

## **SAMPLE GUIDELINES FOR FUNDRAISING**

"The Complete Guide to Nonprofit Management" by Smith, Bucklin and Associates suggests:

*The most important aspect of fundraising is excellent public relations that are ensuring that your community has a strong, positive impression of your organization.*

There is a lot of information available on-line and in your local libraries regarding successful fundraising strategies. Here are a few basic tips to get you started:

- Ensure your Board of Directors is strongly involved in fundraising planning and implementation (you can always find people who have money to give, know others who have money to give, and/or who are not afraid to ask for money for an important cause about which they are passionate)!
- Develop realistic fundraising goals and make sure they align with the strategic goals identified during your strategic planning. Think about your expenses and make sure your fundraising plan can cover them.
- Identify a variety of funding sources and a variety of fundraising strategies. For instance, some sources prefer a more personal touch (call or meeting) while others prefer a more formal proposal. Sources of funding may include individuals, corporations (or local businesses), foundations. Don't underestimate the value of in-kind donations (printing, space, etc).
- Make sure your fundraising plan includes who is responsible for what solicitations and how feedback and follow-up will occur.
- Have easy-to-understand and read materials about your MRC for your prospects to read (prospects are those people/organizations from whom/which you are looking for money).
- Know your audience. Before asking an individual or organization for money, make sure you know:
  - What inspires them and what is important to them
  - What will they get in return for their contribution
  - What do they need/want to hear from you
  - How do they take in information (do they need lots of facts and figures or more anecdotes?)

Establish an organizational structure to implement the fundraising plan such as a Fundraising Committee to help leads development and implementation of the plan, and approaches donors.

### Typical Funding Sources and Advantages/Disadvantages of Each

(Credit to Ellen M. Hatfield of the Twin Cities in Minnesota)

Source	Advantages	Disadvantages
Individuals	<ul style="list-style-type: none"> <li>· Largest source of giving</li> <li>· Ongoing source one can build</li> <li>· Once a giver, also an advocate</li> <li>· Volunteers are a good source of money</li> </ul>	<ul style="list-style-type: none"> <li>· Costly to develop, small return per individual unit</li> <li>· Hard to generate unless broad-based direct service appeal</li> <li>· Risky for the inexperienced</li> <li>· Need significant assistance from the organization's board and volunteers</li> </ul>
Large-Family Foundations	<ul style="list-style-type: none"> <li>· Source of large sums of money</li> <li>· Accessible, professional staff</li> <li>· Clear guidelines, process</li> <li>· Most likely to research your request</li> <li>· Board volunteers can help, not always key</li> </ul>	<ul style="list-style-type: none"> <li>· Start-up funds only</li> <li>· Lengthy process</li> <li>· More difficult to access through personal influence</li> <li>· Proposals may be more lengthy</li> </ul>
Community Foundations	<ul style="list-style-type: none"> <li>· Much like large-family foundations</li> <li>· Staff may be sufficient</li> </ul>	<ul style="list-style-type: none"> <li>· Host of foundations within foundations</li> <li>· Most money is earmarked, special funds</li> </ul>
Small-Family Foundations	<ul style="list-style-type: none"> <li>· May fund ongoing operating expenses</li> <li>· Personal influence with board members helps</li> <li>· Guidelines often broad</li> <li>· Not very fussy about grant format</li> </ul>	<ul style="list-style-type: none"> <li>· Hard to access, no professional staff</li> <li>· Often not large sums of money</li> <li>· Without personal influence, may not be possible</li> </ul>
Large Corporations / Corporate Foundations	<ul style="list-style-type: none"> <li>· Can be source of large sums of money</li> <li>· Smaller amounts of money may be ongoing</li> <li>· Often accessible, professional staff</li> <li>· May be tied to volunteer involvement</li> <li>· Business strategy may be clear</li> <li>· Source of cause-related marketing</li> </ul>	<ul style="list-style-type: none"> <li>· Large sums of money aren't ongoing</li> <li>· Hard to get around staff</li> <li>· Must be within their guidelines</li> <li>· Not likely to contribute if not headquartered locally or have a public consumer base</li> <li>· Often want board representation</li> </ul>

Small Corporations	<ul style="list-style-type: none"> <li>· Very informal approach</li> <li>· Money may be ongoing</li> <li>· Personal connections will suffice</li> <li>· Neighborhood focus will help</li> </ul>	<ul style="list-style-type: none"> <li>· Small amounts of money</li> <li>· Narrow range of interest</li> <li>· Personal contacts are key</li> </ul>
Federated Funds (United Ways, United Arts, Combined Health Appeal)	<ul style="list-style-type: none"> <li>· Steady source of relatively large sums of money</li> <li>· Clear process</li> <li>· Professional staff, can be agency staff driven</li> </ul>	<ul style="list-style-type: none"> <li>· Generally can't be a start-up organization</li> <li>· Must be social service and fit priority focus</li> <li>· Very lengthy entry process</li> <li>· Very time consuming as must be part of yearly fund raising process, with periodic in-depth review</li> </ul>
Government	<ul style="list-style-type: none"> <li>· Large sums of money possible</li> <li>· Process is set, clear</li> <li>· Political clout helps</li> <li>· May be source of ongoing money</li> </ul>	<ul style="list-style-type: none"> <li>· Application procedures may be long, tedious</li> <li>· May only pay by unit of service, fluctuates</li> <li>· Unspent monies may be returned</li> <li>· Difficult record keeping</li> </ul>
Churches and Organizations	<ul style="list-style-type: none"> <li>· Often looking for group projects</li> </ul>	<ul style="list-style-type: none"> <li>· In-kind services most likely</li> <li>· Need to fit their service focus, neighborhood or religious outlook</li> </ul>

### Information for Smaller Nonprofits

For smaller nonprofits (e.g., with budgets under \$100,000 or so), Smith, Bucklin and Associates (in "The Complete Guide to Nonprofit Management") recommend:

- Start with internal solicitations to board members, staff and members of your organization (if you are chartered on a membership basis). This should be true of all nonprofits, large and small!
- Look to the donors who can make the largest contributions. Write them, call them and arrange a visit. Offer co-sponsorship to events.
- Next, prepare a detailed donor list and offer them a range of options.
- Then go to the smaller donations list.