Board and Staff Roles in Fundraising

Alliance for the Chesapeake Bay
January 27, 2017

Mary Ellen Olcese
Two Fundraising Absolutes

In order to raise money, someone from your organization must ask for it.

Once you receive a gift (of any size) you must thank the donor.
Today’s Session

• Basic fundraising principles and stats

• The role of Board and staff in implementing the Fundraising Plan

• Specific fundraising tasks
Fundraising Statistics

- Typically 10% of the donors give 60% of the total donations.
- An average NFP retains approximately 85% of its donors/year.
- If a donor responds to a letter with a $100 gift, a phone call may reap $300 and a face-to-face ask may result in a $1000 gift.
- The more you ask, the more you get – 3(4) to 1 ratio.
- The larger the gift, the longer it takes to get.
- 89% of US households give to charity.
Sources of Contributions

2015 Contributions:
$373.25 Billion by source of contribution

- Bequests: $31.75 B (8.5%)
- Corporate: $18.5 B (5%)
- Foundations: $58.5 B (15.5%)
- Individuals: $264.6 B (71%)

*Source: USA Giving
Fundraising is Relationship Building

“People give to people”

Successful fundraising goes hand-in-hand with building relationships with prospective donors
“People give to people”

Identify – Inform – Interest – Involve

Invest
Why People Give

- They are inherently generous
- They want to make a difference
- To share a joy or loss
- To be a part of a community or organization
- To receive peer approval and recognition
- To gain tax and financial planning benefits
- They are specifically asked
Why People Do Not Give

- They don’t see how their donation will make a difference
- They received no personalized appeal
- A past gift went unacknowledged
- Timing wasn’t right
- Org’s mission wasn’t compelling for them
- They weren’t asked
The Planning Continuum

Strategic Planning

↓

Annual Work Plan

↓

Annual Budget

↓

Annual Fundraising Plan
The Fundraising Plan

Strategies

• Goals - $, #, %
• Target Audience
• Action Steps
• Timeline
• Cost
• Responsible Person(s)
What kind of money to raise

A balance of:

restricted funds - programmatic

&

unrestricted funds - general operation
Who raises the unrestricted funds?

The members of the Board

Assisted by
• Development Committee
• Staff
• Other volunteers
• Consultant
The Development Committee (also called Fundraising or Advancement Committee)

... is responsible for ensuring the implementation of the Board-approved fundraising plan with the help of staff and all Board members

Made up of Board members and ex-officio staff
“I’ll do anything, but ask for money.”
What are the roles of the Board and staff in fundraising?

What is the “something” that each Board member can do for the fundraising effort?
Many Board members are...

- unaware of their fundraising responsibilities
- unsure how to proceed, or
- lacking in fundraising skills.
The Board’s Role in Fundraising

- Active engagement in the fundraising plan
- Leading/supporting the various strategies
- An annual financial donation
## Lead/Support Roles

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<thead>
<tr>
<th>FUNDRAISING STRATEGY</th>
<th>LEAD</th>
<th>SUPPORT</th>
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<td>Board Giving</td>
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Fundraising is broken down into four tasks

- Identification
- Cultivation
- Solicitation
- Stewardship
Finding and gathering information about potential donors

examples of how you can participate in this fundraising task
ABCs of Identifying Prospects

A – Ability to give
B – Belief in your cause
C – Connection to your org
Cultivation

The process of generating interest and involvement in potential donors – building the relationship

eamples of how you can participate in this fundraising task
The process of asking for financial support
Stewardship

Thanking and maintaining good relations with donors

examples of how you can participate in this fundraising task
All Board members engage in...

- Identification
- Cultivation
- Solicitation
- Stewardship
The Fundraising Process
(time and energy)

Other Fundraising Tasks

- Make a financial pledge/donation annually
- Offer input and approve the fundraising plan
- Donate/acquire an in-kind gift or prizes for raffles/auctions
- Participate in making calls to lapsed donors/members
- Recruit new members or give membership as a birthday/holiday gift
- Identify potential Board/committee candidates whose skills would serve the fundraising effort
Two elements – personal gift and actions

SAMPLE Board Member’s Fundraising Commitment Form

My personal gift will be $ ___________.
(Indicate payment(s) to be made – monthly, quarterly, lump sum, etc)

I will be involved in the fundraising effort in the following ways:
___________________________________________________
___________________________________________________
___________________________________________________

I, __________________, will help raise $ ___________.

Evaluate throughout the year – report at Board meetings and staff meetings

- The whole effort
- Individual strategies

Adjust the fundraising effort as needed

Dashboards – visual renderings; one for each of the major streams of income; grids, pie charts, etc
## Individuals dashboard
January 1 – February 28, 2015

<table>
<thead>
<tr>
<th>DONOR TYPE</th>
<th># 2013</th>
<th># 2014</th>
<th># 2015</th>
</tr>
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<tbody>
<tr>
<td>Major ($10k+)</td>
<td>1</td>
<td>2</td>
<td>Goal: 3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Actual: 1</td>
</tr>
<tr>
<td>Middle ($1k-$10k)</td>
<td>10</td>
<td>15</td>
<td>Goal: 20</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Actual: 5</td>
</tr>
<tr>
<td>Minor (under $1k)</td>
<td>100</td>
<td>125</td>
<td>Goal: 150</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Actual: 50</td>
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<tr>
<th></th>
<th>$$</th>
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<tr>
<td>Total raised actual</td>
<td>$$</td>
<td>$$</td>
<td>$$</td>
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<tr>
<td>Initial budgeted</td>
<td>$$</td>
<td>$$</td>
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Common Fundraising Mistakes

- Too much asking for money, not enough relationship building
- Sending Board members on “cold” asks
- Not using staff and Board strategically
- Crisis fundraising
- Lack of training/support
In summary ...

- Integrate the fundraising plan into the whole organization
- Provide the infrastructure to support the effort
- Ensure a feasible pace; a feasible work load
- Provide active roles for each Board member that build confidence and are more than just asking
- Evaluate progress on a regular basis
A nonprofit organization is hurt more by those who would have said “yes” but were never asked, than by those who were asked and said “no”.

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