



START-UP FUNDRAISING SEMINAR

Presented by
Wayne G. Richardson, CFRE

4TH EDITION

MESSAGE FROM YOUR SEMINAR PRESENTER

Dear Seminar Participant:

Welcome! My goal is to equip nonprofit leaders to fund their amazing work to make our world better.

In 2014 as part of my Certified Fund Raising Executive (CFRE) recertification, I attended a major donor 1-hour seminar in St. Louis with about 100 people. A lady sat down next to me who I learned later was the Executive Director of a small nonprofit rescue mission serving 15 female residents. This organization had mostly volunteers who worked with the residents to turn their lives around from the devastating effects of drug and alcohol addiction. As the seminar went along, I noticed from her face and body language that she was becoming increasingly distraught. By the end of the hour she was almost in tears! So I asked her, "What is the matter?" She answered in a very defeated tone, "I can't use any of this information." Although the class was well presented, it was too advanced for her rescue mission. I spent the next 30 minutes giving her some free tools that I often give nonprofit leaders who have no budget or staff for fundraising. Afterwards, she was so encouraged she said, "You should be teaching this class!" At that moment, the Lord convicted me to create this Seminar and present it nationally.

From my career in nonprofit work, I am very aware that funding directly correlates with the number of people we are able to reach and serve. Additionally, fundraising training can be costly and has not been fully developed at the undergraduate and graduate levels across academia. To compound this challenge, very little profit can be made by reaching out with information to start-ups and small nonprofits. This one day Start-Up Fundraising Seminar presents biblical and rational tools that can be implemented immediately, regardless of your organization's fundraising level.

Again, welcome and God's blessing to each of you and upon the work that you have been called to do!



Wayne G. Richardson, CFRE

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GLOSSARY

Development Terms & Definitions

I would like to thank the Lord for putting the following people in my life, for without them this Seminar would not have come to light: Gerald & Barbara Richardson; Carol Richardson; Joseph & Dorothy Torchia; Bryan, Gordon & Christopher Richardson; Colin Jones; Megan Shy; T. James Blake; & all the wonderful nonprofits over the years.

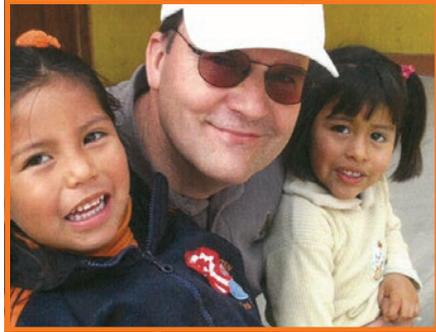
Wayne G. Richardson

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Your Seminar Presenter

WAYNE G. RICHARDSON



Certified Fund Raising Executive
(CFRE)

CEO, Gospel Center Rescue Mission
(C)(CFRE)(CRM)(E)(F)(M)(N)(P)(W)

COO & Director of Development & Programs, Faith Farm Ministries
(CRM)(E)(F)(FS)(G)(M)(N)(P)(S)(W)

Board/Advancement Chair, South Florida Bible College & Theological Seminary
(M)(N)(S)(W)(E)

Independent Fund Raising Consultant
(C)(CFRE)(CRM)(CS)(E)(F)(FS)(G)(M)(N)(P)(S)(W)

Former Vice President of Development, Billy Graham Evangelistic Association
(C)(E)(F)(FS)(M)(N)(S)

Former Vice President of Philanthropy, CBN's Operation Blessing International
(E)(F)(M)(N)(P)(S)

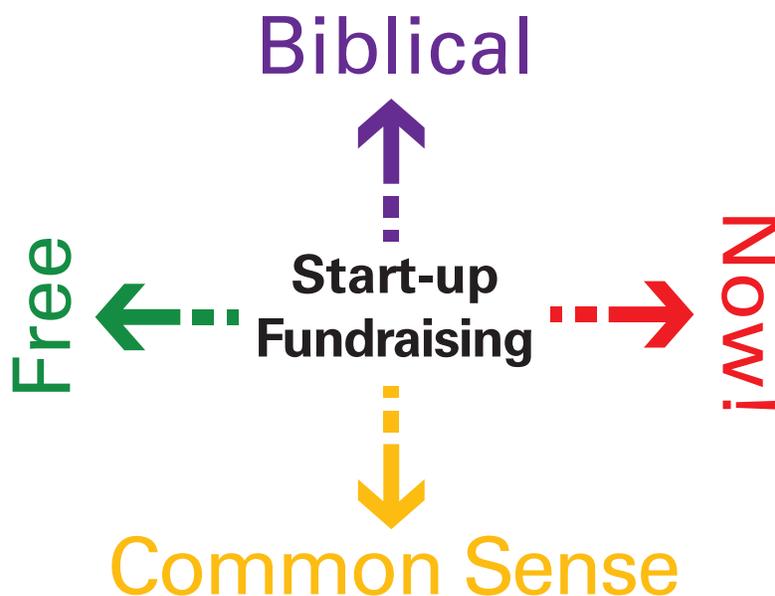
Campaign Director, The Campaign for Southeastern University
(C)(E)(F)(FS)(M)(N)(P)

Raised Millions in West Point's Bicentennial & For Us All Campaigns
(CFRE)(CRM)(CS)(S)

Life Bible Verses: John 3:16 & Isaiah 6:8

Key = Instituted: (C) First-ever Comprehensive Capital Campaign, (CFRE) Certified Fund Raising Executive Training, (CRM) Cause Related Marketing, (CS) Corporate Software Giving, (E) Employee Campaign, (F) Foundation Relations, (FS) Feasibility Study, (G) Government Grants, (M) Major Giving, (N) Comprehensive Needs Book, (P) Planned Giving, (S) Event Sponsorship, (W) Development Website

Start-up Fundraising Themes



These themes will come to light often in this Seminar.

Fine print = This Seminar has a fundraiser's bias!

- ▶ **NOTE:** Pink font words are found in Terms & Definitions in the back of the booklet.

IS YOUR MINDSET READY TO LEARN?

Jesus said, "Let the little children come to Me, and do not hinder them, for the kingdom of heaven belongs to such as these."

Mathew 19:14 (NIV)

Let us all remember to be like children and sing:

"Jesus Loves Me" 1st Verse

Jesus loves me! This I know,
For the Bible tells me so;
Little ones to Him belong,
They are weak but He is strong.
Yes, Jesus loves me!
Yes, Jesus loves me!
Yes, Jesus loves me!
The Bible tells me so.

"Jesus Loves Me" 2nd Verse

Jesus loves me! He who died,
Heaven's gate to open wide;
He will wash away my sin,
Let His little child come in.
Yes, Jesus loves me!
Yes, Jesus loves me!
Yes, Jesus loves me!
The Bible tells me so.

Original lyrics written by Anna B. Warner published in 1860 with melody and "Yes Jesus Loves Me!" lyrics added by William B. Bradbury in 1862.

Yoda from Star Wars: "You must unlearn that which you have learned."

6 Key Seminar Points For Start-up Fundraising

(Ready? Here we go!)

#1 BOARD, BOARD, BOARD!

- ▶ Start with almost anyone. A Lawyer for **501(c)3, bylaws**, Secretary-Governance & Accountant for **IRS 990s, Audited Financials**, Annual Budget, and Treasurer are ideal/ advised.
- ▶ How do organizations move forward in fundraising?
Board, Board, Board! Recruit, Recruit, Recruit! Engage, Engage, Engage!
- ▶ How do organizations move forward in fundraising? Trade-Up!
- ▶ Best Short Board Job Description = Governance, Ambassador & Fundraiser.
- ▶ **"1/3rd -1/3rd-1/3rd Board Effectiveness Rule of Thumb."**
- ▶ **NUGGET:** Board Member Removal Litmus Test = Is a Board member's value only because they make a required **quorum**?
- ▶ **NUGGET:** A Strong Board = Can your organization survive if the Founder or a strong CEO departs?
- ▶ **NUGGET:** To improve Board recruitment & retention consider meeting quarterly or every other month & use an **Executive Committee** in between meetings for key decisions.
- ▶ **NUGGET:** Beware of recruiting individuals who are already on 1 or more Boards. They will not be good Ambassadors and their time and loyalties will be split.
- ▶ **NUGGET:** The best Board candidates should already be serving and acting like Board members via their volunteer leadership so their nomination and approval are natural.

BOARD MAJOR RESPONSIBILITIES

I. Organizational Leadership, Governance & CEO Oversight

From: Numerous sources

- ▶ Recruiting of the Board of Directors, Officers, & Committees.
- ▶ Hire CEO & normally approve staff, Vice Presidents & Directors.
- ▶ Formulation & oversight of policies & procedures.
- ▶ Financial management. (Including Adoption & Oversight of the Annual Budget)
- ▶ Board Committee Service: Examples: **Executive, Board Nomination, Development**
- ▶ Review of organizational & programmatic reports.
- ▶ Enhance morale of staff by Board presence at events.*

II. Fundraising

From: Numerous sources

- ▶ **Annual Donors of Record.*** (Sets the tone annually towards fundraising goals.)
- ▶ Event sponsors or cultivates / acquires event underwriting.*
- ▶ Events: Attends / serves in leadership roles at / brings prospects to. *
- ▶ Campaign strategic planning, lead gifts, & momentum. (Ex. **Kresge Foundation**)
- ▶ Cultivates donors & opens doors for Development staff. *
- ▶ Development Board Committee service.
- ▶ Start with **"Just 1 Prospect or Lead Rule"** for Board Members.*

* From Wayne G. Richardson

5 WAYS YOUR BOARD CAN HELP RAISE MONEY

- 1. Make a significant financial gift at the beginning of the fiscal year.** This is not a call to action for board members to each make a gift of equal amounts, but rather for them to prayerfully consider making a significant gift as they would see fit through their own stewardship.
 - 2. Host at least one "vision casting" event a year at their home or place of business.** This is not an "ask" event, but rather a chance for new people to learn more about the ministry.
 - 3. Invite five friends to a vision casting event.** Vision casting events are a safe place (no asking for donations) for your board members to introduce friends to the work of your organization. These events should last about one hour and include a time of fellowship, a short presentation about mission, and an opportunity for Q&A. Keep it short and simple. The primary objective is to relationally connect with other people who are interested in your work.
 - 4. Agree to thank 10 donors a quarter via written note, phone call, or personal meeting.** It's best to use these opportunities to thank donors for their gifts and tell them exactly what will happen (outcomes) because the gift was made. Include a picture of someone served or a quote from someone who was served in the past. Make it personal and real.
 - 5. Agree to report to 10 donors a quarter the amazing things that happened because the donor gave a gift.** This is typically accomplished via written note, phone call, personal meeting, or delivery of the mission newsletter. Most organizations tell their donors "how" their mission was fulfilled. Help your organization stand above the rest by using newsletters to share outcome-based stories of people who have been served by your organization. Show them the outcome!
- *Jim Shapiro has spent 20 years serving and working in the nonprofit sector. He is co-founder of The Better Fundraising Company and founder of The EDGE Group. Contact him at jim@betterfundraisingcompany.com.*

8 BOARD-CEO RELATIONSHIP ESSENTIALS

- 1. Hiring the executive director is Job One.** This is the board's most important decision. Take your time, pray hard, and do it right. Consider seeking professional counsel. It's wonderful to make a great hire.
 - 2. One employee.** Only the CEO should directly report to the board. This best practice keeps things simple and sensible for everyone.
 - 3. Job description.** Gain board and CEO agreement on expectations, and put them into a written job description. There is nothing like clarity in building a positive working relationship.
 - 4. CEO-board relationship.** You will want to work hard at this because it is so crucial. Use board policies in delegating and clarifying responsibilities and authority. This provides a good measure of freedom. Yet methods of reporting and accountability must follow. And while you want to be professional, be sure to value relationships in both the spiritual and professional dimensions.
 - 5. Annual goals.** Agreed-upon goals are powerful. Make them part of an annual CEO work plan as a way to create focus. They should also factor into the CEO's annual performance review.
 - 6. Personal development.** You will want to provide the time and money for personal and professional development of your CEO. Growth in both heart and mind should be a board commitment to a leader.
 - 7. Annual performance review.** This is essential for the board, CEO, and organization. In whatever method you use, make sure there is an advanced understanding of expectations, a thoughtful process, and conclusions that are placed in writing. Ensure a two-day dialogue so both the CEO and board will benefit from this exercise.
 - 8. Succession plans.** Even when there are no plans for a CEO departure, have an annual discussion about what you would do and who would take over various responsibilities should the CEO unexpectedly leave. Place this information in a confidential electronic file. And be sure those left behind know where the passwords are located.
- *Dave Coleman is a board consultant and author of Board Essentials. He lives in Tacoma, Washington. Contact him at davec@boardtrekconsulting.com*

ADVISORY BOARDS

- ▶ See definition in Definitions section of this booklet.
- ▶ Have no governance authority & cannot be part of confidential information without confidentiality agreements.
- ▶ Fundraising, Strategic Planning, & Building Projects are key examples or are Board Subcommittees.
- ▶ Good recruiting ground for future Board members.
- ▶ Must be engaged, or they will leave disappointed in your organization.
- ▶ Service to your organization is **Free! Free! Free!**
- ▶ **NUGGET:** For Start-up Fundraising, no **Advisory Board** meetings. Use only when needed as independent experts.

Sample Board Application



South Florida Bible College & Theological Seminary

BOARD MEMBER APPLICATION		
APPLICANT INFORMATION		
Name:		
Date of birth:	SSN:	Phone:
Current address:		
City:	State:	ZIP Code:
eMail:	Cellular:	WebSite:
EMPLOYMENT INFORMATION		
Current employer:		
Employer address:		How long?
Phone:	E-mail:	Fax:
City:	State:	ZIP Code:
Position:	Education Level:	Annual income:
HOME CHURCH		
Name of Senior Pastor:		
Address:		Phone:
City:	State:	ZIP Code:
Position:		
SPOUSE INFORMATION IF APPLICABLE		
Name:		
Date of birth:	SSN:	Phone:
PERSONAL REFERENCES		
Name	Address	Phone
NON-PROFIT ORGANIZATIONS REFERENCES		
Name	Address	Phone

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South Florida Bible College & Theological Seminary

CHILDREN INFORMATION	
Name:	Name:
Name:	Name:
Name:	Name:
DISCLAIMER AND SIGNATURE	
I certify that my answers are true and complete to the best of my knowledge. If this application leads to appointment of a Board of Directors position with the South Florida Bible College & Theological Seminary, I understand that false or misleading information in my application or interview may result in my automatic resignation. I authorize the verification of the information provided on this form.	
Signature of applicant:	Date:

1. What religious non-profit activities have you been involved with either in your church or in the Christian community?

2. What civic, business and/or professional activities have you participated in? (Please list any offices held/awards received)

3. How do you feel you can benefit this ministry through your role as a board member?

4. What particular issue, opportunity or problem do you feel is crucial in helping this organization?

5. What role do you feel the board of directors should play in the work of this ministry?

6. What excites you about the work of this organization?

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Sample Board & Employee Campaign Letters

Date:

CEO's Name
CEO Organization's Name
Organization's Name
Address Line 1
Address Line 2

Dear CEO's Name,

As an employee for _____, I believe in the organization's mission and vision for the future. I also understand the importance of leading by example and the effect this has on establishing a philanthropic community from which the organization is seeking major support.

With respect to funding the organization's operations and the 20XX _____ Employee Campaign, I have been asked to consider an unrestricted pledge corresponding to calendar year 20XX. Accordingly, the following pledge is made: \$ _____ in 20XX.

Notes pertaining to Pledge:

I request: (Select one from the below.)

No pledge balance reminders.
 December pledge balance reminder.

Sincerely,

Signature

Printed Name

Date:

Board Member's Name
Member, Organization's Name
Organization's Name
Address Line 1
Address Line 2

Dear Member's Name,

As a Board Member for _____, I believe in the organization's mission and vision for the future. I also understand the importance of leading by example and the effect this has on establishing a philanthropic community from which the organization is seeking major support.

With respect to funding the organization's operations and the 20XX _____ Board Campaign, I have been asked to consider an unrestricted pledge corresponding to calendar year 20XX. Accordingly, the following pledge is made: \$ _____ in 20XX.

Notes pertaining to Pledge:

I request: (Select one from the below.)

No pledge balance reminders.
 December pledge balance reminder.

Sincerely,

Signature

Printed Name

#2 BUILD A BETTER MOUSE TRAP!

Four Areas of Discussion

1. What separates your organization from the competition?



Recuperative Care Program

The only program for homeless healing after a hospital discharge of its kind in the county. Pictured is Board, CEO, COO & Program Director at the Grand Opening of its new center.



Clothing Plus Program

Free clothing and household goods items to homeless, low income & disaster relief victims.



SSA/SSI Representative Payee Services

Assists clients who receive Social Security income for disability and/or mental health problems. One of two agencies in the county but the only one with a focus on the homeless.

Proprietary Examples

- ▶ Policies
- ▶ Past Grants
- ▶ Onsite Training

Giving Away Your Nonprofit's Proprietary Information for Free to Any Other Nonprofit

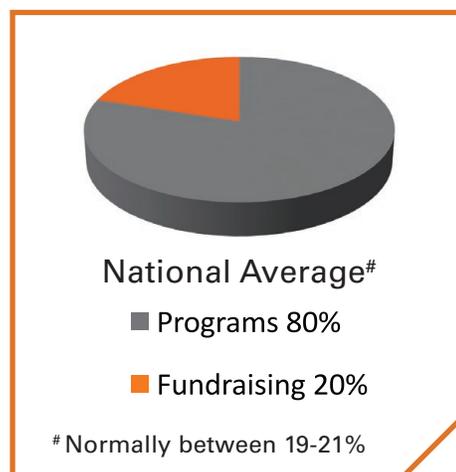
2. Similarly, what is your niche that other organizations cannot fill?

Examples Again

- ▶ Recuperative Care Program for the homeless
- ▶ Free Clothing Plus Program
- ▶ SSA/SSI Representative Payee Service Program
- ▶ Giving Away Proprietary Information

3. What is the Donor's Gift Return on Investment (ROI) to your Organization?

- ▶ **(Scarf Knitting Parable)** = Watch every penny!
- ▶ Your organization must do better!
- ▶ Key: Know when to save & spend.
- ▶ **NUGGET:** CEO & organization's salary structure should be based on ROI.



4. Market / Tell Your Story!

- ▶ Board & Employee Ambassadors
- ▶ Website & have a "Request a Speaker" tab
- ▶ Marketing Program e-blasts
- ▶ Campus & Program Tours
- ▶ Grand Opening for even small renovations & new programs
- ▶ Elevate Graduations if you have them.
- ▶ In-house Annual Reports that market your successes!
- ▶ Seek public speaking opportunities.
- ▶ Cultivate media relationships.
- ▶ **NUGGET:** Register on **GuideStar**; it's free!
- ▶ Ministry 1-2 Page Summary* (Example on page 12)

* Part of 30 Day Action Plan in Session 6

**Free
Areas!**



MINISTRY OVERVIEW



Excellence in Education

SFBC&TS Vision, Mission, and Values

Vision: Provide an affordable, quality Christian education under the Christian tenets provided by the Holy Bible.

Mission: An inter-denominational institution preparing men and women for ministry to serve Christ and His Church through Biblical thought & Christian life.

Values: Teamwork, Respect, Empowerment, Innovation, Integrity, Accountability, Excellence.

SFBC&TS Calling and History

"Study to show yourself approved to God, a workman that needs not to be ashamed, rightly dividing the Word of Truth." II Timothy 2:15

- 1985** Established by Founder and President, Dr. Joseph Guadagnino to provide an inter-denominational institution of higher learning where men and women could fulfill the call of God upon their lives.
- 1994** Approved by the American Psychology Association (APA) for to offer CE Credit for psychologists.
- 2004** Began accreditation process with the Association for Biblical Higher Education (ABHE).
- 2008** Granted "candidate" status which afforded student access to grants and federally subsidized loans.
- 2008** Licensed by the Commission for Independent Education, Florida Department of Education.
- 2011** Moved to new location – to accommodate growth.
- 2013** Granted full accreditation for both undergraduate and graduate programs.

SFBC&TS Ministry Model

- As an inter-denominational institution, we educate the student in the various evangelical doctrines and let the churches indoctrinate.
- A key distinction about our program is our commitment to affordable education. Our students can graduate debt free as they go into ministry. Many students come from at-risk populations and lives are turned around by the dedicated faculty and staff. The majority of our unique body of students come from low-income households and diverse international ethnic backgrounds (e.g. 55% African American, 11% Hispanic, 7% international).
- Whether supporters of the institution or students, SFBC&TS has a family atmosphere, and continues to engage our constituents through newsletters, advisors, or a staff member that has established a relationship with them, lasting long after graduation.
- SFBC&TS demonstrates that it can continue to accomplish its mission, goals and program objectives and improve performance through an ongoing Assessment & Planning program.
- **Degree Programs:** Bachelor of Arts in Biblical Studies, Christian Counseling, Clinical Christian Counseling, Religious Education, Pastoral Ministry and Christian Business Management. Master of Arts in Biblical Studies and a Master of Divinity. Approximately 200 students are enrolled both on campus and through distance learning.

SFBC&TS Success Indicators and Expansion Goals

Success Indicators:

- Annual enrollment growth of 45%
- Over 1,000 Alumni placed in ministry or active business.
- Affordable education, with the goal of debt-free graduation being realized by 66% of graduates.
- Fully accredited undergraduate and graduate Programs

Expansion Goals:

New programs: On line courses (Fall 2013), Additional classroom space to accommodate growth (Spring 2014), Sanctuary for Chapel (2014), Publishing Department of SFBC to publish scholarly journals and books (January

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2014), Offer free seminars for home school parents (January 2014). Continue to update the website (ongoing). Provide Institutional Scholarships for students (ongoing). Increase book and periodical acquisitions for library (ongoing).

SFBC&TS Prayer Strategy

The President and Board of Directors realize that prayer is vital in the success of any ministry. Students, faculty and staff meet three times a week for approximately 20 -30 minutes of prayer for the institution. A Faculty member facilitates the meetings and communicates the prayer needs. The President and Senior Staff members will pray for specific needs of the institution and as the Lord leads and confirms His will, new plans will be put into operation.

SFBC&TS Board of Directors

Leadership

Robert Boutwell, Chairman of The Board, Attorney; Dolores King-St. George, General Manager GraceNet Radio; Anne Sylvester, Licensed Practical Nurse; Joseph Roberts, Treasurer, Retired IRS, Owner JR Accounting and Tax Service; Tom Walker, Financial Specialist Wells Fargo, Managing Director Expressions of Joy; Marvin Wilson, Crime Scene Investigator City of Coconut Creek; Rev. Dwight Stevens, Pastor Paramount Church, Palm Beach, FL; Rev. Stephen Geiger, Pastor Gracepoint Church, Ft. Lauderdale, FL; Dr. Abraao P. de Almeida, Educator; Rev. Siliari Almeida, Pastor First Brazilian Baptist Church, Pompano Beach, FL; Josephine L. Branch, Educator; Rev. Jerry Johnson, TPC Christian Center, Hollywood, FL.

Standing Board committees: Executive Committee, Academic, Business & Finance, Development, Institutional Advancement

SFBC&TS Human Resources

An institution of higher learning is a complex organization. We currently have 12 staff members and over 30 faculty members. SFBC&TS has a five and ten year strategic plan. As we continue to grow, new staff and faculty will be hired. Job Descriptions with different requirements for each position are available.

SFBC&TS Funding Plan

Stewardship

SFBC&TS relies on charitable gifts and tuition revenue. The Board of Directors are tasked to raise 25% of the institution's budget, and give names of potential students or donors that can be contacted. They also represent the institution at various community events.

Total Income	Last FY Actual	This Year	Next Year	Following Year
	493,644	701,398	748,692	804,323

Tuition and fees collected are approximately 76% of the budget and 22% of the budget is in contributions.

SFBC&TS Ministry Results

- SFBC&TS has over 1,000 alumni serving in both Christian and secular capacities locally and around the world. Graduates include Christian counselors, military & hospital chaplains, business owners active in the community, senior and youth ministers, and missionaries to Romania, Bahamas, South America, Mexico and Finland.
- Alumni include: Rev. Irving Fryar, former football player for Philadelphia Eagles & Miami Dolphins. Honorary degrees: Gov. Jeb Bush, Lt. Gov. Frank Brogan, Senator Daniel Webster, Attorney Mat Staver, and other prominent leaders.

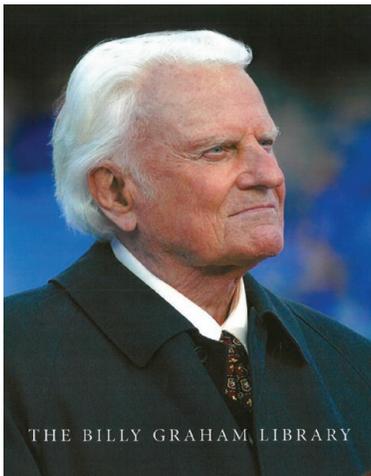
SFBC&TS Current Needs

- The Board is currently recruiting new members.
- \$35,000 for the FY 2014/15 for general operating support
- \$18,000.00 to provide three (3) institutional scholarships for the 2014-2015 school year.
- Additional classroom space & Sanctuary/auditorium
- \$10,000.00 for Publishing Department to publish scholarly journals and books beginning January 2015
- \$8,000 for web site maintenance and upgrades
- \$5,500 for the Community Seminar Series; Home School Parents, Creation, Evangelism, Church History, etc

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KEY GOAL: MAKE FUNDERS SEEK YOU OUT!

- ▶ Unsolicited Grants
- ▶ Event Sponsorships & Cause Related Marketing
- ▶ In-Kind Donations
- ▶ Donor Advised Funds
- ▶ **NUGGET:** Take a hard & honest look at your programs. You may need to reevaluate or discontinue them or re-prioritize resources for your programs to excel or find their community niche.
- ▶ **NUGGET:** Does your nonprofit have policy manuals for all its programs & key areas, & is there scheduled training?



Billy Graham Evangelistic Association

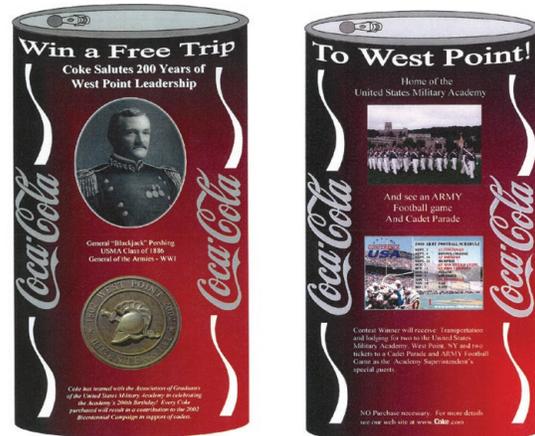
An organization that receives unsolicited gifts.

NUGGET: Even a Nonprofit Start-up can acquire unsolicited gifts when they "Build a better mousetrap!"

"Better Mousetraps" / Premier Nonprofits Acquire Cause Related Marketing



Cause Related Marketing



Question: Do only large or historic nonprofits acquire Cause Related Marketing?

Answer: No, All Can!

#3 YOU! YES. YOU, MUST FUNDRAISE!

Several CEO Observations

- ▶ The Unofficial Title of CEO (or Pastor) = Chief Fundraising Officer!
- ▶ \$2M Nonprofit versus \$1M Nonprofit Parable = Larger budget serves more people!
- ▶ A key indicator of a doomed fundraising program = CEO/Leadership actions or words communicate to his senior staff fundraiser, "Go fundraise and leave me alone."

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- ▶ Applies to Missionaries, Pastors & Nonprofit Leaders.
- ▶ You must be the "Chief Thanker" as part of your fundraising role.
- ▶ Fundraising = Biggest forgotten CEO job description metric. (Why?)
- ▶ CEO's must understand that "Mission success in fundraising is simply getting your funding need fully articulated to the decision maker."

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Note: This may mean that your need does not get funded!

CEO NONPROFIT JOB POSTING

Posting in the Chronicle of Philanthropy www.philanthropy.com

Organization: United Way of the Dutchess-Orange Region (NY)

Position Posting: President/CEO

Key Fundraising Requirements Extracted:

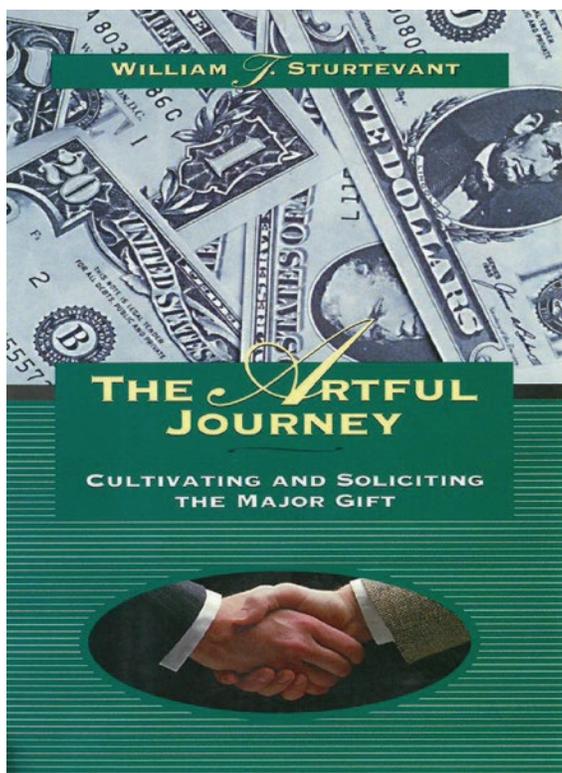
- ▶ ...the President leverages the power of relationships and networks across private, public and corporate sectors to develop new opportunities to *generate new resources* and *financial support* for the organization.
- ▶ The President is the champion of the organization and builds a collaborative and broad based support for community outcomes in the areas of *income*, education and health.
- ▶ Demonstrated success *with both traditional and innovative fundraising techniques...*

#4 YOU! YES YOU, CAN FUNDRAISE!

2 Key Requirements

- ▶ Passion Towards Your Organization's Mission
- ▶ Understanding **Moves Management***

*Moves Management is a universal concept but a Trademark registered by The Institute of Charitable Giving.



RECOMMENDED RESOURCE CHAPTER 6

“Moves Management”

Definition: Increasing a Donor Prospect’s affinity to your organization through planned donor interactive steps following a written plan leading to a solicitation.

? **QUESTION:** Can YOU evangelize as a Christian?
(*Secular Example: Did you ever ask someone out on a date?*)

NOTE: The steps are the same!



Evangelizing : Fundraising

=

Relational Ministry : Moves Management

(More on Moves Management throughout the Seminar!)

#5 PROJECT STRONG LEADERSHIP

(**NUGGET:** & Excellence Always!)

“Major Donors do not give to needy organizations. They give to strong leadership!”

– Author Unknown

“Talented Board members do not generally get recruited to ‘needy’ organizations. They get recruited by strong leadership and are energized by passion and vision!”

– Wayne G. Richardson

“Where there is no vision, the people perish.”

– Bible, Proverbs 29:18a (King James Version)

Several Key Points

- ▶ Board - Board – Board!: Recruit strong leaders with vision!
- ▶ Excellence in all your organization does. Examples:
 - ▶ Publications (No misspellings)
 - ▶ Board / Staff Photos & Dress Code
 - ▶ Correspondence: Written & Email
 - ▶ Events (Invitations, Programs/Speakers, Underwriting)
 - ▶ Website (Examples: List Board / Speaker Availability / Wire & Stock Gifts / Planned Giving = All are Free!)
 - ▶ Clean & Uncluttered Offices & Facilities
 - ▶ Staff respect for its Chain of Command (How does this relate?)
- ▶ Titles (**NUGGET:** These are Free!)

#6 CREATE A FUNDRAISING CULTURE

Some Key Points

- ▶ Starts with **Board – Board – Board!** (Annual Board Campaigns)
- ▶ **Employee Campaigns & Capital Campaigns.**
- ▶ Creating a Better Mousetrap (A Culture of Excellence).
- ▶ Your CEO Leadership (Remember the CEO who says to his fundraiser, “Go fundraise and leave me alone.” A key indicator of no Fundraising Culture.)
- ▶ Sponsorship of Events. (Shows that outsiders are part of the fundraising culture.)
- ▶ Appropriately include donor prospects in organizational activities.
- ▶ Include Board, employees, volunteers, and clients in donor cultivation.
- ▶ Schedule **Monthly Prospect Managers Meetings.**
- ▶ Websites (is GivingTab hard to find or not comprehensive?)
NUGGET: Websites are about 3 things: 1. Organizational Information
 2. Service(s) You Provide. 3. Fundraising. All 3 are directly or indirectly linked to fundraising! (More on Websites in Session 5.)

6 TIPS FOR YEAR-END FUNDRAISING LETTERS

1. Keep it simple.
2. Be creative.
3. Look back with thanksgiving.
4. Look ahead with anticipation.
5. Use a seasonal theme.
6. Accentuate the positive.

Source: ezinearticles.com



Fundraising Is for Everyone

A recent “Tip o’ the Morning” email from Case Consulting Services got me thinking about how fundraising is a part of everyone’s responsibility. When I talk with rescue mission workers and ask how they are involved in the fundraising efforts of the ministry, most often I get a blank stare. If I ask what they do for the ministry, it almost never includes fundraising.

If you can get your staff to change this perspective, you’ll see an uptick in funding. If everyone sees that they have a role and responsibility to be a fundraiser, the number of donors and the volume of gifts in support of the ministry will multiply.

You still need a development director and development team who spends 100 percent of their time in this area. The executive director should also spend a significant portion of his or her time offering donors and prospective donors the opportunity to partner financially with the ministry. However, the entire team should be a part of the effort.

Those involved in the program side of the mission should be trained—and be willing—to see fundraising opportunities as they perform their duties.

This works out in a practical way when visitors come to tour your facility, deliver used clothing or food, or bring someone to the mission for help. The staff that interacts with them should be equipped to

present giving opportunities and projects that need funding in a way that’s natural and non-offensive. Training is important. Having appropriate materials on hand is helpful, but they should be able and willing to ask for a gift.

This responsibility also extends to your mission’s board. Some will be primarily responsible for fundraising (possibly the development committee members) but others should be willing to engage in personal asks, selling tickets to events, and providing contacts for the development team.

If you get resistance, the following perspective shift might help. I recently spoke with a missionary who was uncomfortable asking for financial partnerships and therefore was having trouble raising support. As we talked, I referred to the act of fundraising as worship leading. Giving is an act of worship (see 2 Corinthians 9:1-15). When you give believers the opportunity to give to something that God has nudged them to support, you are leading them in an act of worship.

Asking should never be manipulative; it’s simply explaining the need and asking the person to prayerfully consider the partnership opportunity. ◀



Barry is vice president of stewardship at SIM in Charlotte, North Carolina. He has more than 30 years of development experience, and served the Atlantic City Rescue Mission for 13 years, including 10 years as president. Email him at barry.durman@sim.org.

FINDING FUNDS

by Barry Durman



3 Things Fundraisers Need*

- ▶ A Donor
- ▶ A Need
- ▶ To be Under Authority

– Wayne G. Richardson

- ▶ **NUGGET:** The priority is in reverse of how it's listed.

#1 TO BE UNDER AUTHORITY

Fundraisers Cannot Operate in “Gray Areas”

- ▶ Start with your Board’s “Comfort Zone” with fundraising.
- ▶ Are **Audited Financials**, **IRS 990s**, and information like CEO salary approved to send to donors?
- ▶ **Recognition & Naming Policy.**
- ▶ **Gift Acceptance Policy.** (Examples: Land/Condos/Time Shares)
- ▶ **“Counting”** = what counts towards a fundraisers annual goal?
NUGGET: **Shared Credit** between **Major Giving**, **Planned Giving**, **Corporate & Foundation Relations Fundraisers.** (More in Session 6)
- ▶ Approved Organization Projects & Programs Needing Private Funding = “Need Statements.” (More info on pages 18-22)
- ▶ Establishing an Organization’s **Major Gift Level.** (Why do we need this?)
- ▶ Organizational Staff Wire Diagram. (Why do we need this?)
- ▶ Board /President/ CEO/ Senior Pastor Ask & Appointment Level(s)

#2 A NEED

A (Donor Funding) Need

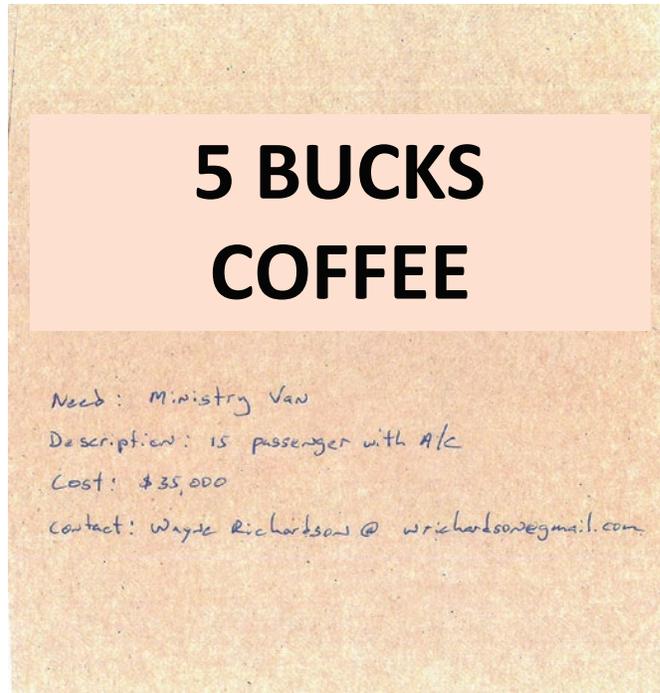
- ▶ Approved by the organizational leadership.
- ▶ Informational & birthed by program staff or senior leadership.
- ▶ Enhanced by fundraisers to market to donors.



“A Need Statement”

- ▶ Initially a 1 page executive summary but can be as short as 6-7 sentences.
- ▶ Constitutes a solicitation.
- ▶ Can evolve to become a grant request.

GENESIS OF A NEED STATEMENT



Need Statement: Alpha Ministries 15 PASSENGER VAN

DESCRIPTION: 15 passenger van with air-conditioning.

BENEFIT: Transportation of staff and students with a dual role as an extended cargo van when removing seats.

COST: \$35,000 with no fundraising or administrative fees.

RECOGNITION: Benefactor's name will be printed on driver's and passenger's side of the van with lettering not to exceed 14" in height.

CONTACT: Pastor John Smith at (123)-456-7891 or jsmith@abcministries.org.

OTHER KEY INFORMATION:

(Example State solicitation requirements like Florida's below.)

A copy of the official registration and financial information may be obtained from the Division of Consumer Services (Registration #CH27828) by calling 1-800-help-fla-free (435-7352) toll free within the State of Florida. Registration does not imply endorsement, approval or recommendation by the State. Other examples = website address, mailing address if not included on letterhead, and EIN#.

ABC Ministries, Inc.

11655 US Highway 441, Okeechobee, FL 34974
(123) 456-7891

NEED STATEMENT: UNRESTRICTED & EMERGENCY FUND

BENEFIT: to perform administration, teaching and church activities ABC Ministries/Church in the Woods at Freedom Ranch needs transportation capable of 15 passengers with a dual role as an extended cargo van when removing seats.

COST: \$35,000 with no fundraising or administrative fees. Gifts can be securely made online at www.abcministriesinc.org.

RECOGNITION: Benefactor's name will be printed on the driver's and passenger's side of the van.



CONTACT: Pastor John Smith, Founder & Executive Director, at jsmith@abcministries.

OTHER KEY INFORMATION:

- Our goal is to receive the love of God for ourselves so that we may share it with others.
- John Smith is the Founder and Executive Director of ABC Ministries, Inc. He holds a Bachelor of Arts in Psychology for the University of Colorado, and a Master of Arts in Biblical Studies, from the Independent Baptist College in Dallas, Texas. John has been pastoring churches for over forty years, and has authorized the ABC Series, The Relational Series, Power of Love, and the Omega Series. He has been actively involved in Christian recovery since 1988 as a teacher, counselor, and consultant for a number of faith-based recovery programs in Florida and around the nation.
- A copy of official registration and financial information may be obtained from the Division of Consumer Services (Registration #CH27828) by calling 1-800-help-fla-free (435-7352) toll free within the State of Florida. Registration does not imply endorsement, approval, or recommendation by the State.

*"Thou therefore my son be strong in the grace that is in Christ Jesus. And the things which thou has heard of me among many witnesses, the same commit thou to faithful men who shall be able to teach others also."
2 Timothy 2:1-2*

ABC Ministries, Inc.

11655 US Highway 441, Okeechobee, FL 34974
(123) 456-7891

NEED STATEMENT: UNRESTRICTED & EMERGENCY FUND

DESCRIPTION: The Unrestricted & Emergency Fund exists to provide ABC Ministries Board and Executive Director Flexibility to direct funding where it's needed most.

BENEFIT: At ABC Ministries or any non-profit organization unrestricted funding is the most important yet often the hardest to acquire. With unrestricted funds ABC Ministries can directly support major activities where budget funding or in-kind supplies are not currently available. Whether it's adding a last-minute person to a seminar or class via a scholarship or an unexpected major expense, unrestricted giving allows ABC Ministries to respond when and where the need is the greatest.

COST: All gifts no matter what the size are appreciated. Support can make a one-time gift or align this giving to their monthly or annual giving. Gifts can be securely made online at www.churchinthewood-sokeechobee.org.

RECOGNITION: Offered on an individual personalized/customized, case by case basis for leadership or lead projects or endowment gifts. All naming or recognition opportunities must be approved by the ABC Ministries Board of Directors.

CONTACT: Pastor John Smith, Founder & Executive Director, at jsmith@abcministries.org.

OTHER KEY INFORMATION:

- Our goal is to receive the love of God for ourselves so that we may share it with others.
- John Smith is the Founder and Executive Director of ABC Ministries, Inc. He holds a Bachelor of Arts in Independent Baptist College in Dallas, Texas. John has been pastoring churches for over forty years, and has authored the ABC Series, The Relational Series, Power to Love and the Omega Series. He has been actively involved in Christian recovery since 1988 as a teacher, counselor, and consultant for a number of faith-based recovery programs in Florida and around the nation.
- A copy of the official registration and financial information may be obtained for the Division of Consumer Services (Registration #CH27828) by calling 1-800-help-fla-free (435-7352) toll free within the State of Florida. Registration does not imply endorsement, approval or recommendation by the State.

"Thou therefore my son be strong in the grace that is in Christ Jesus. And the things which thou has heard of me among many witnesses, the same commit thou to faithful men who shall be able to teach others also."
2 Timothy 2:1-2

Need Statement Guidance – Part 1: General Guidance

The intent is to simplify these documents knowing that they can be updated. Attempt to keep the length to one page, if possible, or no more than two. Use 1" margins for top, bottom, right and left. Use "12" size and your letter head font and use only CAPITALIZATION and **BOLD** lettering for the 5 categories as shown in Part 2 below. Assume a robust but not wasteful budget (or cost/endowment). In other words, use a cost that reflects a realistic vision of this program or project and not a budget based on tough economic budgetary times. Finally, include a maintenance endowment for all building Need Statements of at least 25% of the total building cost. Think in terms of what a donor might find interesting when writing the need. And look for "Equivalent Unrestricted" needs within your approved budget. Remember also that the Development staff, Board and other key volunteers will be using this tool.

Need Statement Guidance – Part 2: Headings and Content

TITLE: As short as possible.

DESCRIPTION: Assume that a donor looking at this has no technical knowledge of the need and only general or little knowledge of your organization. Also, the fundraiser may not have the technical knowledge concerning the need. An example would be to spell out abbreviations prior to subsequent use.

BENEFITS: If measurable results can be given, do so. An example might be, "2,000 scholarships for low income students will be directly impacted by this new science center." Also, use language, if possible, that has a stirring appeal.

COST: Give the annual and endowment costs. To produce the endowment cost, divide the annual cost by .04*. Also, indicate if, for example, an annual cost for only a set period of time, like 4 years, is needed. Subdividing the endowment figure, if it exceeds \$5,000,000, may be required. For example, instead of a need statement for an entire college scholarship endowments requirement, individual student endowments can be more easily funded.

RECOGNITION: In this category, submit, if possible, your comfort level in terms of ideas. These ideas would be need Board approval. Example of recognition might be: a one page thank you for the 100% funding in a program; a letter from a student who received a scholarship; and so on. Development will augment this section with approved Campaign or gift club recognition.

CONTACT: For start-up or small nonprofits, this is probably the CEO or a staff fundraiser. Include: name, title, business phone and email. Example: Mr. John Smith, Development Director, at 123-456-7891 or jsmith@sfbc.edu. (Note that this section can be customized for each fundraiser or even a Board member making a solicitation or cultivation visit.)

OTHER KEY INFORMATION: Include anything a donor may need to make an unsolicited gift such as your tax identification # (EIN#). Include your website if not listed elsewhere. Add any associations that project strong leadership or financial accountability such as Evangelical Council for Financial Accountability, Guide Star rating or cost of fundraising if less than the national average of 19 cents on the dollar. Add any legal solicitation requirements that are required by your State. For Florida as an example the following language must be on all solicitation material: *A copy of the official registration and financial information may be obtained from the Division of Consumer Services (Registration #CH27828) by calling 1-800-help-fla-free (435-7352) toll free within the State of Florida. Registration does not imply endorsement, approval or recommendation by the State.*

*Check your State Attorney General guideline for endowments mandatory divestment percent.

EQUIVALENT UNRESTRICTED



QUESTION 1: What is the hardest Need to fundraise for?

Answer 1: *Unrestricted Funds* because it requires the most trust in the organization's leadership.



QUESTION 2: Is there another way to fundraise for unrestricted funds?

Answer 2: *Equivalent Unrestricted.*

#3 A DONOR

Key Points

- ▶ Board, Board, Board! The beginning of your Major Donor List.
- ▶ **Natural Partner** = Often Board, Board, Board!
- ▶ **Primary Player** = Often Board, Board, Board!
- ▶ **Moves Management**
- ▶ (Major) Donors give to strong Leadership, not needy causes.
- ▶ Free Major Donor Research Options = Start Collecting.
- ▶ Invite, Update & Thank – Thank – Thank!
- ▶ Exclusivity & Free Cultivation Events:
 - What FREE things happen in your organization that might be thought by a donor as exclusive?
 - **NUGGET:** Bigger events are not better regarding exclusivity.
- ▶ **ACTION PLAN** in Session 6: Identify 3 Board Prospects, Natural Partners & 3 events.

FREE EXCLUSIVE ACTIVITIES

- ▶ CEO & Board cultivation (visits, phone calls and hand written notes).
- ▶ Board / Board Subcommittee / Advisory Board positions.
- ▶ Tours led by the CEO or a Board member.
- ▶ **Prospect** hosted overnight by CEO or Board.
- ▶ **Vision Tours** = Prospect travels with CEO/Board to see projects.
- ▶ Donor Prospect speaking/teaching opportunity.
- ▶ Prospect offered a leadership position for an event. (Examples: Emcee, opening or closing prayer, speaking part, event planning chairperson and ribbon cutting participant).
- ▶ Prospect observes a class / training activity.
- ▶ Prospect hosts a fundraising event at their home (a very powerful move).
- ▶ Prospect direct interaction with clients.
- ▶ “Under Cover Client” Prospect opportunities (as appropriate).
- ▶ Attends organization’s Christmas Luncheon, Dinner or Party.
- ▶ Prospect sits in on organization meetings (as appropriate).
- ▶ **Naming & Recognition Opportunities** and Event Sponsorships.

Basic Training

- ▶ Major Giving Start-up Basics
- ▶ Foundation Relations Start-up Basics
- ▶ Planned Giving Start-up Basics
- ▶ Corporate Giving Start-up Basics
- ▶ Annual Giving Start-up Basics
- ▶ Basic Training Summary

Note: Basic Training focus is on nonprofits with no or few (full-time) fundraising staff & no or limited budget.

REVIEW: FUNDRAISING MISSION SUCCESS



QUESTION: What is Fundraising Mission Success?
(or a successful cultivation or solicitation?)

Answer: Simply getting your need fully articulated to the funding decision maker.

WHY IS THIS?

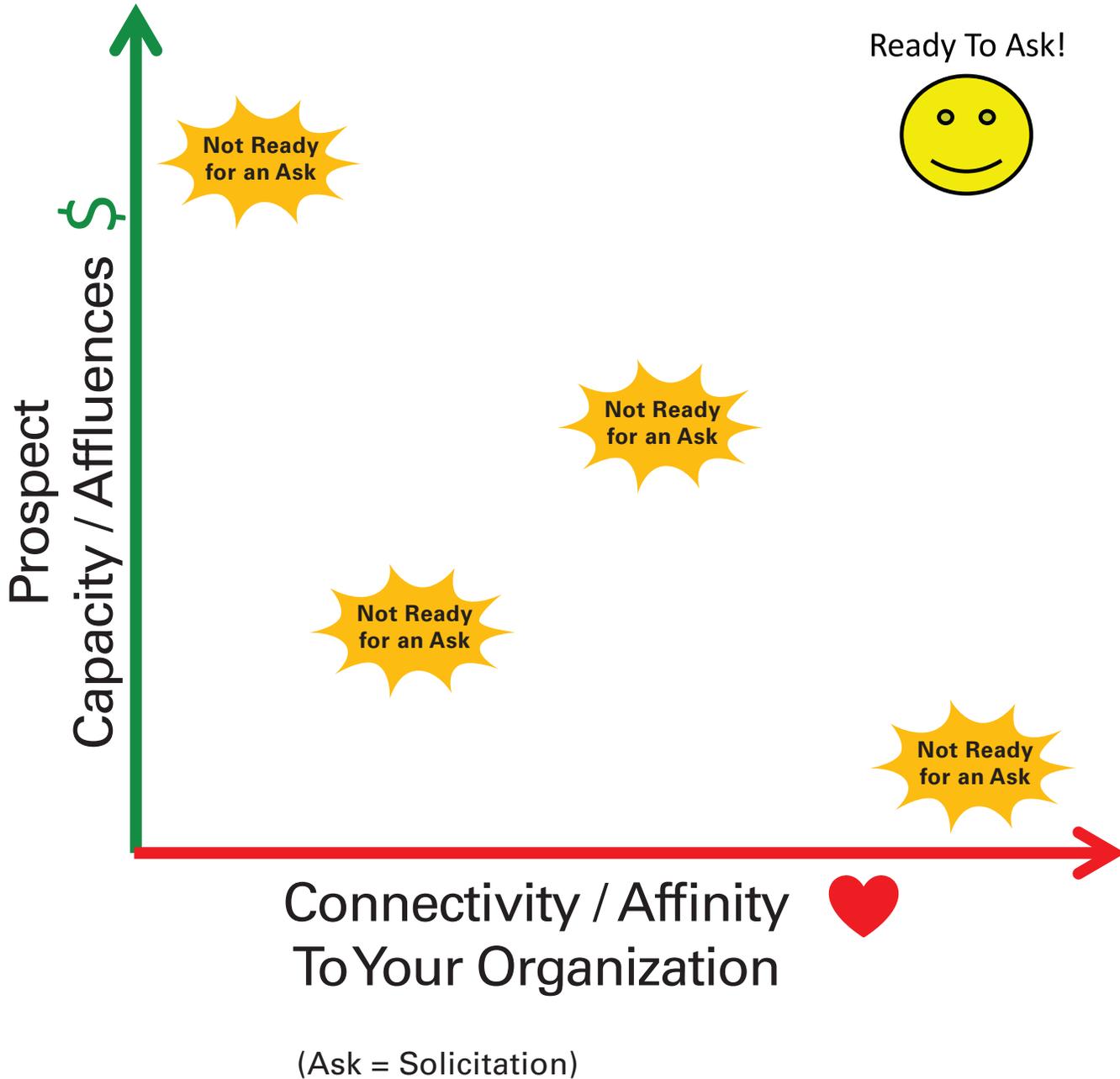
Answer: Most cultivations never achieve this.

#1 MAJOR GIVING

Strategies

- ▶ **Board, Board, Board!** The beginning of Your Major Donor List!
- ▶ **Build a Better Mousetrap.**
- ▶ **Build a Fundraising Culture.**
- ▶ **Focus:**
 - ▶ **Easiest and no or low cost to start.**
 - ▶ **90-10 & 80-20 Rules**
 - ▶ **“The King of the Battle”**
In the Army, Field Artillery is called the “The King of the Battle” and for good reason. A force that can coordinate, maneuver and concentrate its artillery has the ability to defeat a formidable threat. Major Giving likewise is “The King of the Battle” in fundraising. An organization that can coordinate and concentrate its resources on Major Giving can achieve a formidable monetary goal.
Wayne G. Richardson, West Point – USMA Class of 1983
- ▶ **CEO Leadership in Fundraising = A Major Giving Requirement!**
- ▶ **Exclusivity = The Major Giving Atmosphere (& Free Events are Possible!)**
- ▶ **Natural Partner = Key.**

BOARD MEMBER OR MAJOR DONOR ASK CRITERIA



Key Free Major Giving Tools

- ▶ Board, Board, Board!*
- ▶ Board Advancement Subcommittee
- ▶ Recognition & Naming Policies
- ▶ Establishing your Organization's Major Gift Level *
- ▶ Needs Book*
- ▶ Include Major Giving at your website's Ways to Give Back tab.
- ▶ Major Donor Matrix* (Separate example slide to follow)
- ▶ Moves Management
- ▶ Cultivation Plans (Separate slide with guidance to follow)
- ▶ Solicitation Plans (Separate slide with guidance to follow)
- ▶ Connectivity & Capacity Chart
- ▶ Calculating Annual Major Gift Income
- ▶ Monthly Prospect Managers' Meeting*

***Part of 30 Day Action Plan**



Carol & Wayne Richardson at a Donor Event in California

SAMPLE START-UP MAJOR DONOR MATRIX

Major Donor Matrix		\$5,000 Prospects (Organization's Major Gift Level)				As of 1/30/XX		
Prospect	Prospect Manager	Natural Partner	Gift Target	20XX Asks	%	20XX Projected	20XX Actual	Next Steps
Joe Place (JP)/(Board Chair)	CEO	CEO	Unrestricted	\$ 5,000	100%	\$ 5,000	\$ 1,000	Acquire 100% Board Pledges
Sue Smith (SS) (Board)	Chairman	Chairman	Unrestricted	\$ 10,000	100%	\$ 10,000	\$ 10,000	Stewardship
Rev. Peter Rock (PR)/(Board)	Chairman	Chairman	Unrestricted	\$ 1,000	100%	\$ 1,000	\$ 100	Stewardship
Mary Bench (Board)	Chairman	Chairman	Unrestricted	\$ 3,000	10%	\$ 300		Awaiting Written Pledge
Dr. John Heart (Board)	Chairman	Chairman	Unrestricted	\$ 30,000	5%	\$ 1,500		Awaiting Written Pledge
Sam Best (SB) (Board)	Chairman	Chairman	Unrestricted	\$ 5,000	100%	\$ 5,000	\$ 5,000	Stewardship
Sean Jones, Esq (SJ)/(Board)	Chairman	Chairman	Unrestricted	\$ 10,000	100%	\$ 10,000	\$ 1,000	Stewardship
Employee Campaign	CEO	CEO	Unrestricted	\$ 10,000	100%	\$ 10,000	\$ 1,500	Coordinate Employee Stewardship Event
Brad Farmer	CEO	JP	New 15 Passenger Van	\$ 50,000	1%	\$ 500		New Prospect, Lunch Visit
Audrey Donaldson	CEO	SS	Annual Scholarship	\$ 5,000	10%	\$ 500		Elect to 20XX Scholarship Committee
1 Baptist Church	CEO	PR	2 Annual Scholarships	\$ 10,000	10%	\$ 1,000		Invocation at March Donor Event
Patricia Best	CEO	SS	Annual Scholarship	\$ 5,000	80%	\$ 4,000		Elect to 20XX Scholarship Committee
Baptist Foundation	PR	PR	3 Annual Scholarships	\$ 15,000	1%	\$ 150		New Prospect/ May Annual Baptist Summit
Sam Best Sr.	SB	SB	Scholarship Endowment	\$ 1,000,000	50%	Planned Gift		Ask Team, Location & Time Coordinated
Chatlos Foundation	SJ	SJ	GED Training	\$ 10,000	5%	\$ 500		Awaiting Grant Decision
City Ford Auto Dealer	CEO	CEO	2nd New 15 Passenger Van	\$ 70,000	10%	\$ 7,000		Guest Teacher in Job Training
Walters Foundation	Ops Dir	SS	New 15 Passenger Van	\$ 70,000	100%	\$ 70,000	\$ 70,000	Stewardship
Wal-Mart	Ops Dir	Ops Dir	Job Training	\$ 5,000	50%	\$ 2,500		Appointment with Local Store Manager
2nd Baptist Church	HR Dir	HR Dir	Scholarship \$	\$ 7,500	20%	\$ 1,500		CEO Preaching at 2nd BC in Feb
3rd Baptist Church	Fin Dir	Fin Dir	Scholarship \$	\$ 5,000	1%	\$ 50		New Prospect, CEO Lunch Visit
20XX Totals:				\$ 1,326,500		\$ 130,500	\$ 88,600	

Note 1: Scenario Fundraising Start-up for a nonprofit with senior staff of only a CEO, and Operations, Finance & Human Resources Directors
 Note 2: Board Asks & Employee Campaign occur in month before fiscal year. In the example above the Fiscal Year = the Calendar Year.
 Question 1: Which Board Member stands out as your probable Board Advancement (Fundraising) Subcommittee Chairperson? (SS) Why?
 Question 2: Is the "Just 1 Principle" for all Board members being met?"

Advanced Moves Management (more than 100 Prospects)

Cultivation Plan

A written document done by each Prospect Manager on each of their Major Donor Prospects (DP) containing basic DP information as well as outlining steps (events, meetings, or communication) towards increasing a DP's affinity to the organization through planned steps. This is a living document that changes based on each step's results. This Plan is initially approved and periodically reviewed by a senior fundraising executive.

Cultivation Plan Entries:

Donor Prospect (DP) Name: An individual, couple, corporation or foundation that has the capacity to make a major gift to your organization. A major gift level or determination is approved by the Board.

Prospect Manager (PM) Name: Person on staff assigned to move the DP's affinity towards your organization forward in preparation for a solicitation.

Natural Partner Name: Person who sets the initial meeting and possible follow up meetings with the DP and is a continual source of guidance/feedback regarding the DP.

Primary Player: Person to bring along o an eventual Ask that the DP admires. Ideally, this person is a donor to your organization.

Background on DP: No more than 1 page on the background of: 1. how the cultivation began, 2. the affinity of the DP to your organization (if any), and 3. Any cultivation to date. 4. The DP's capacity to make a gift to your organization with a successful cultivation of solicitation. 5. Notes on the family and likes and dislikes.

Gift Target: The approved Need Statement(s) that is/are the current match best fit to the donor's interest based on the cultivation or NP knowledge to date.

Cultivation Gift Capacity: The maximum gift capability a donor could make in a calendar year or by pledging over several years based on current information. With limited information this can be a guess.

Next Move(s): List upcoming events or activities that the DP should be invited to or contacted about. Examples: Call to meet for lunch to talk about the Scholarship Program; invite DP to teach a class; invite DP to annual Black-Tie event; meet with DP to talk about joining the Board; invite DP to Graduation; set breakfast meeting to ask DP to host Black Tie event.

Solicitation Plan

A written/scripted plan detailing the solicitation meeting. This plan includes possible donor questions and their answers and is prepared by the PM and approved by the CEO or a senior fundraising executive.

Solicitation Plan Entries:

Donor Prospect Name:

Prospect Manager (PM) Name:

Natural Partner Name:

Primary Partner Name:

Primary Player Name:

Background on DP's Cultivation: No more than 1 page on the background like in the Cultivation Plan of: 1. The DP's cultivation to date, 2. The affinity of the DP to your organization and why the DP is ready for an Ask.

Gift Target: The approved Need Statement that is to be solicited and justification or rationale. Include if pledging over several years is included.

Solicitation Amount: List rationale.

Solicitation Team: List individuals that will be present with rationale.

Solicitation Location: List options with rationale.
Solicitation Script: A script that outlines how the solicitation meeting will go and defines each solicitation Team member's role in the solicitation. This is a base plan that obviously can change but each member knows their role in the meeting. This plan includes possible DP questions and their answers.

Cultivation Trip Report: 28-31 January XXX to Washington, D.C.

XXXXXXXXXXXX. MARK: 28 Jan XX Life Time Giving: \$48K.

I met with Mark in Exxon Mobil's (EM) Fairfax complex for the purpose of:

1. Meeting him and getting a feel for a potential increase giving to USMA; and
2. Getting his assistance with Bob XXXXXXX who is one of USMA's highest level grads in EM based out of Miami.... or so I thought. As it turns out, due to a restructuring within EM, Bob had an office right down the hall and is looking/lobbying for a new executive position in the restructure.

I briefed him on the Campaign asked about his future giving which led to a lengthy and very personal conversation about his youngest son, Joey, (who is about 18 and who is very functional but not capable of driving or intellectually attending college) who had suffered a major heart attack and nearly died. Mark's assets he stated would have to look towards long-term care for his son. I asked if he thought about a Charitable Remainder Trust which could be set up for the annual payout to his son and what his son, The Washington Children's Hospital (He is the Chairman of their Board if I heard him correctly); and USMA being the beneficiaries of the Trust. He was impressed in and I sensed that I could find an avenue to overcome his objection to an increase in giving to USMA beyond his 3:1 EM matching gifting. I left him at CRT pamphlet.

Mark then had his secretary Jayne XXXXX attempt to schedule an appointment with Bob XXXXX. In sum, Hayne worked diligently over the next 48 hours to get me an appointment – could not do so – but established contact with Bob's office – resulting in an offer from Bob for me to call him on my next trip down to DC.

Next Steps:

1. Thank-you note.
2. Schedule a visit with Bob XXXXXXX and Mark on my next trip to DC..
3. Bring Jayne a gift for her great effort on my/ AOG's behalf.

XXXXXXXXX, CHARLES. 28 Jan XX. Lifetime Giving \$50K

Charles and Marion XXXXXX recently made and in-kind \$50K, gift to USMA of one of Charles' patented inventions, a S046 Polimeter. This invention provides "a method of identifying the geological nature of a homogeneous surface." It is about the size of a football.

Charles was a POW in WWII having been captured in Sicily. He had been married for only one year to Nancy at the time of his capture. I called to set an appointment with Charles and Nancy XXXXXXX to learn that Charles has an advance stage of Alzheimer's disease and that his daughter, Elizabeth XXXXXXX, was the entity that was behind the gift. I called Elizabeth and spoke to her for about an hour on the phone on 1/21/XX and learned a lot about her and Charles & Nancy XXXXXXX. In short, based on Elizabeth's information, I called Nancy XXXXXXX to take her to lunch at her favorite restaurant nearby her home, Clyde's, the day before she was to go in for knee replacement surgery. She really appreciated the "thank you" visit, but I think more importantly the fact that I had "conspired" with her daughter (I reserved a table in her favorite room in the restaurant, The Adirondak Room via the intelligence gathered from Elizabeth.) and that I was able to empathize first-hand about Alzheimer's disease (due to my involvement with the care of my grandmother who has a more advanced stage.) During lunch Nancy mentioned that her sister also had Alzheimer's and that she had power of attorney for her and was handling all her bills. She was overwhelmed with her responsibilities but amazingly stated that a small check for West Point was forthcoming.

Next Steps:

1. Thank-you notes.
2. Schedule a visit with Elizabeth XXXXXXX in the future per her invitation and bringing Elizabeth information about our Campaign, as she is very involved in her school.

#2 FOUNDATION RELATIONS

- ▶ Board, Board, Board!
- ▶ More About Who You Know / Can be a Function of Major Giving:
 - ▶ Most 6-8 Foundation gifts I have seen are the result of Moves Management on a Foundation Founder or Board member. *Wayne G. Richardson*
 - ▶ Roomful of Grants Parable
 - ▶ Family Foundations & Donor Advised Funds
- ▶ Keys: 501c3 / IRS 990s / Financial Audits Available
- ▶ Resources:
 - ▶ Foundation Directory Online: <https://fconline.foundationcenter.org/>
 - ▶ The Internet = Foundation 990s, Current Foundation Information, Foundation websites, and Online Grant Applications
 - ▶ Need Statements = Genesis of your Grant & Quick Response
- ▶ Think Local for Start-up Foundation Grant Requests. (& if you don't file an IRS 990!)
- ▶ Recycle Most Compelling Grant = Conserves Time / Energy
- ▶ Include Foundation Giving at your website.
- ▶ **NUGGET:** Hiring a grant writer on commission based on successful grants and their amounts is considered unethical because it can cause grant writers to pressure donors and often misrepresent the organization. Grant writers should work based on a set contract whether \$0 or \$10M comes in.
- ▶ **NUGGET:** Government Grants

#3 PLANNED GIVING

NUGGETS

- ▶ Charities who have had a life changing impact on an individual become candidates of an individual's estate plans.
- ▶ Charities in operation fewer than 10 years are less likely beneficiaries! Why? Answer = Few major donor lives are impacted.
- ▶ Charities in operation fewer than 10 years should still promote a Planned Giving program. Why? Answer = Promotes strong leadership.
- ▶ Easiest "Ask" because the solicitor can be providing a valuable service.
- ▶ Easiest program to set up with no Planned Giving staff.
 - ▶ Ideally use donor's financial planner or lawyer. (Stay at "Arm's Length.")
 - ▶ Have a lawyer or local estate planner available on a free retainer.
 - ▶ Use your website to promote Planned Giving.
- ▶ All nonprofits with Board Members or annual donors over 60 years old should be asked to put the nonprofit in their wills.
- ▶ You can have a full Planned Gift Program with 1 phone call to your bank's (or any other bank's) wealth management department. They will be happy to service your donor's annuity, trust and other financial needs, and you simply are the beneficiary! Bonus = These planned gifts are at "arm's length" (a neutral bank entity between you and the donor or their heirs) and helps to avoid planned gifts being contested by heirs.

Mainly: Wills, Trusts,
Annuities & Life
Insurance Policies

#4 CORPORATE GIVING

- ▶ Board, Board, Board!
- ▶ “Build a Better Mouse Trap” (Have Corporations seek you!)
- ▶ Corporate Giving Examples:
 - ▶ Marketing Budget for Advertising & Sponsorships
 - ▶ Corporate Foundation
 - ▶ Donor Advised Funds Managed by Corporations
 - ▶ In-kind Gifts of Product
 - ▶ **Cause Related Marketing** (Remember this?)
- ▶ Board Recruiting Source
- ▶ Sponsorship & In-kind Need Statements
- ▶ Look for Equivalent Unrestricted (In-Kind)
- ▶ Include Corporate Giving on your Website
- ▶ **NUGGET:** “A corporate fundraiser must think like a business owner to be successful! You must show **Quid Pro Quo** value.”
Wayne G. Richardson

An extension of a corporation’s marketing & must be justified to profit seeking shareholders.

Wayne G. Richardson

#5 ANNUAL GIVING

- ▶ E-blasts are free! (**CAUTION: Do not over-solicit!**)
- ▶ Phonathons
 - ▶ Use students or clients first & staff otherwise. Why?
 - ▶ Use “**Thankathons**” proceeding Phonathons. (Break the solicitation cycle!)
 - ▶ Contractors use = Poor Donor return on investment!
 - ▶ Often tough to reach the prospect.
- ▶ Direct Mail (for a Fundraising Start-up)
 - ▶ If fewer than 100 total prospects so each letter can be personalized. (**CAUTION: Do not over-solicit!**)
 - ▶ People believe the written word/appeal.
 - ▶ **NUGGET:** Start-up Advantage = The CEO’s ability to personalize.
- ▶ Board members included in all appeals (in addition to the Board Campaign)? YES!
- ▶ **NUGGET:** Secret to Direct Mail = “Use a local marketing firm who then uses a large local printing company (versus a national firm). You can then contract for only the services like direct mail that you need and avoid automatic consulting and other fees. You will gain the ability to quickly change content before shorter deadlines and avoid additional bulk mail costs because of the local versus national firm (that may not be near your donor mailing).”
Wayne G. Richardson

Mainly:
E-blasts, Direct Mail
& Phonathons

#6 BASIC TRAINING SUMMARY

- ▶ Board, Board, Board!
- ▶ 20 cents on the \$ = National Average (Scarf Knitting Parable)
- ▶ Check organization's "Fundraising Comfort Level."
- ▶ Least expensive prospect cultivation = Board. Why?
- ▶ Think Big or Bigger:
 - ▶ Prioritize your limited cultivation resources of time & money.
 - ▶ Cultivation of a \$1K & \$1M prospect = The same!
 - ▶ Always have 1 long-shot 7+ figure donor prospect.
- ▶ Scrutinize any Development budget draft for waste.
- ▶ Know when to save & when to spend on cultivation.
- ▶ Hire trained fundraisers to avoid education costs & divert these savings to fundraiser retention via salary.
- ▶ **NUGGET:** Remember Mission Success = "Simply getting your need fully articulated to the decision maker." *Wayne G. Richardson*



Example of a simple but exclusive & powerful major donor event - a Baptism involving a faith based program helped individual.

» Campaigns & Consultants

(Just give me what I need to know in Start-up Fundraising!)

CAMPAIGNS: 4 PHASES

- ▶ **Strategic Planning Phase:**
 - ▶ Board & CEO design Campaign's "**Case Statement**," projects, monetary & other goals & length of Campaign. (Normally 1-5Years)
 - ▶ **Feasibility Study** Completed.
 - ▶ Board either approves the Campaign going forward or cancels the Campaign. If approved additional fundraising staff is hired.
- ▶ **Silent / Leadership Phase ("The worst kept secret!"):**
 - ▶ Feasibility Study participants & up to top 10% of Major Donor Prospects solicited to attain 60%-90% of Campaign's \$\$\$ goal.
 - ▶ Campaign "Mid-Course Correction" occurs if needed. Here the Campaign's monetary goal is moved upward or downward or the Campaign's length is shortened or lengthened if needed.
 - ▶ **NUGGET: Because of this correction, there should never be an unsuccessful Campaign!**
- ▶ **Public Phase:**
 - ▶ Public announcement via media & website.
 - ▶ E-blasts, phonathons and direct mail regarding Campaign begins.
 - ▶ All Major Donor Prospects solicited.
 - ▶ All other donors are invited to participate.
- ▶ **Stewardship & Rest Phase:**
 - ▶ Allow Campaign donors to fulfill pledges.
 - ▶ Fundraising still continues with new Donor Prospects or current Major Donors who did not give during the Campaign. In fact, the Campaign should have ramped up the fundraising infrastructure with individuals, corporations & foundations.
 - ▶ Campaign's Strategic Planning Phase begins for next Campaign.

NOTES:

CAMPAIGNS – A BIBLICAL GENESIS

David Plans to Build & Fundraise for the Temple

1 & 2 Chronicles

- ▶ **Strategic Planning Phase = 1 Chronicles 17:1-15**
 - ▶ The Lord = The Board
 - ▶ King David = The CEO
 - ▶ Nathan the Prophet = The Consultant
- ▶ **Silent / Leadership Phase = 1 Chronicles Chapters 28:1-6 & 29:1-9**
- ▶ **Public Phase / 1 Chronicles 29:8-9 & 2 Chronicles 5:6**
- ▶ **Stewardship / Rest Phase = 2 Chronicles 7:5-10**
(NUGGET: Stewardship Phase = Strategic Planning Phase of next Campaign!)

YOUR 1ST CAMPAIGN

- ▶ **A Year Before Your 1st Campaign:**
(This is your Strategic Planning Phase.)
 - ▶ Start with Board Campaigns (every year) 1 month before your fiscal year for pledges.
 - ▶ Next step is implementing an Employee Campaign even if you have only 1 employee. This builds your fundraising culture.
 - ▶ Pick a small Campaign project. (Example: a 15 passenger van)
 - ▶ CEO does a FREE Feasibility Study with the Board & top donors.
- ▶ **Silent-Leadership Phase:**
 - ▶ Secure pledges from Feasibility Study participants.
 - ▶ Adjust goal if needed (smaller van or van + van maintenance plan).
- ▶ **Public Phase:**
 - ▶ Post Campaign on Website and do an E-blast (Free) or direct mail solicitation.
 - ▶ Solicit any other Major Donor prospects that you have.
- ▶ **Stewardship / Rest Phase:**
 - ▶ Market the successful Campaign on your Website, via public speaking opportunities and in any other communication.
 - ▶ Conduct a Ribbon Cutting event and inform TV and other news outlets.
 - ▶ Thank Campaign Donors via an event (luncheon, dinner or BBQ).

NOTES:

FUNDRAISING CONSULTANTS

Key Points

- ▶ Normal Services:
 - ▶ Phonathons & Direct Mail (severely impacts your cost of fundraising)
 - ▶ Grant writing (no guaranteed result / must be a fixed fee, not a %)
 - ▶ Case Statements & Feasibility Studies
 - ▶ Donor Research & Lists (Note: Lists have no Natural Partner!)
 - ▶ Construction Management
 - ▶ Advice
- ▶ BEWARE!
 - ▶ The goal of most consultants = Renew your contract!
 - ▶ Your cost of fundraising increases with consultant costs. (A donor turn-off!)
- ▶ Check Your Consultant References.
- ▶ Best Uses:
 - ▶ Feasibility Studies for independent confirmation of **Case Statement** & Campaign's monetary and other goals.
 - ▶ When offered Pro-bono for a specific use.
 - ▶ Building projects.
 - ▶ 7-8 figure private grants (Example: **Kresge Foundation** grants).
 - ▶ **Federal Home Loan Bank** 6-7 figure grants.
 - ▶ **Community Development Block Grants** (HUD) and other 6-8 figure government grants.
 - ▶ **Tax Credits** for building projects.
 - ▶ Other Government grants.
- ▶ Christian (or secular) Consultant Fleece Example: Explained only during seminar presentation.

START-UP FAST TRACK THOUGHTS

From Wayne G. Richardson

- ▶ If you are a faith based nonprofit, consider falling under a large area church. Normally you could still be a separate 501c3, but your Board would be made up primarily by the area church membership. Your **Statement of Faith** would have to align with the area church you are falling under.
- ▶ Consider merging with or joining an established successful nonprofit that does your mission but needs coverage in your geographic area of service.
- ▶ Consider merging with or joining an established successful nonprofit that needs your specific expertise to augment their services.

Any of these scenarios can come with robust annual sustained funding!

Free Fundraising Staff & Additional Tools

FREE FUNDRAISING STAFF

- ▶ Board, Board, Board!*
- ▶ Board Advancement Committee & Chair*
- ▶ Advisory Board & Chair or Independent **Pro-Bono** Advisors*
- ▶ Strategic Planning Phase Steering Group & Chair*
- ▶ Academic Board & Chair (if applicable)*
- ▶ **Campaign Honorary Chairperson(s)***
- ▶ CEO = Chief Fundraising Officer
- ▶ All Salaried Staff*
- ▶ Natural Partners (Remember them?)*
- ▶ Other Volunteers*
- ▶ Website = Virtual Staff
- ▶ **Tax Credit** consultants who get paid only if a successful application/funding

***“Just 1 Principle”**

(Ask them to cultivate only 1 Prospect.)

WEBSITES: GIVING TABS

11 Keys (from a Fundraiser’s perspective)

- ▶ Ways to Give Tab is prominently listed.
- ▶ Ways to Give Tab is “Donor Friendly.” (No password or log-in requirements!)
- ▶ Ways to Give Tab includes most major types of giving.
- ▶ Ways to Give Tab accommodates unsolicited giving.
- ▶ Ways to Give Tab is a Fundraiser’s resource.
- ▶ Website program areas link to Ways to Give Tab.
- ▶ Multiple giving portals throughout Website.
- ▶ Website projects strong leadership & excellence.
- ▶ Website projects strong stewardship.
- ▶ Website is mobile device compatible.
- ▶ Website is up to date.



QUESTION: Why wouldn't or don't all nonprofit websites have these keys?

KEY WAYS TO GIVE/TAB DROPDOWNS

- ▶ Credit Card / Debit Card – OneTime / Recurring
- ▶ Transformational giving
- ▶ Planned Giving / Memorials
- ▶ Vehicle Donations
- ▶ Fundraisers / Gifts-in-kind
- ▶ Stock & Wire Transfer Gifts
- ▶ Needs Statements
- ▶ Volunteer Key Opportunities 1 Page Ad
- ▶ 501c3 Documentation
- ▶ Your Gifts at Work Pie Chart

WAYS TO GIVE/NEED STATEMENT EXAMPLES

- ▶ Unrestricted
- ▶ All Programs Listed Separately
- ▶ Direct Mail
- ▶ Other Equivalent Unrestricted
- ▶ Sponsorship Events
- ▶ Cause Related Marketing Presentation
- ▶ Building / Renovation Projects
- ▶ Volunteer Key Opportunities 1 Page Ad



Wayne conducting a Zoom "Coast to Coast" Seminar

MORE FREE FUNDRAISING TOOLS

- ▶ Needs Book & 2-Page Organizational Summary
- ▶ Titles = “Door Openers” in sales and they are FREE!
- ▶ **NUGGET:** If hiring a fundraiser, they should come with the desired skill set you are looking for. Do not spend to train as the average life span = Approximately 3 years.*
- ▶ Free Fundraiser Education:
 - ▶ Use FREE webinars or other FREE offerings.
 - ▶ Certified Fund Raising Executive (CFRE) www.cfre.org
- ▶ **NUGGET:**
Start-up Major Donor Database = Microsoft Office
(Excel/Access Database & Word Donor Files)

**Based on Wayne G. Richardson's consulting for and running numerous nonprofits.*



This Seminar author comes from a Military Family. Pictured left to right are Colonel U.S. Army (Retired) Gordon A. Richardson (Wayne's Younger Brother), U.S. Army Lieutenant Colonel (Retired) Gerald A. Richardson (Wayne's Dad), Family Commander-In-Chief Barbara D. Richardson (Wayne's Mom), U.S. Army Lieutenant Colonel (Retired) Bryan D. Richardson (Wayne's Older Brother), and U.S. Army Major (Retired) Wayne G. Richardson.



My 30-Day Leader Action Plan

30-DAY CEO/EXECUTIVE DIRECTOR OR BOARD PRESIDENT ACTION PLAN

(INITIAL & DATE AFTER I-XII WHEN COMPLETE.)

- I. Make your written annual pledge if you have not done so. _____
- II. Ask 100% of your current Board & Staff to be donors of record via a written pledge. _____
- III. List 3 possible new Board members or their Natural Partners (NPs): _____
 - 1.
 - 2.
 - 3.
- IV. Schedule visits or calls to the 3 potential new Board members or their NPs: _____
 - 1.
 - 2.
 - 3.
- V. Establish a Board approved Major Gift level for your organization. _____
- VI. Complete the Major Donor Prospect Excel Matrix for your organization. _____
- VII. Complete 5 Need Statements (Bonus = Post on your website).
(First should be Unrestricted and then all major programs.) _____
- VIII. Complete your 1-2 page organizational marketing overview. _____
- IX. Establish a 100% Planned Giving Program by calling a wealth management or banking firm. _____
- X. Look at your website's Giving Tab for comprehensives, donor friendliness, & as a fundraiser's tool. Change your Giving Tab as required.
(Or make this one of your 5 Need Statements.) _____
- XI. List 3 Free Major Donor/Board recruitment & exclusive events /activities: _____
 - 1.
 - 2.
 - 3.
- XII. Schedule your first Monthly Prospect Managers Meeting & regard I–XI above. _____

As a the senior leader, I commit to this plan: _____

Signature & Today's Date

Once Completed = Free next step(s) consultation with Wayne G. Richardson, CFRE!

KEY START-UP DEVELOPMENT TERMS & DEFINITIONS:

Note: Terms found within a definition that have their own definition listed separately are italicized.

"1/3 – 1/3 – 1/3 Board Effectiveness Rule of Thumb": Normally 1/3 of your Board are "Movers & Shakers," 1/3 just participate in activities but show no leadership, and 1/3 you are looking to remove for non-participation and no leadership.

80 - 20 Rule: 80% of organizational fund raising comes from 20% of donors.

90-10 Rule: 90% of Capitol Campaign fund raising comes from 10% of donors.

Advisory Board: Boards that are formed as a resource via member talents or expertise for use by the organization's governing Board and CEO/President/Executive Director/Pastor. Advisory Board members have no voting authority at the organizational Board level and must often be excluded from sensitive organizational discussions or information. They make great members of organizational Board subcommittees like the *Fund Raising or Advancement* Subcommittee. Their work as an Advisory Board member is often a key indicator of organizational Board candidacy.

"Arms Length": Applies to Planned Giving where nonprofits who are listed as beneficiaries in wills, trusts and annuities, do not also create or manage these instruments. Otherwise, these instruments might be contested by relatives claiming coercion by the nonprofit.

Audited Financials: The examination of an entity's financial statements and accompanying disclosures by an independent auditor. The result of this examination is a report by the auditor attesting to the fairness of presentation of financial statements and related disclosures.¹

Board Campaigns: Done each year normally before the organization's fiscal year budget gets approved. Goal is all Board members have pledged \$1 or more for the year. Time or in-kind gifts do not count towards this. A key sign of a healthy fundraising organization.

Board, Development Committee: A group of Board members assigned to assist and provide leadership to the organization's CEO and Development/Fundraising staff. This Committee

should be defined in the organization's bylaws.

Board, Emeritus: A retired Board member who has served well. This definition is spelled out in the nonprofit's bylaws. They are normally treated with all privileges of a serving Board member except they cannot vote on motions or approve or direct anything. They do not have to attend Board meetings. Typically, they show up to nonprofit events or just fade away. Note that this can be an honorable way to move someone off the Board who can no longer be active.

Board Executive Committee (EC): Comprised of the Board's President (or Chairperson), Vice President (or Vice Chairperson), Secretary, Treasurer and other alternates. This committee can be as small as 3 or composed of at least the Board President, Vice President, and Secretary (for recording the EC motions), or as large as 10 or more in the case of a larger general Board membership like a national university. An EC normally is empowered to vote on special motions occurring between regular board meetings. These motions are essential for the nonprofit's operation. For example, opening a new bank account or accepting donated property where a quick decision is needed, and finally approving the hire of a CEO/Executive Director if the next Board meeting is months away. Note that the nonprofits bylaws must spell out in detail the EC's scope of authority and responsibilities.

Board, Nominating Committee: A group of Board members assigned to vet new Board Members. This Committee should be defined in the organization's bylaws.

Bylaws: Legally required as one of the first steps to forming a nonprofit. This document details all governance aspects of the nonprofit.

Campaign, Capital: A nonprofit Board approved initiative to raise funds for a specific purpose (examples: building, endowment, or program) and includes a monetary goal and a time period. Campaigns vary on the number of phases but normally include a Strategic Planning Phase (where a *Feasibility Study* or polling of the nonprofits major donors occurs as well as the Campaign's "Case for Support" is drafted), Silent Leadership Phase (where between 50% to 90% of the Campaign's monetary goal is raised), Public Phase (characterized by a Campaign press release and the raising of the balance

¹ from www.accountingtools.com

of the monetary goal), and Stewardship/Rest Phase (characterized by thanking Campaign donors and the organization being in the Strategic Planning Phase for the next Campaign).

Campaign Honorary Chairperson (CHC): A person who is recruited because of their recognition or distinction that will bring attention to a fundraising campaign. The CHC normally serves as a signatory for campaign documents going out to donors and attends only one or two (or no) key campaign events because they are unavailable. In fact, their agreeing to be a CHC is often conditional that they have limited responsibilities.

Capacity/Affluence Ratings or \$: Reflects the maximum gift capability a donor could make in a calendar year and excludes pledging over several years.

Case Statement, Campaign: A document that must make a compelling justification or “Case” (to donors) for the organization going into a *Capitol Campaign*. This document in its final form can range from a simple information paper to a high quality expensive marketing brochure, pamphlet or magazine with pictures, charts, and graphs.

Cause Related Marketing: Refers to a type of marketing contractual partnership involving the cooperative efforts of a for-profit business and a nonprofit organization for mutual benefit. The NFL Breast Cancer “Pink” partnership is a great example.

Certified Fund Raising Executive (CFRE): A worldwide fund raising credential earned by means of a 5-year period involving education and fund raising performance which then qualifies a candidate to sit for an extensive 3 hour exam. Currently, a CFRE is the most distinguished credential for a fund raiser and is frequently listed as a desired job opening attribute of a senior fund raising executive.

“Cherry Picking”: When nonprofit 1 is invited to nonprofit 2’s fundraising event and nonprofit 1 uses the event to cultivate nonprofit 2’s donors. This is considered in poor taste. A guideline is that nonprofit 1 could only talk about itself, if asked a question by a donor at nonprofit 2’s event. In this case, nonprofit 1 should not use this as license to cultivate but should only answer the question(s) and not probe towards cultivation.

Community Development Block Grants (CDBG): HUD 5-7 figure annual grants that have a focus on capital improvements for homeless: housing, sheltering, feeding, medical or other services.

Note that these funds enact prevailing wage based budgets/costs.

Connectivity/Affinity Rating or %: Reflects the relationship with your organization or the likelihood that a donor prospect will make a gift or pledge in your organizations fiscal year.

Counting: How fund raisers are measured in their annual goals. Counting at organizations can include: cash, pledges, planned gifts (normally present cash values or will discovery set values), in-kind values of products (normally that are directly related to an approved annual budget), and CRM contract values.

Department of Housing and Urban Development: Known as HUD has annual or onetime grant offerings geared towards low income housing, and homeless sheltering and feeding.

Development/Advancement/ Fund Raising/ Fundraising: All the same and used interchangeably.

Donor Advised Funds: Donors who do not want to establish their own private foundation, contract these duties long-term to a corporation – normally a bank or other wealth management firm – to do this. Donors primarily direct who the grant beneficiaries are each year. Normally, there are only a few beneficiaries that also get awarded annually.

E-blasts: A solicitation using email and an organization’s donor database. This is a no cost but low percentage return solicitation.

Employee Campaign: Done each year normally before the organization’s fiscal year budget gets approved. Goal is all employees have pledged \$1 or more for the year. Time or in-kind gifts do not count towards this. A key sign of a healthy fundraising organization when all employees are donors. Note should be done even if only 1 employee.

Equivalent Unrestricted: A term created by Wayne G. Richardson. These gifts displace unrestricted funds through the funding of projects, programs and other line items found in the organization’s operating budget. Example: A nonprofit has a new \$30K 7-passenger van listed in this year’s approved annual budget. If a car dealership donates or a donor gives the \$30K funds for a new 7-passenger van, the net result is that \$30K is freed up as unrestricted funds.

Feasibility Study: An activity conducted during the Strategic Planning Phase of a Capitol Campaign whereby private individual meetings

(ideally in a home setting) are held with Board Members and spouses and donor prospects expected to make lead gifts in the Campaign. These meetings are conducted by a consultant or neutral party to solicit key and normally anonymous feedback about the Campaign's "Case Statement" and the prospects willingness and degree of support to the Campaign. This feedback is given to the organization leadership whereby the organization knows the individuals involved in the *Feasibility Study* but does not know who gave the answers to the questions.

Fund Raising Culture: The degree to which the organization's Board, senior leadership and employees are aware and involved in fund raising activities. A key measurable metric of this culture is the degree to which the Board, senior leadership and employees are donors on an annual basis to the organization.

Gift Acceptance Policy: A document approved by the organization's Board defining what gifts will be accepted and under what conditions. This policy is normally correlating to items such as vehicles, boats, real estate, (condos, time shares, apartments, homes, etc.) food and other in-kind items.

Giving, Unrestricted: Funds given for any use by the organization.

Giving, Restricted: Gifts that must be used for a specific organizational need. Note that this giving can also be *Equivalent Unrestricted*.

Giving, Corporate: A for-profit's giving in the form of cash or in-kind product. *Cause Related Marketing* (CRM) also falls within corporate giving. Note that corporations can also have foundations. These corporate foundations are normally tied with public relations/marketing or again CRM initiatives.

Giving, Foundations: Normally associated with private foundations where the origination of the foundation's funding is an endowment initially established by an individual or family. Note that corporations can also have foundations. These corporate foundations are normally tied with public relations/marketing or *Cause Related Marketing* initiatives.

Giving/Donor, Major: Associated with the top 20% of an organization's donor pool. See 80-20 Rule and Giving, Planned. Normally associated with a nonprofit being the beneficiary of Wills, Trusts, Annuities, and Life Insurance policies. Often the easiest area with respect to soliciting because the solicitor can be providing the donor prospect a valuable service. Note that people

normally make planned gifts to organizations that have had a life changing impact on their lives.

GuideStar: A free nonprofit database that awards participating charities with either platinum, gold, silver or bronze ratings based on the degree of transparency or information provided such as IRS 990 and program information.

Internal Revenue Service (IRS) Form 990: A nonprofit annual filing requirement. For service nonprofits, it shows your programs, income, expenses, board members and CEO salary among other items. For a private nonprofit foundation, a key aspect is it shows to whom grants were awarded and what amount. This document is normally a requirement for 5-7 figure grant requests. Note that churches are exempt from filing which is an administrative benefit but on the flipside a negative in their grant writing.

IRS 501(c)(3): A 501(c)(3) organization is a tax-exempt nonprofit organization in the United States. Section 501(c) of the United States Internal Revenue Code 26 US Code § 501 (c) provides that 29 types of nonprofit organizations are exempt from some federal income taxes. The most common type of tax-exempt nonprofit organization falls under category 501(c)(3), whereby a nonprofit organizations is exempt from federal income tax if its activities have the following purposes: charitable, religious, educational, scientific, literary, testing for public safety, fostering amateur sports competition, or preventing cruelty to children and animals²

<https://www.irs.gov/charities-nonprofits/charitable-organizations/exemption-requirements-501c3-organizations>

To be tax-exempt under section 501(c)(3) of the Internal Revenue Code, an organization must be organized and operated exclusively for exempt purposes set forth in section 501(c)(3), and none of its earnings may inure to any private shareholder or individual. In addition, it may not be an action organization, i.e., it may not attempt to influence legislation as a substantial part of its activities and it may not participate in any campaign activity for or against political candidates. Organizations described in section 501(c)(3) are commonly referred to as charitable organizations. Organizations described in section 501(c)(3), other than testing for public safety organizations, are eligible to receive tax-deductible contributions in accordance with Code section 170.

"Just 1 Principle": Not overloading your nonprofit Board members or other affluent

² from Wikipedia

fundraising volunteers by asking them to cultivate more than 1 major donor to start. Stick with asking them to open up cultivation with just 1 person, foundation or company to start.

Kresge Foundation: An example of a national private foundation that gives 7-figure gifts but requires 100% Board financial participation.

Major Gift Level: An arbitrary amount that the organization will use to base its top 20% donors' minimum total annual giving. Example: If the top 20% of an organization's donors gave at least \$10,000 in a fiscal year the Major Gift Level would be \$10,000.

Major Giving: Normally the top 20% of your donor database. 10% during a Capital Campaign.

Moves Management: Increasing a donor prospect's affinity to your organization through planned donor interactive steps following a written plan leading to a solicitation.³

Moves Management, Natural Partner (NP): A person who had access to a major donor prospect and volunteers to initiate your organization's cultivation of the prospect. NP's may or may not be affluent but must be cultivated in the same manner as a major donor prospect. Failing to do so is a common mistake by nonprofits who do not fully value or appreciate a NP's role.⁴

Moves Management, Primary Player (PP): A person who is recruited as part of a solicitation team that has influence on or is highly respected by the donor prospect. Ideally the PP is a donor of record to the organization. Note that NP's can also be PP's.⁵

Moves Manager, Prospect (PM): A person assigned to directly cultivate a development prospect. The PM uses senior leadership to cultivate but retains responsibility for the prospects relationship affinity growth with the organization and the solicitation schedule.⁶

Need Statement: An approved organizational requirement in writing that needs philanthropic funding. Normally an executive summary with title, description, benefits, cost, recognition, contact, other information and legal information sections that can be as simple as one sentence each. Need statements can be expanded to be

the basis of a full grant proposal.

Needs Book: The collection of approved funding requirements or Need Statements in a hardcopy and electronic form used in fund raising, cultivation and solicitation.

Opportunity, Naming: A donor's ability to purchase as a condition of a gift the naming of a facility, or facility subcomponent, program, endowment or other. (Example: Jones Stadium, Jones Scholarship) The duration of the naming can be forever and must be transferred, during the life of the building, or for a specified length of time. Normally a legal written agreement accompanies a naming opportunity.

Opportunity, Recognition: A donor's ability to purchase as a condition of a gift a plaque whereby the donor is thanked by the organization for funding the construction or renovation of a facility, or facility subcomponent, program, endowment or other. (Example: "The renovation of this conference room was made possible by the Jones Family in memory of John A. Jones 1941-2020.") The duration of the naming can be forever and must be transferred, during the life of the building, or for a specified length of time. A legal written agreement can accompany a recognition opportunity.

Opportunity, Recognition & Naming Policy: A Board approved document that clearly defines naming and recognition opportunities offered by the organization. This policy is a key need for all organizational fund raisers to insure they can be under authority and perform solicitations appropriately.

Phonathon: Soliciting donors by phone. Phone calls would include updating donors on ministry activities preceding the solicitation. Callers are staff who receive caller training and approved talking points.

Phonathon/"Thankathon": Phoning of donors to thank them for their giving. No solicitation occurs. This activity is designed to break the cycle of communication always having a solicitation.

Plan, Cultivation: A written document outlining steps (events, meetings or communication) towards increasing a donor prospect's affinity

³ Moves Management is a universal concept but a Trademark registered by The Institute of Charitable Giving.

⁴ Term used in *The Artful Journey* by William T. Sturtevant, Bonus Books, Inc., 1997.

⁵ Term used in *The Artful Journey* by William T. Sturtevant, Bonus Books, Inc., 1997.

⁶ Term used in *The Artful Journey* by William T. Sturtevant, Bonus Books, Inc., 1997.

to your organization through planned steps leading to a solicitation. This is a living document that is changing based on each step's result.

Plan, Solicitation: A written/scripted plan for the prospect manager, natural partner and primary player detailing the solicitation meeting. This plan includes possible donor questions and their answers and is prepared by the prospect manager.

Planned Giving: Mainly wills, trusts, annuities and life insurance policy where a nonprofit or individual(s) is the beneficiary.

Primary Player: A person that has been cultivated to assist in the actual solicitation – the formal monetary ask – who has influence on the entity being solicited. Example: If the father of the person being solicited is a donor to your nonprofit, they would be a great candidate.

Probing Questions: Questions that result in a successful moves management step. These questions help the donor talk about their values, gift capacity and affinity to your organization. These questions should be thought out before a meeting with a donor prospect.

Pro-bono: Free and used referring to professional services.

Prospect Managers Meeting: A meeting, recommended at least monthly, where individuals who are guiding potential donors along a cultivation path through solicitation, meet and discuss next steps for each of their assigned donor prospects.

Quid Pro Quo: Corporate benefits in exchange for Donor funding, in-kind gifts, marketing, services or other benefits.

Quorum: Based on a nonprofit's bylaws, having enough Board members to conduct business which normally means approving motions. A quorum is normally a number over 50% of the Board members.

Room Full of Grants Parable: Many large foundations that award grants have thousands of grants but can only fund a few. Those that get funded often are known by the Foundation's Board who make the funding decisions.

"Scarf Parable": A donor sales from a life of knitting resulted in a nonprofit's largest gift upon these funds invested and then gifted via a bequeath. The lesson here is, nonprofit leadership must watch every penny spent on fundraising as your donors have paid for this activity.

Shared Credit: A nonprofit making a decision to award fundraising annual goal credit to multiple fundraising staff who were involved in the gift cultivation and/or solicitation. Example: a \$100,000 grant is obtained from XYZ Foundation. A major gift staff member had the key relationship with an XYZ Foundation's Board member and partnered with a staff grant writer. Both major gift officer and grant writer get \$100,000 each towards their annual monetary goals. Note that \$200,000 has not been raised, and this only applies to annual goals. This partnership/policy promotes collaboration and ensures the best donor cultivation is achieved.

Statement of Faith: The religious principles that a church or faith based organization believe as foundational in their operation and purpose.

Tax Credits: Unique, complicated, and national funding for construction projects. Normally a consultant is used/needed by the organization – at least for the first project.

"Thankathon": Where donors are called and simply thanked. No solicitation occurs. This breaks the cycle of constant solicitation.

Unrestricted Funds: Donations where a nonprofit can use for any purpose.

Vision Tours: Most commonly referred to with US based international nonprofits hosting donors at projects outside of the US as a means to cultivate and solicit 6-8 figure funding. However, this can apply to US project's as well. This can also be as simple as getting your donor to your nonprofit so they see your vision of growth and they are motivated to give at any level. Normally the nonprofit's CEO is present for this level of cultivation.

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SEMINAR BOOKLET'S TAKE HOME TOOLS FOUND WITHIN:

Board Member Responsibilities
Sample Board Member Application
Sample Board Annual Pledge Form
Sample Employee Annual Pledge Form
Sample 2-Page Nonprofit Summary
Sample 15-Passenger Van Need Statement
Sample Unrestricted Need Statement
Need Statement Format Guidance
Moves Management Guidance
Sample Donor Prospect List Matrix
Sample Calculating Yearly Major Giving Totals Matrix
Sample Cultivation Trip Reports
Sample Cultivation & Solicitation Plans
Campaign & Key Fundraising Biblical References
Start-up Fundraising Resource Links
Website "Ways to Give" Tab Guidance
30-Day Leader Action/Start-up Plan
5 Pages of Start-up Fundraising Definitions

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