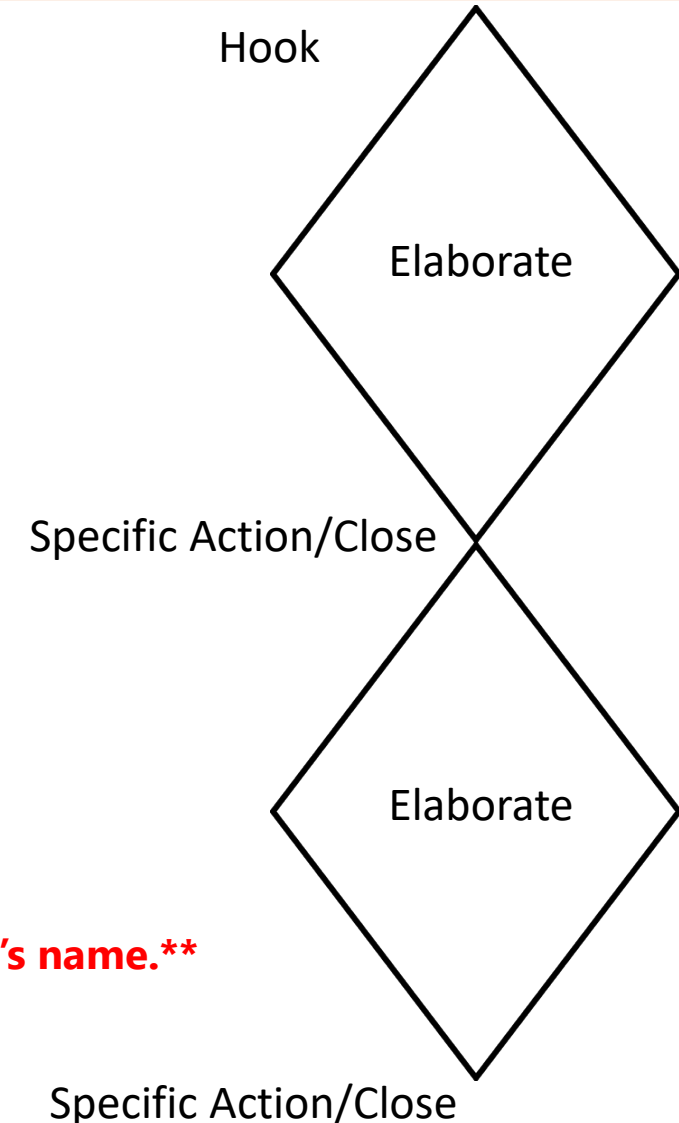
- Overview of Fund Development
- Roles and Responsibilities
- Types of Fundraising
- Knowing Your Donors—*Breakout Session*
- Fund Development SWOT—*Breakout Session*
- How to Build Components of a Fundraising Plan
- Identification of Best Fund Development Types for Your Organization—*Breakout Session*
- Introduction to Financial Management Worksheet



# Icebreaker—Breakout Session

- » Pitch your organization using the expanding and contracting format.
- » Give feedback to each other:
  - What did you like about their pitch?
  - What drew you in?
  - What could they add or change that would make you want to know more?

**\*\*For this breakout session, please select the room with your organization's name.\*\***



# Overview

Fund development:

- » Is a social science.
- » Is different from resource development (volunteerism, in-kind).
- » Ensures your ability to provide service.
- » Is a form of communication to and from your macro and micro community.
- » Should be diverse to ensure sustainability.
- » If done right, takes more time to put into place than to maintain.
- » Should prioritize program. (Don't chase the money!)

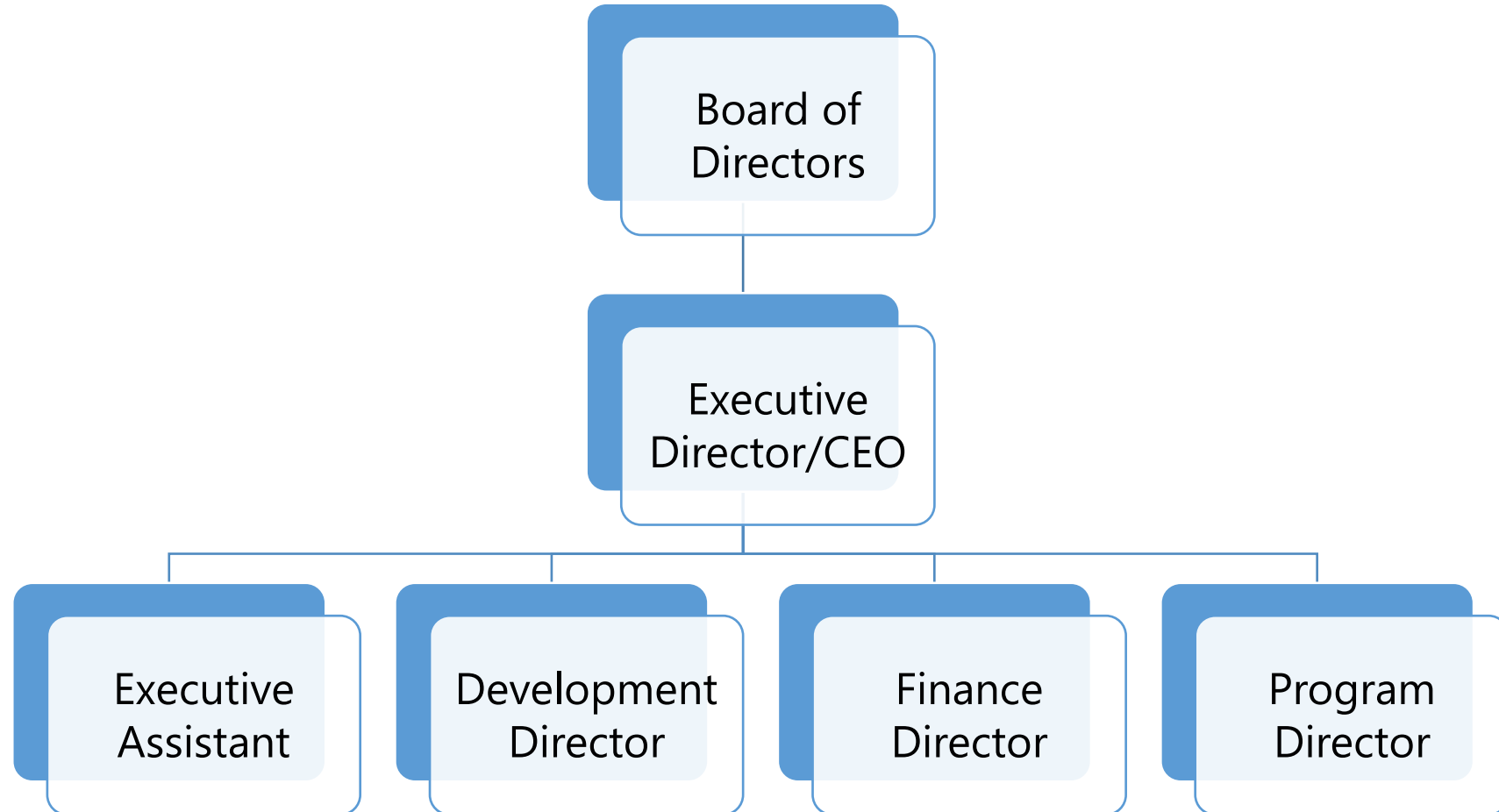
If you're not giving, asking is harder to do.

"Are the people you serve worth it?" —Mason Gizard, Sacramento Youth Center

Question: What is the biggest reason someone doesn't give?



# Roles and Responsibilities



# Roles and Responsibilities

- » Board of Directors: key players in fundraising; they are the link to the potential giving community.
- » Executive Director: ensures players fulfill their roles; may act as Development Director if that position doesn't exist.
- » Executive Assistant: responsible for scheduling, preparation of materials, and communications with donors.
- » Development Director: oversees all processes and relationship development, including follow-up on donations for tax purposes.
- » Finance Director: provides reports as needed, tracks donations.
- » Program Director/Staff: provides stories, data, and feedback on where the program can grow with further funding.

# Grants

## Benefits

- Program-specific funding opportunity
- Guaranteed funding once awarded if deliverables met
- Builds reputation

## Challenges

- Difficult to obtain for start-ups
- Likely restrictive funding
- Private foundations may be invitation only
- Time consuming with little control of outcome
- If rejected, may not be told reason

# Grants

1. Create a grant tracking sheet.

Grant Name	Funder	Program	Amount	Due Date	Contact	Status

2. Research grants.
  - a. Open invitation to apply
  - b. Location, location, location
  - c. Similar funded programs
  - d. Fit your program needs and goals
  - e. Search engines
3. Create logic model for your program.

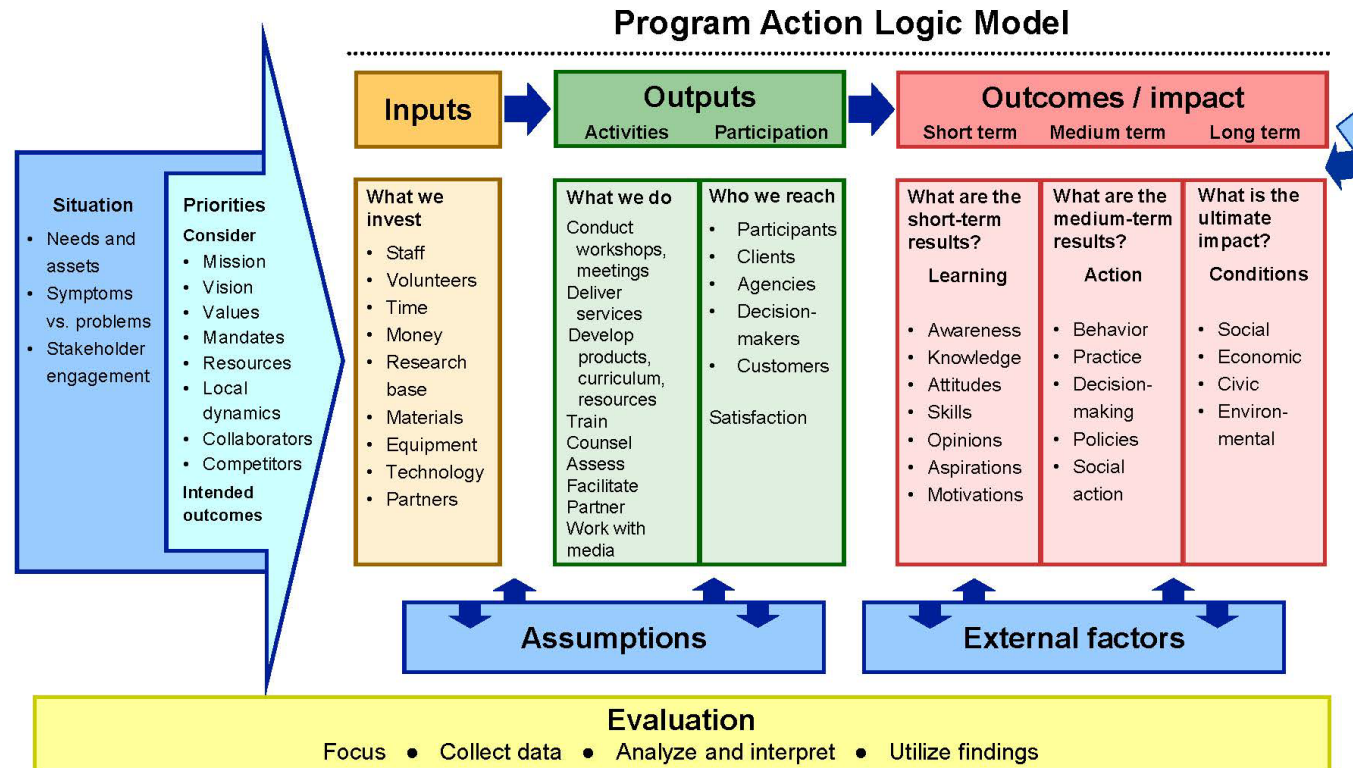
*Great intro to grant writing in Past Events: 3/13/23 "Webinar Grant Writing and Fundraising"*

# Logic Model

## PROGRAM DEVELOPMENT

PLANNING • IMPLEMENTATION • EVALUATION

[fyi.extension.wisc.edu/programdevelopment](http://fyi.extension.wisc.edu/programdevelopment)





# Donor Relations

## Benefits

- Unrestricted funding
- Relationship based, more control
- Local
- Funds admin and ops

## Challenges

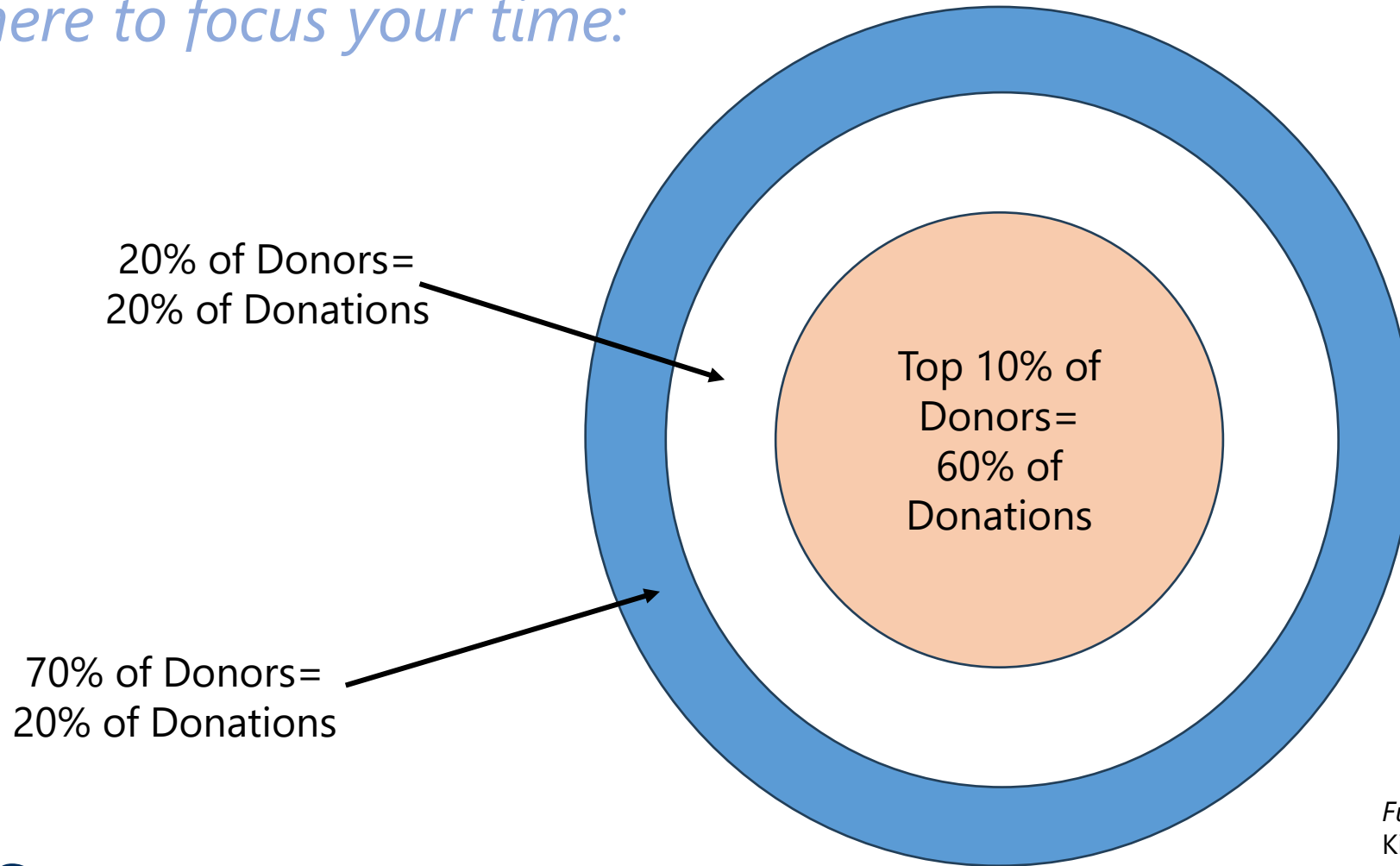
- Takes more energy at first and ongoing attention
- Relationship and reputation based
- Volatile based on environmental factors (i.e., economy)

# Donor Relations

- » Donor cultivation: identifying and bringing new donors into your organization.
  - Bring your board into this process.
  - Identify key community players who you want involved in the process or as donors.
- » Donor stewardship: maintaining and nourishing relationships with donors.
  - Create a tracking system to ensure ongoing relationship check-in.

# Donor Relations

» *Where to focus your time:*



*Fundraising for Social Change (6th Edition),  
Kim Klein, 2011*

# Corporate Donors

- » AKA “corporate partners” or “corporate sponsors”
- » Start local
- » Often have signature event/program
- » Alignment in values
- » Resource for board member
- » Marketing opportunity for business
- » Provide volunteer opportunities for employees

# Annual Campaign

## Benefits

- Builds your pool of donors
- Keeps donors involved
- Ask on a large scale
- Can be a reliable source of income based on history

## Challenges

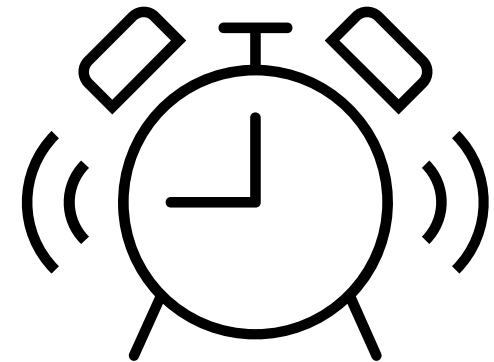
- Fluctuates based on economy
- Competing with other seasonal asks
- Very time specific, and immediate follow-up is crucial



# Annual Campaign

## » Best Practices with Timing

- Can be any time of the year, usually seasonal.
- For winter holidays, have it sent so it's received right after Thanksgiving.
- Track your donations; most will come in 4 weeks.
- Evaluate effectiveness for future mailings.



# Annual Campaign

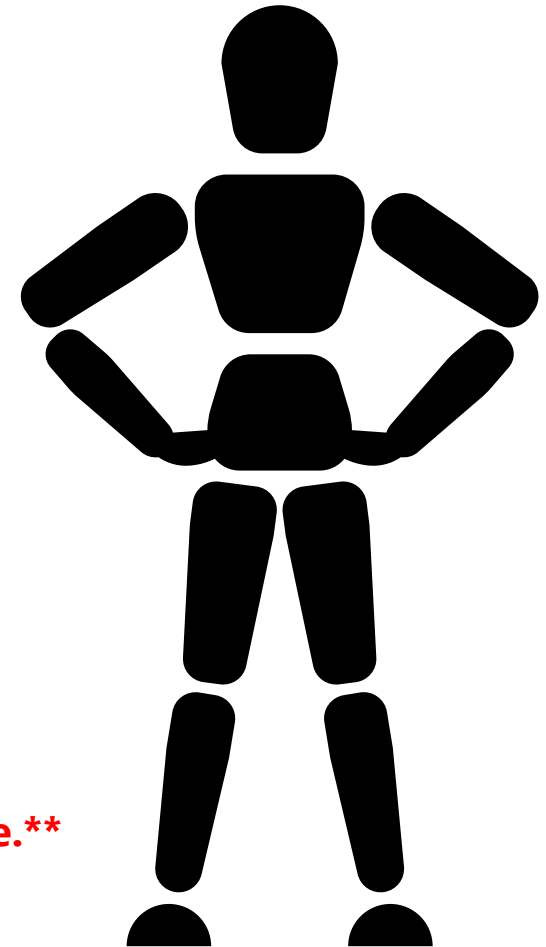
## » Best Practices for Content

- Longer is better, although they most likely won't read it.
- Pictures tell a thousand words; if possible, use color.
- Start with the problem, quickly followed with you and the donor as the solution.
- Use white space, don't be heavy on text.
- Call out with bold, strong messages: "**With your gift of \$50, \$100, \$200**, we can..."
- Avoid statements that create restrictions, such as "With your gift we will serve..."
- Be sure to personalize and recognize past donors in letters: "Thank you, Susan, for being a part of the family and giving \$\_\_\_\_\_ last year."

# Knowing Your Donors—Breakout Session

- » With your team member(s), describe a typical supporter:
  - Age
  - Employment status
  - Family status
  - Connections, past and present
  - Relationships
  - Type of giver: one time, annual, or more often
- » Explore:
  - What types of outreach do you use with current donors?
  - Is there a new target population for which you can create new outreach? What would work best for them?

**\*\*For this breakout session, please select the room with your organization's name.\*\***



# Capital Campaign

## Benefits

- A new facility means major growth for your organization
- Builds on reputation and relationships in your community
- A great visual fundraising effort

## Challenges

- Huge endeavor
- Always costs more than expected
- Requires multi-level expertise outside of staff



Photo by Rachael McDavid, 2018

# Capital Campaign

You will need:

- » Project budget
- » Project lead/contractor
- » Fund development lead
- » Separate accounting
- » Fundraising packet
- » Gift range chart
- » Future expenses in ops budget
- » Quiet phase of 30-50% commitment

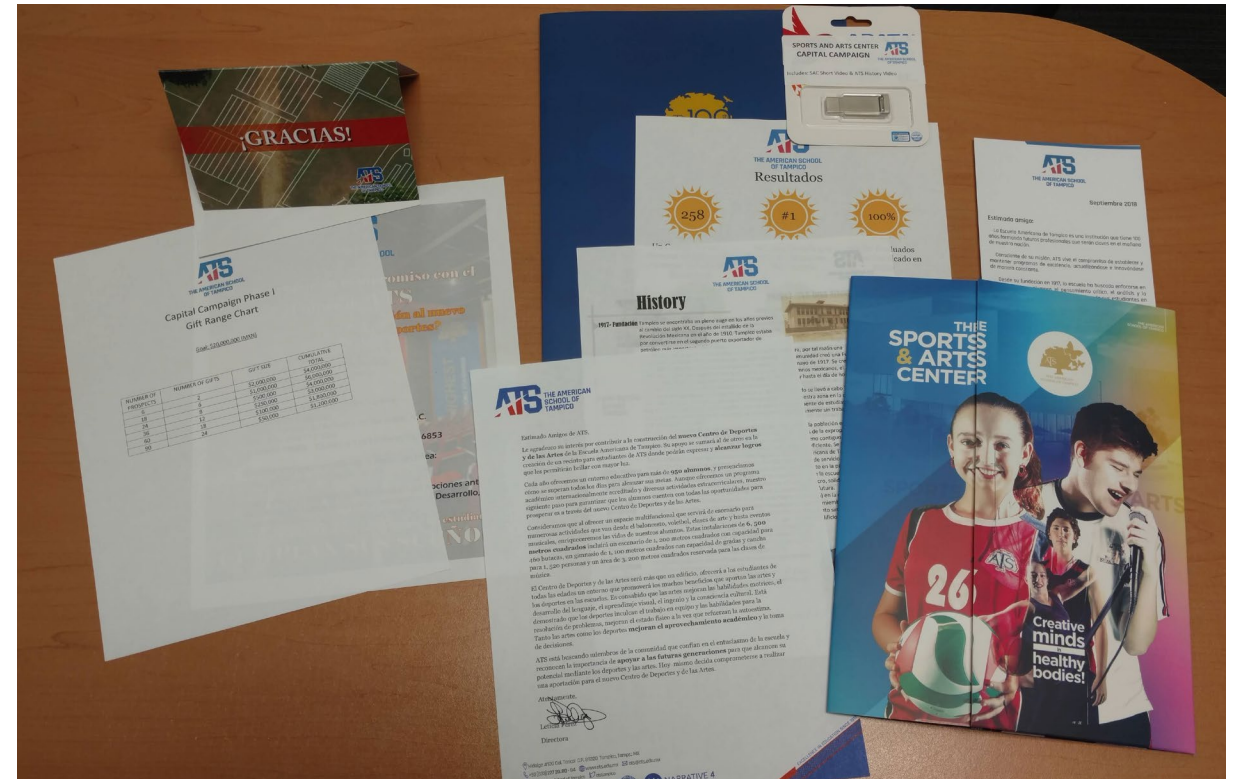
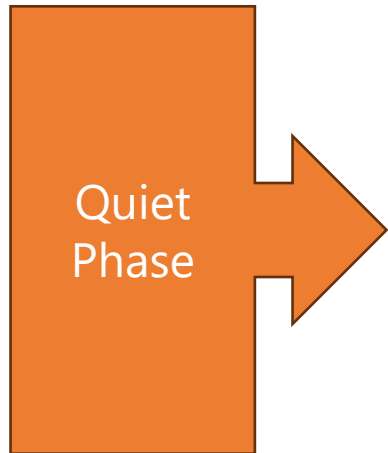


Photo by Rachael McDavid, 2018



# Capital Campaign

Goal: \$4,825,000



Number of Prospects	Number of Gifts	Gift Size	Total
4	1	\$1,000,000	\$1,000,000
8	2	\$500,000	\$1,000,000
16	4	\$250,000	\$1,000,000
32	8	\$100,000	\$800,000
40	10	\$50,000	\$500,000
48	12	\$25,000	\$300,000
80	20	\$10,000	\$200,000
100	25	\$1,000	\$25,000

# Events

## Benefits

- Gives fun and memorable experiences to donors
- Increases visibility in the community
- Allows large donors to give publicly

## Challenges

- Net income is much less than perceived
- Takes a great deal of energy and time from staff
- May only draw in one-time donors that want the fun factor



# Events

Don't forget:

- » Include staff time in budget.
- » Consider auction, live and silent, and Fund a Need.
- » Auction items can be in kind; solicit early.
- » Invite the right people.
- » Plan at least 9 months prior to event.
- » New events may not net revenue right away.
- » Include volunteers as much as possible.

# Other Forms of Fundraising

- » Crowdfunding: quick, impactful way for macro community involvement; requires advocacy and visual enticement.
- » Planned giving: incorporating a gift into one's will.
- » Endowment: putting aside funds into investment, which donors can join, allowing an annual withdrawal (typically) of 5%.
- » Employee giving: creating a program and ensuring donor recognition.
- » House parties: throwing a house party to educate and ask for contribution.

Other forms of fundraising?

# Resource Development SWOT: Breakout Session

- » Activity to identify your Strengths, Weaknesses, Opportunities, and Threats (SWOT) with fund development.

[Resource.Devel.SWOT.docx](#)

**\*\*For this breakout session, please select the room with your organization's name.\*\***



Targeted Donor Demographics



Development Calendar



Plan Management



Action Plan for Each Activity



Number of Donors Matched to Strategy



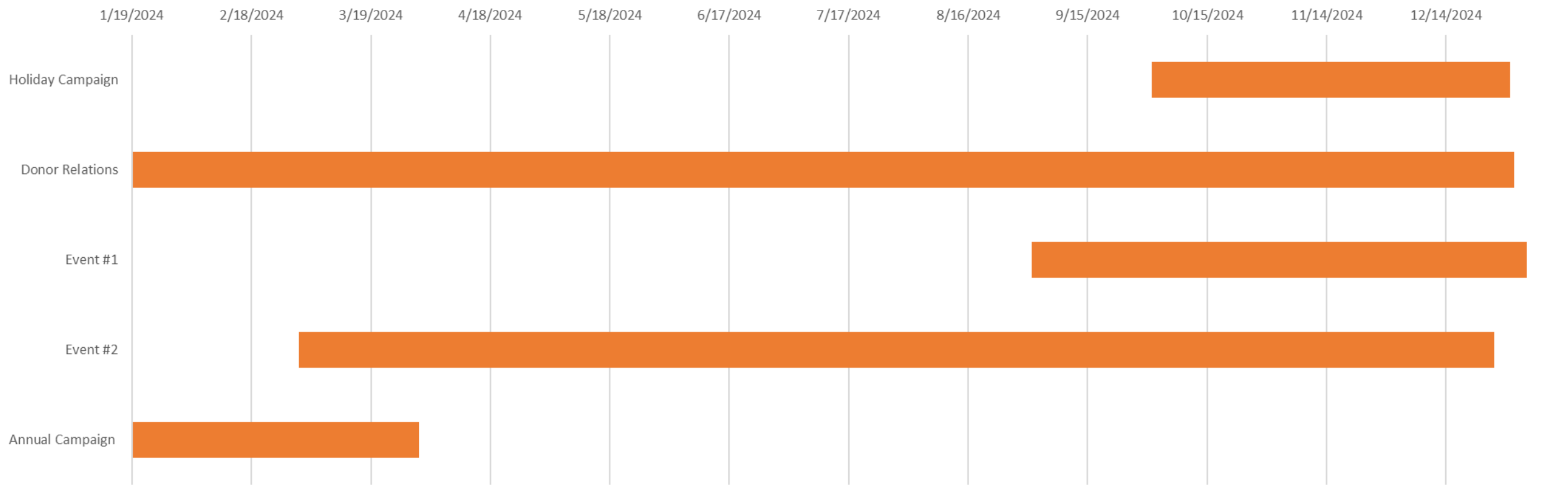
Overall Goal

# Building a Fund Development Plan

*Fundraising for Social Change (6th Edition)*, Kim Klein, 2011  
<https://www.lovetoknow.com/life/lifestyle/sample-fundraising-plan>

# Development Calendar

Fund Development Calendar





# Identifying Best Fund Development Types for Your Organization—Breakout Session

- » As a team, review your SWOT results.
- » Discuss the new ways your organization can fundraise.
- » What types are best for your donors?

**\*\*For this breakout session, please select the room with your organization's name.\*\***

# Review Objectives

Learning objectives:

- » Gain an understanding of the different types of fund development and how they are most effective.
- » Identify areas of growth for your organization's fund development toward the long-term goal of peer program sustainability.

# Resources

- [\*Fundraising for Social Change\*](#), 8th Edition, by Kim Klein and Stan Yogi (Wiley, 2022)
- [\*Let's Have Lunch Together\*](#), by Marshall Howard (Kings Road Press, 2005)

# Resources

## Fund Development Plan:

- [What Should Your Fund Development Plan Include? - Non Profit News | Nonprofit Quarterly](#)

## Grant Opportunities:

- [Find Grants for Nonprofits | Foundation Directory | Candid \(foundationcenter.org\)](#)

## General Resources:

- [Blue Avocado - Nonprofits Helping Nonprofits Succeed](#)

## Logic Model:

- [Logic Model- A Planning and Evaluation Tool](#)
- [W.K. Kellogg Foundation- Logic Model Development Guide](#)
- [CDPH Logic Model Template](#)

# Resources

## Planned Giving:

- [Planned Giving: The Beginner's Guide | Givebutter](#)
- [Nonprofit Planned Giving: A Complete Guide \(societ.com\)](#)
- [12 Strategies For Building Planned Giving Programs \(forbes.com\)](#)
- [Why You Should Add Planned Giving to Your Fundraising Strategy \(donorbox.org\)](#)

# Q&A



# Financial Management Worksheet

[View Worksheet](#)





**Please fill out the attendance form and feedback survey in the chat to meet your requirements for today's event!**



**Thank You**