

 **CompassPoint**

NONPROFIT SERVICES

How Board Members Become Successful Fundraisers

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How Board Members Become Successful Fundraisers

Sample tools for board development



**Steve Lew, Senior Project Director
CompassPoint Nonprofit Services**

Glossary: Fundraising & Building a Culture of Philanthropy

What is fundraising?

Fundraising is the process of securing charitable donations, which are necessary to run a nonprofit agency's programs to meet community needs.

What is development?

Development is the process of cultivating relationships with people who will support a nonprofit agency. You can apply many of the principles and practices of development to starting and building effective relationships with governmental and foundation funders as well.

What is cultivation?

Cultivation is communication activities with prospective donors that build awareness and connection with your organization, and, that increase your understanding of why someone might give to your organization.

What is stewardship?

Stewardship is building the trust and confidence of current donors that your organization is worth continuing their support and deepening their involvement each year. Annual reports are the traditional way; authentic conversations, sharing important news, involving a donor as an advisor, volunteer or solving a problem for the organization are excellent stewardship strategies.

What is an annual campaign?

The series of fundraising activities your organization implements each year to secure new donors, renew and increase gifts from donors is an annual campaign. The 'campaign' requires structure, timeline and leadership for successfully completing the activities and achieving goals.

What is philanthropy?

Voluntary action and giving to advance the common good. Root meaning is love of humanity.

What is a philanthropist?

Not necessarily foundation staff or trustees, nor the wealthiest people who give money away. Think of all kinds of people who volunteer a significant part of their time to a cause, people of all means who give a % of their annual income to improve communities, society, the environment. Think of yourself.

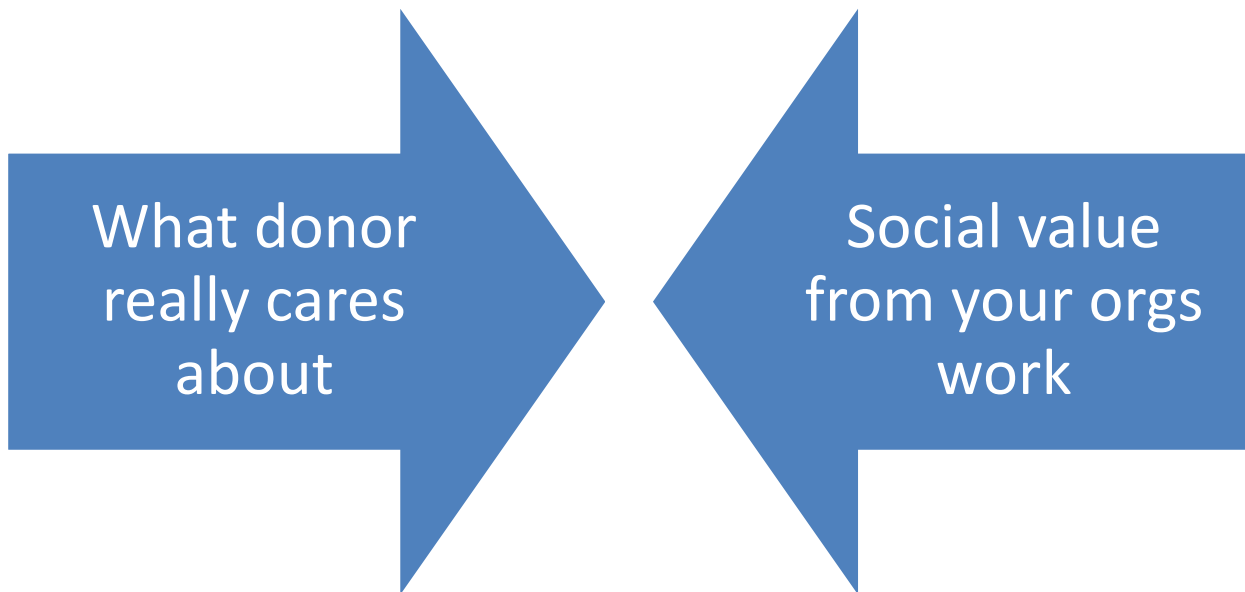


A Culture of Philanthropy How Do We Get There?

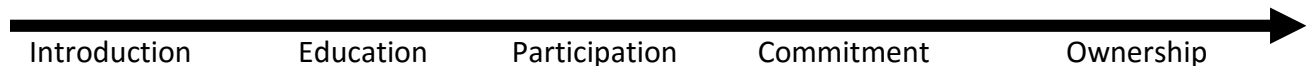
- Have workplace discussions about what people they give to, what they volunteer for & why. Recognize everyone's philanthropy.
 - Show staff, board and volunteers how money, mission and constituent engagement are all linked in achieving impact.
-
- Make an annual gift to your organization that is personally significant to you & your income. Ask everyone else to consider doing the same.
 - Hold annual board orientations that include experiences in your programs, hearing from a donor, and training in cultivation and asking.
 - Have board members and staff talk to donors outside of fundraising campaigns. Organize a thank a thon, so people get to know why individuals give money to the organization, what they care about.
 - When donors ask to be taken off a list, their info updated, to discuss a concern, get it done and make sure that it becomes a part of their donor record so that other people understand the donor's need and preferences.
 - When the fundraising begins, involve clients, constituents, members. Give them opportunities to give back as donors and as solicitors.
 - Take shaming and guilt tripping out of the fundraising process. Get comfortable with hearing 'no' 'not now' "I can't".
 - Learn about different traditions of giving towards the common good.
 - Have a workplace discussion on how your mission and work is a part of achieving the common good.

The Exchange Principle

- Organizations create social value that most individuals can't create on their own
- Individual donors pay your organization to achieve things that they don't have time or abilities to do
- There has to be a "match" in the donors' values for the exchange to be real, and for a donor to keep giving.



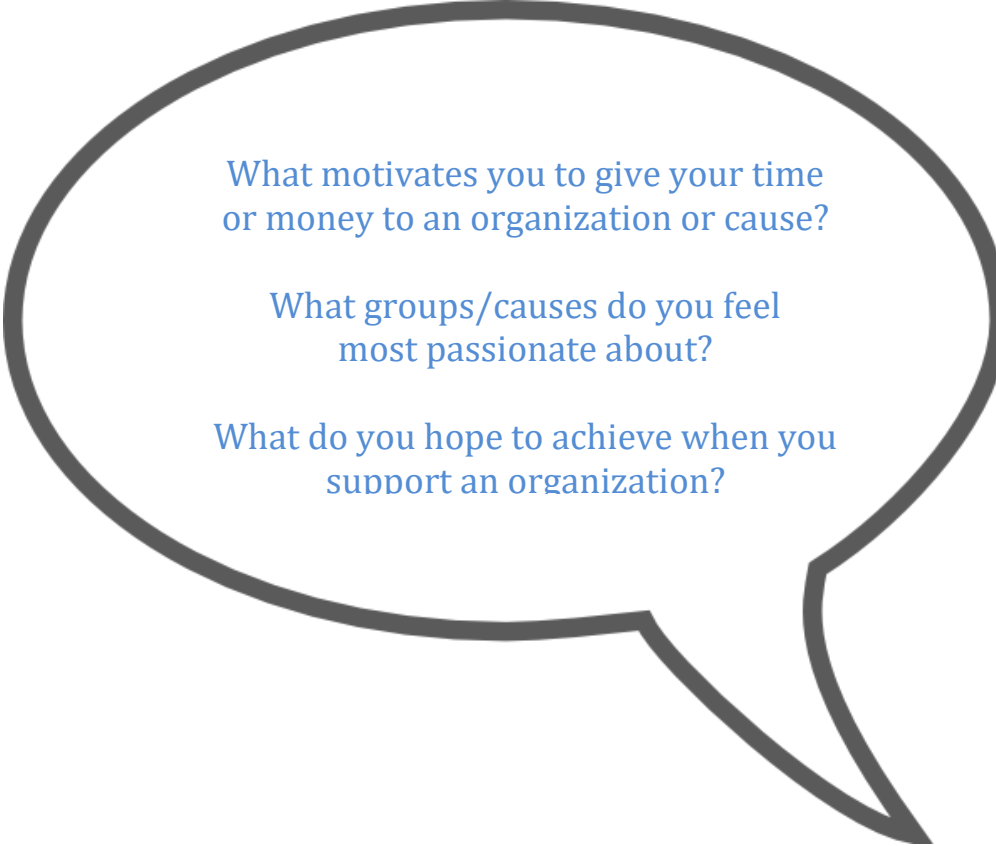
Stages of Cultivation & Stewardship



How does the organization cultivate prospective donors and steward current donors?

Have a cultivation conversation: a group exercise for your board.

- ✓ Person A “interviews” person B using the following questions and focuses on listening, and ask more questions to discern what is most important to that person. Stay as curious as possible and do not try to influence the outcome.
- ✓ Afterwards briefly share what you thought was most important to the person, what values you heard being expressed.
- ✓ Switch roles and the other person is interviewed.
- ✓ Afterwards briefly share what you thought was most important to the person, what values you heard being expressed.



What motivates you to give your time or money to an organization or cause?

What groups/causes do you feel most passionate about?

What do you hope to achieve when you support an organization?

What Motivates Giving?

Why do people give?

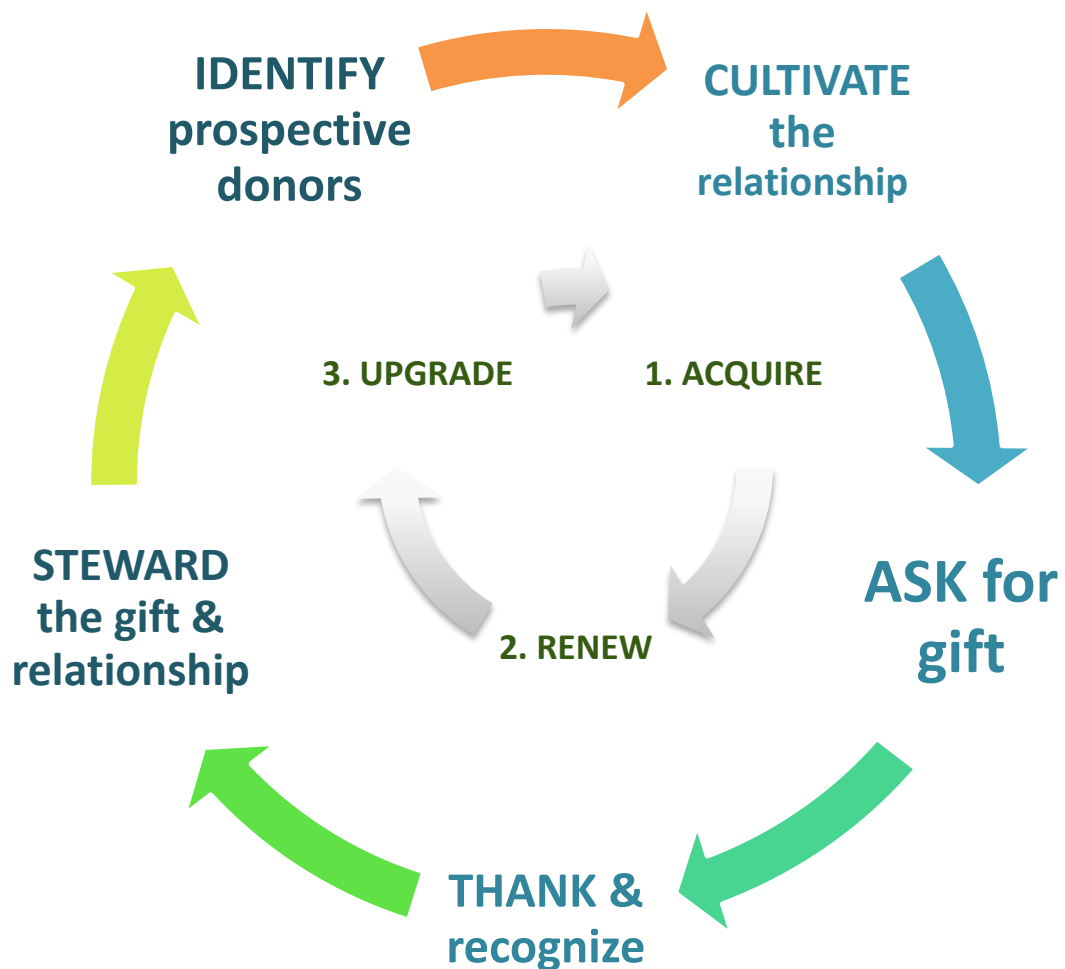
Why don't people give?

What does this tell us?

Segment Your Donors

Your fund development activities, information systems segment donors in important ways:

1. Newly acquired donors
2. Annual donors
3. Frequent donors
4. Give through events
5. Other donor preferences



What if we don't have a donor management software system?

Download: *Consumers Guide to Donor Management Systems, 2013* www.idealware.org/reports



Involve the Board, Staff and Other Volunteers: Your Partners to Achieve Success

Establish an institutional culture that supports the idea that building relationships and fundraising is everyone's responsibility. This important task cannot be delegated to any one person or a committee.

Inclusion - Everyone who supports the mission can also be a donor; do not exclude potential supporters by deciding that staff or clients cannot be a financial supporter. By joining your board each member knows that they make an annual financial contribution that is personally significant to their resources.

Diversity of roles - Not every board member, staff or volunteer does the same thing in raising funds for the organization, some people keep in touch with donors, some people organize events, some people identify new networks to reach and identify new prospective donors. Fundraising is more than just asking for money. There's also identification, research, cultivation, acknowledgment and stewardship.

- Find out what motivates people.
- Determine the right job for the right person.
- Create teams around the key activities – that play on different talents and skills

Appreciation – When was the last time that you or your board chair thanked people specifically for what they did in the annual campaign or fundraising event? Thank people in the beginning, middle and end of the fundraising period, pointing out what they did well. You are building a culture of philanthropy that values their volunteerism.

Fundraising Roles of Board & Staff

Board Responsibilities:	Shared Responsibilities	Staff Responsibilities:
<ul style="list-style-type: none">• Set fundraising policies• Make your own gift to the organization in addition to soliciting other donations• Ask others for contributions, including potential major contributors; solicit them• Open doors for staff members to make their solicitations• Take on special fundraising projects and make them successful• Become passionate spokespersons for the organization• Add personal notes to letters mailed by staff members	<ul style="list-style-type: none">• Cultivate current and prospective donors• Plan fundraising activities for board and staff• Plan and implement special events• Add names to mailing lists for staff solicitations• Make presentations to potential donor groups• Acknowledge the generosity of donors	<ul style="list-style-type: none">• Draft plans and recommend reasonable goals• Draft the case for investment and talking points• Research current and prospective donors• Prepare proposals and direct mail solicitations• Provide the board with necessary materials for their solicitations• Manage fundraising logistics



Helping Board Members Become Effective Fundraisers- an evening workshop for board leaders and staff.
www.compasspoint.org/workshops/fundraising

- Invite friends and family to participate in our Special Events. This includes the *Ride for Change* (held in May), our signature annual fundraising event, the *Evening for the Future* (held in October), and selling tickets to such events as _____, *Dine Out for Change*, and others.

I will raise funds for the following: _____ Bike Ride: yes____ no____
Leadership Awards: yes____ no____

I will sell tickets for special events:

Shopping Event - \$10 Shopping Tickets (July) yes____ no____
- \$50 Raffle Tickets (September) yes____ no____
Concert - \$125 Event Tickets (October) yes____ no____

My goal to raise through special events: \$_____

- Host a house party or invite a friend to host a house party. House parties are used to educate our friends and donors about the services that Organization X offers, and is also an opportunity to raise money. By hosting a party, you underwrite the cost of food and drink, and open up your home to the Organization X family.

I am available to host a house party: yes____ no____

Best time of year: Winter_ Spring_____ Summer_____ Fall_

I have a friend that is available to host: yes____ no____

The name of my friend is: _____

My goal to raise through house party \$_____

- Other ways to support fundraising.

I have expertise in the following areas: _____

My overall fundraising goal is \$_____

_____*I'd like help in setting my fundraising goals- please contact me!*

I agree to fulfill the above-stated fundraising goals to the best of my ability.

Board Member

Date

Board President

Date

Fundraising Resources

UnderDEVELOPED, 2013 www.compasspoint.org

Grassroots Fundraising Journal www.grassrootsfundraising.org

CompassPoint Workshops: <http://www.compasspoint.org/workshops>

Blue Avocado, Board Café www.blueavocado.org

Board Development Resources

BoardSource increases the effectiveness of nonprofit organizations by strengthening boards of directors through our highly acclaimed consulting practice, publications, tools, and membership program (www.boardsource.org).

Blue Avocado is a free nonprofit online magazine for community nonprofits. The Board Cafe, is a regular column in the magazine and features common questions and issues regarding nonprofit board service (www.blueavocado.org).

California Association of Nonprofits (CalNonprofits) is a policy and advocacy organization serving California nonprofits (www.canonprofits.org).

CompassPoint Nonprofit Services has blogs, research reports, educational programs and archived articles from the Board Café available for free (www.compasspoint.org).

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