



Fundraising Best Practices for Water Organizations

Leadership Development Institute 2018-19
Developing Effective Water Organizations Series

Leadership Development Institute

Developing Effective Water Organizations Series:

- Oct. 11 *Governance: Building Strong Boards to Lead Strong Organizations*
- Nov. 8 *Goals, Strategies, Tactics-Oh My! Strategic Planning from Vision to Implementation and Evaluation*
- Dec. 13 ***Fundraising Best Practices for Water Organizations***
- Jan. 10 *We Want You! Volunteer Recruitment, Management & Retention*
- Feb. 14 *Don't Worry, You Don't have to be an Accountant to Understand Nonprofit Financial Management*
- Mar. 15 *Ensuring Equity, Diversity & Inclusion In Your Organization*

Thank You for Being a Member

Take advantage of your paid membership benefits:

- ✓ Find **funding** for water projects
(on the website go to *Membership* then select *Get A Project Funded*)
- ✓ Receive **25% off** registration for our annual River Rally conference
- ✓ Receive **discounts** on equipment and consultations
- ✓ And more!



Questions about your paid membership benefits? Please contact Carly Schmidt, Membership Associate, at cschmidt@rivernetwork.org

Today's Presenters & Agenda



Caroline Bott
*Leadership
Development Mgr.
Mid-Atlantic*



Paco Ollervides
*Leadership
Development Mgr.
Great Lakes*

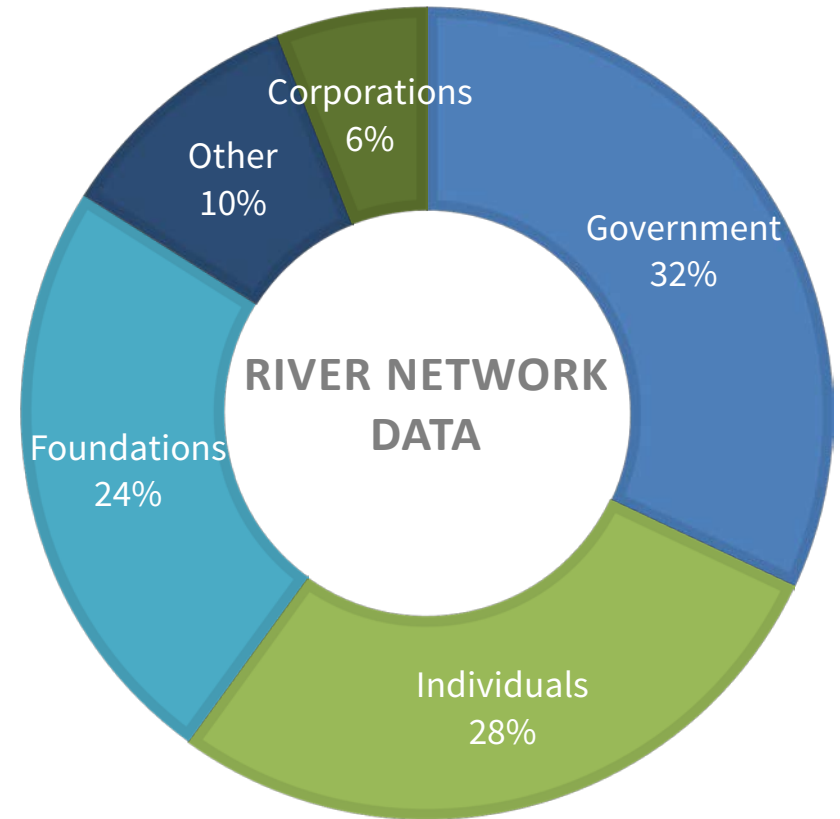
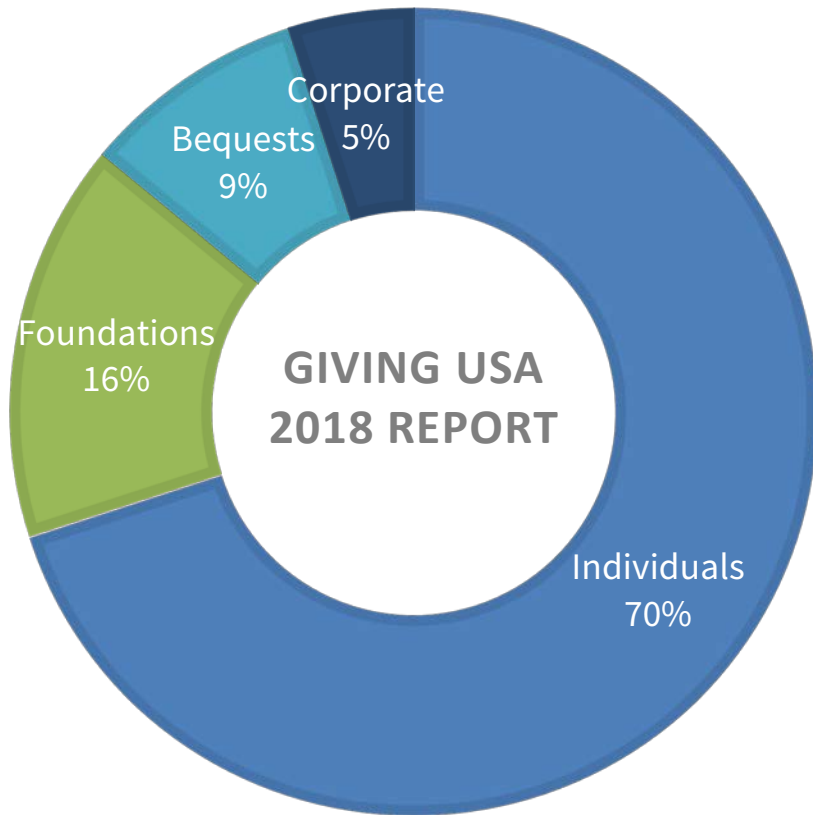
- Giving Data
- 10 Best Practices for Fundraising Programs
- Bonus Topic: End of Year Giving
- Questions & Discussion

Polls:

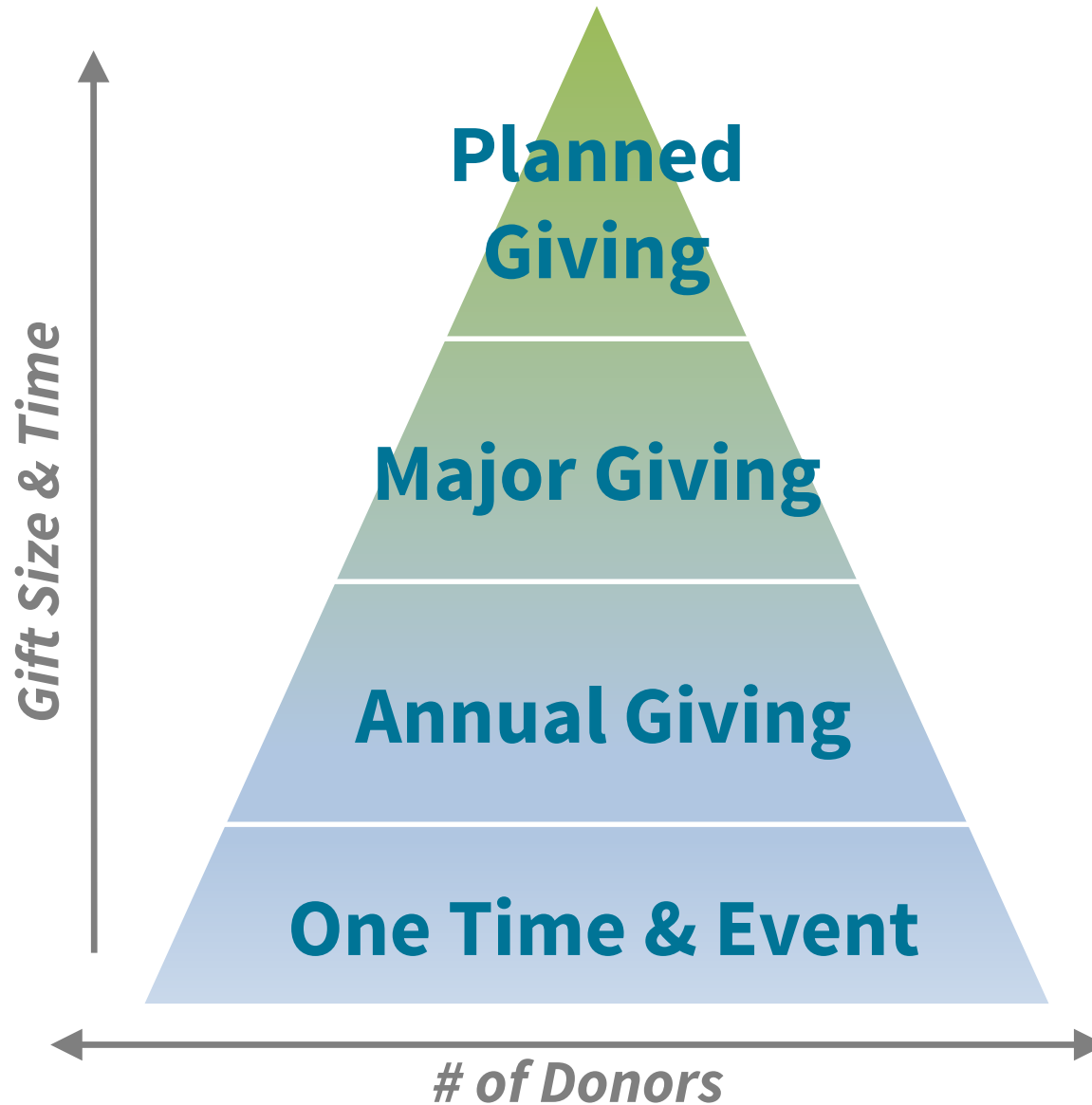
Who's here today?

Why are you here today?

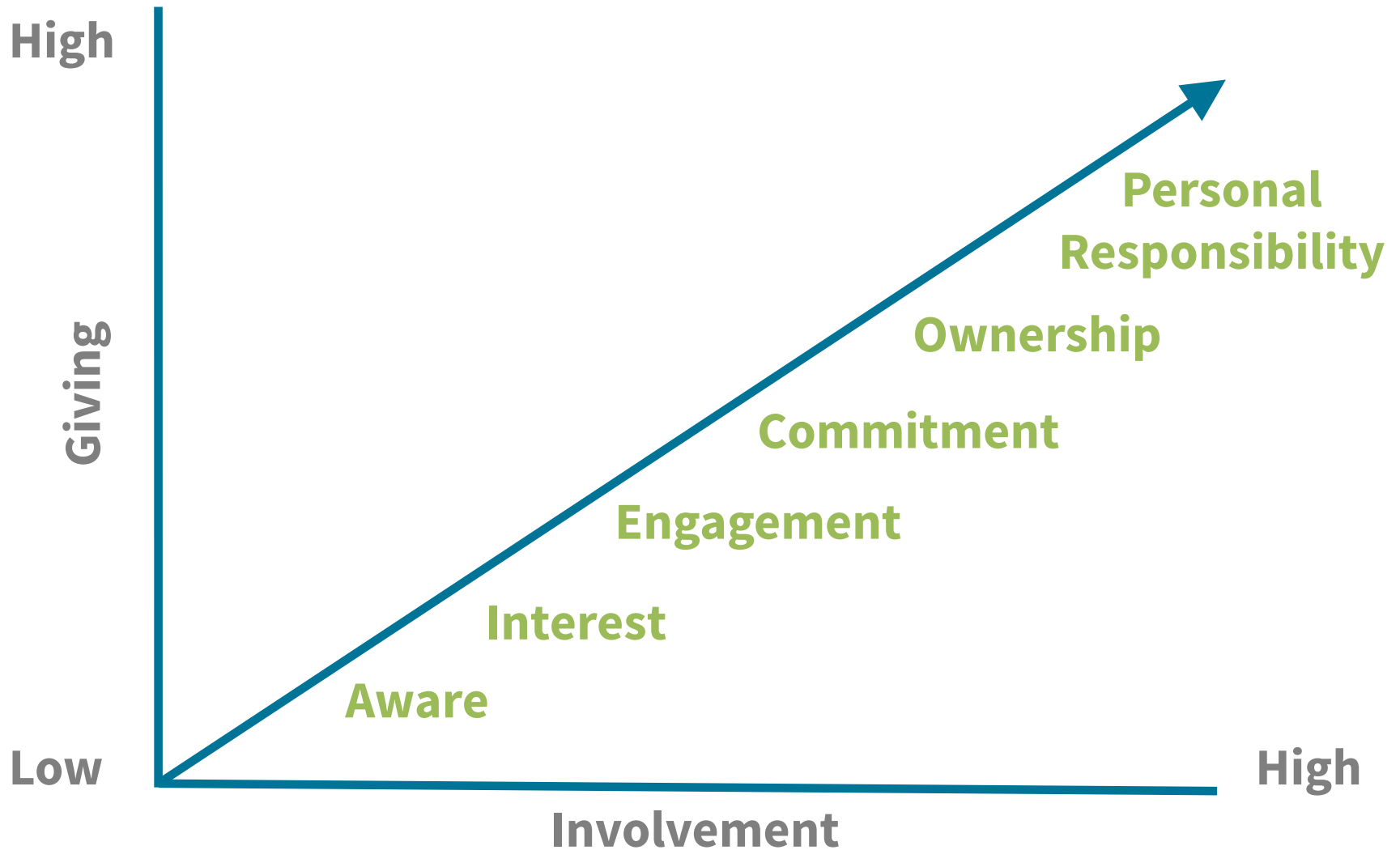
Who's Giving...Contributions by Source



Giving Pyramid



Best Practice #1: Build Relationships

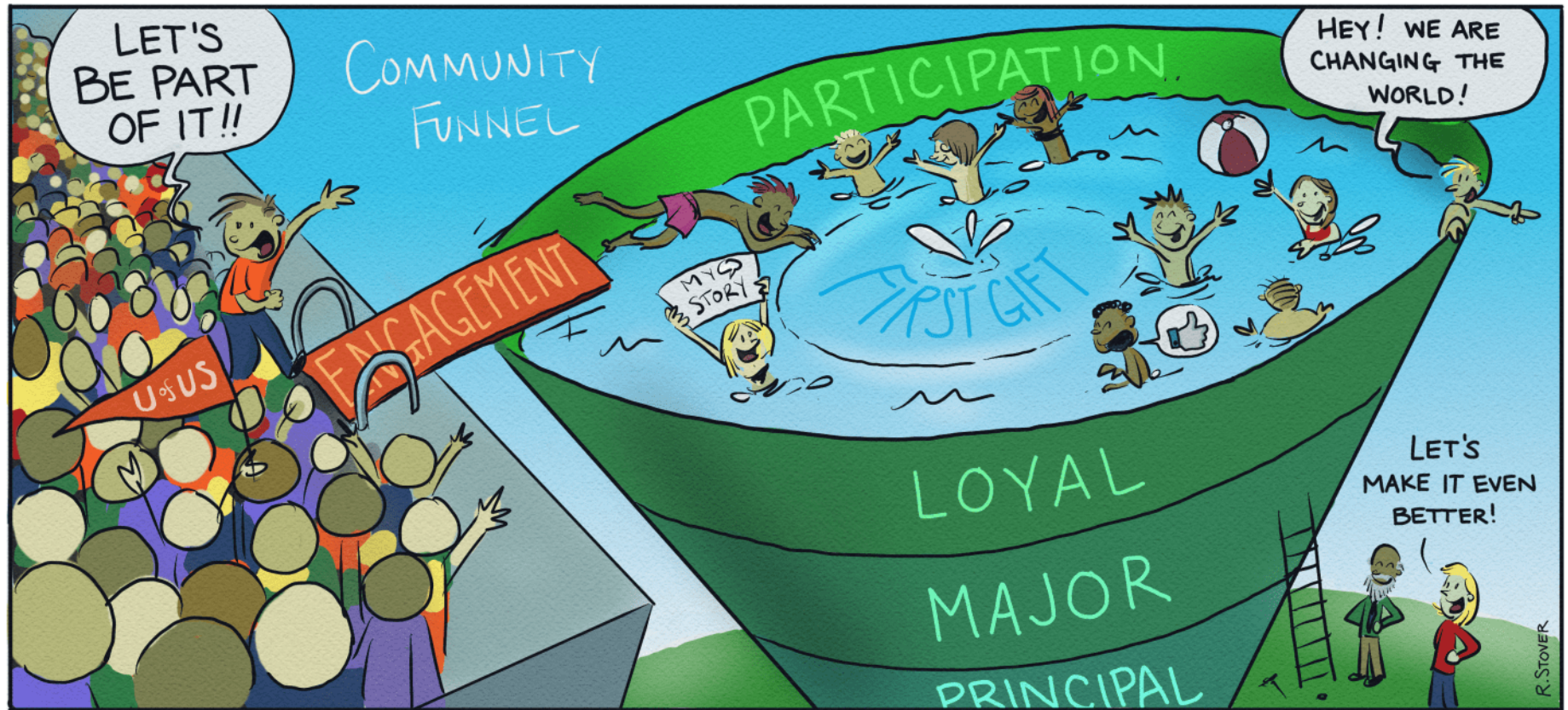


Fundraising Cycle



Community Funnel

CommunityFunded™
Inspiring Philanthropy



Best Practice #2: Case for Support

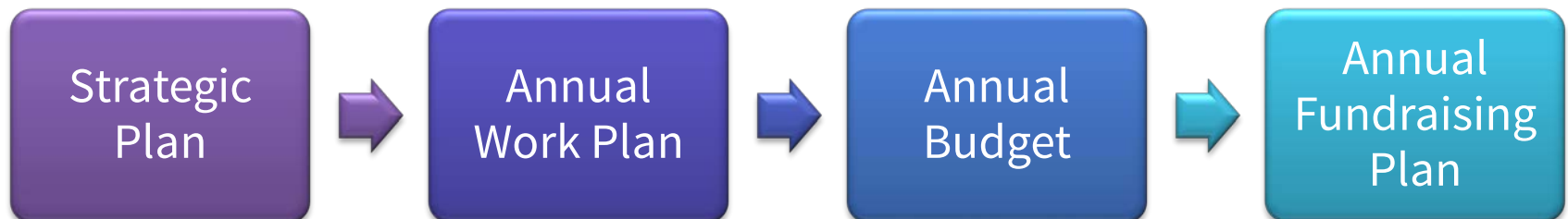
- Compelling story for why your organization exists, what it does, is a call to action and invitation to donors
- Most important tool in your organization's fundraising toolbox
- Serves as the primary resource for guiding donor communications

Elements of a Case for Support

- ✓ Emotional Opening
- ✓ Purpose
- ✓ Need
- ✓ History/Niche
- ✓ Outcomes and Proof of Impact/Past Accomplishments and Success Stories
- ✓ Current Program(s)/Goals
- ✓ Financial need
- ✓ Means of Support

Best Practice #3: Fundraising Plan

- Defines fundraising goal for the coming year
- Identifies fundraising strategies and related goals
- Projects fundraising costs for each strategy
- Details **who, what, when** for each strategy
- Lists specific prospects (foundations, corporations, mailing lists)
- Creates a **fundraising calendar**
- Sets benchmarks to measure progress
- Creates a framework for subsequent plans



Best Practice #4: SMART Goals & Strategies



Funding Source											Sub -Total by Source
1. Individual Donors (above dues)	Strategy	# of people asked	Anticipated effectiveness of request	Average donation	Estimated Income	Costs	Net Income	Timing	Board Role	Staff Role	\$5,797
Current Donors- Special Appeals	June special appeal (for River Defense Fund)	180	12%	\$52	\$1,123	\$135	\$988	June	Personal notes on outgoing letters	Pull out donors of previous 4-6 weeks. Share donor info w/ Board	
	Dec. appeal (end-of-year)	220	15%	\$78	\$2,574	\$165	\$2,409	Dec.	Personal notes on outgoing letters	see above	
	Ongoing cultivation of 17 current major donors + major donor prospects, with 4-6 "light touches" per year (i.e. non-ask contacts)				\$0	\$0		Ongoing	Willing Board members get roster of 3-5 major donors for cultivation (in coordination with E.D.)	Get Board members names to cultivate and support materials (e.g. press clippings, reports, etc.)	
	Face-to-face Major Donor visits	24	50%	\$200	\$2,400	\$0	\$2,400	Ongoing	Board to help open doors for mtgs with Prospects and to attend mtgs w/ E.D.	E.D. to attend meeting and provide follow-up as needed	
2. Member Dues	Strategy	# of people requested	Anticipated effectiveness of request	Average donation	Estimated Income	Costs	Net Income	Timing	Board Role	Staff Role	\$10,529
Renewals	Bi-annual renewals. 3 reminder letters + 1 call (or 2 letters, if the 3rd isn't effective in the first round). 6 wks b/n reminders	205	70%	\$47	\$6,745	\$308	\$6,437	Ongoing	circulate names of lapsed members among Board	Pull out major donors and renewal letters in Dec. (send appeals instead). Create coded mailings w/ reply cards and envelopes.	
New members	Each Board member recruits 10 members/year		70 members	\$40	\$2,000	-	\$2,000	Ongoing	Personal pitches and recruitment in their networks	Provide Board members with brochures, forms/envelopes & other materials.	
	Recruitment at tabled events (e.g. Earth Day event, Sunday market, etc.)		10 members	\$40	\$400	-	\$400	Earth Day, Summer, Fall	Assist by staffing tables at events		

Different Strategies Meet Different Needs

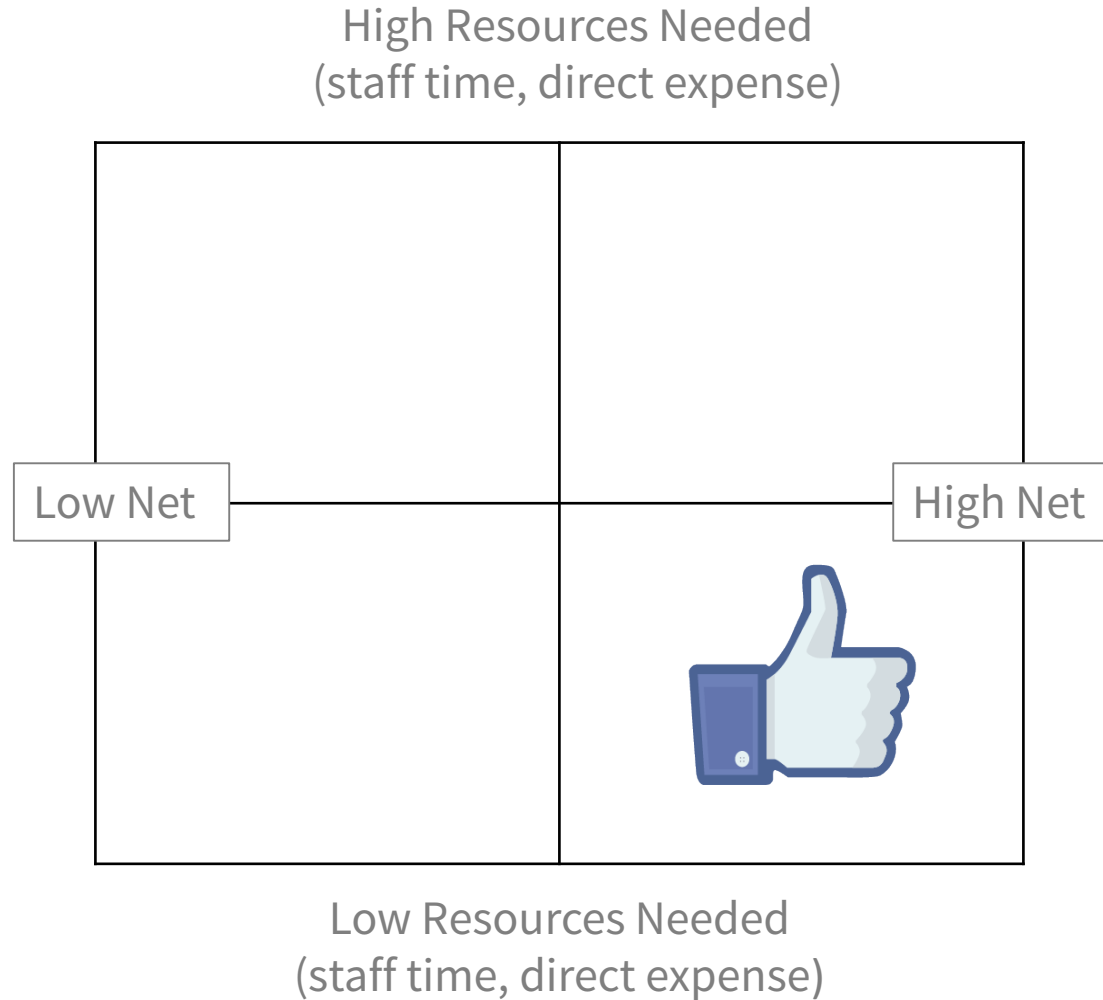
Strategy/Purpose	Start Up	General Operating Support	Projects	Building/ Equipment Purchases	Crises	Reserve / Endowment
Bank loan/line of credit				✓	✓	
Bequests						✓
Board requests	✓	✓		✓	✓	✓
Capital campaigns				✓		
Corporate proposals			✓	✓		
Earned income (sale of goods, FFS)		✓				
Foundation proposal	✓		✓	✓	✓	
Gov't proposal			✓			
In kind requests	✓	✓	✓	✓		
Special events	✓	✓			✓	

Different Strategies Cont.

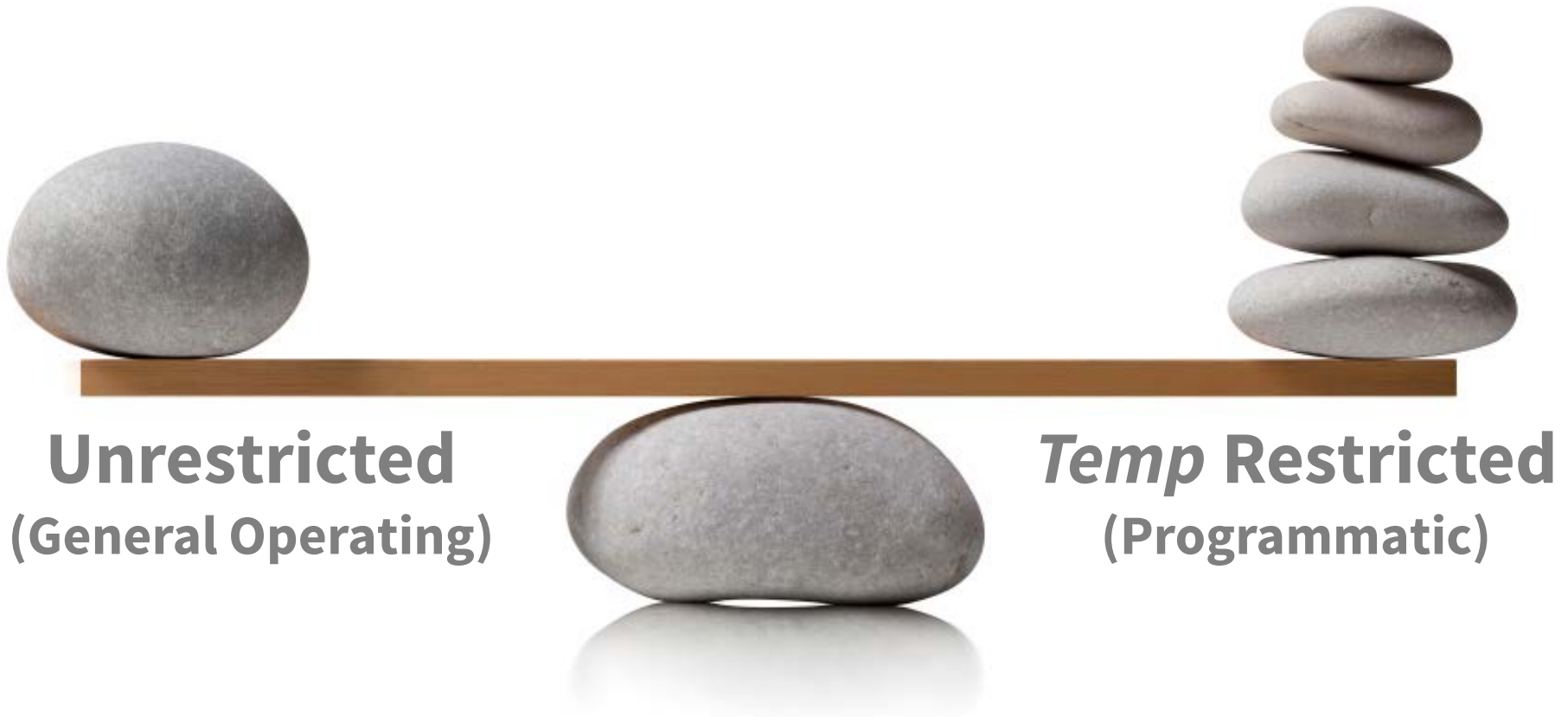
Strategy/Purpose	Start Up	General Operating Support	Projects	Building/ Equipment Purchases	Crises	Reserve / Endowment
Local business memberships	✓	✓				
Major donor requests	✓	✓	✓	✓	✓	✓
Matching gifts (employee)		✓				
New members & renewals		✓				
Collaborative income		✓				
Special appeals		✓	✓	✓		✓
Workplace campaigns		✓				

Criteria for Strategy Selection

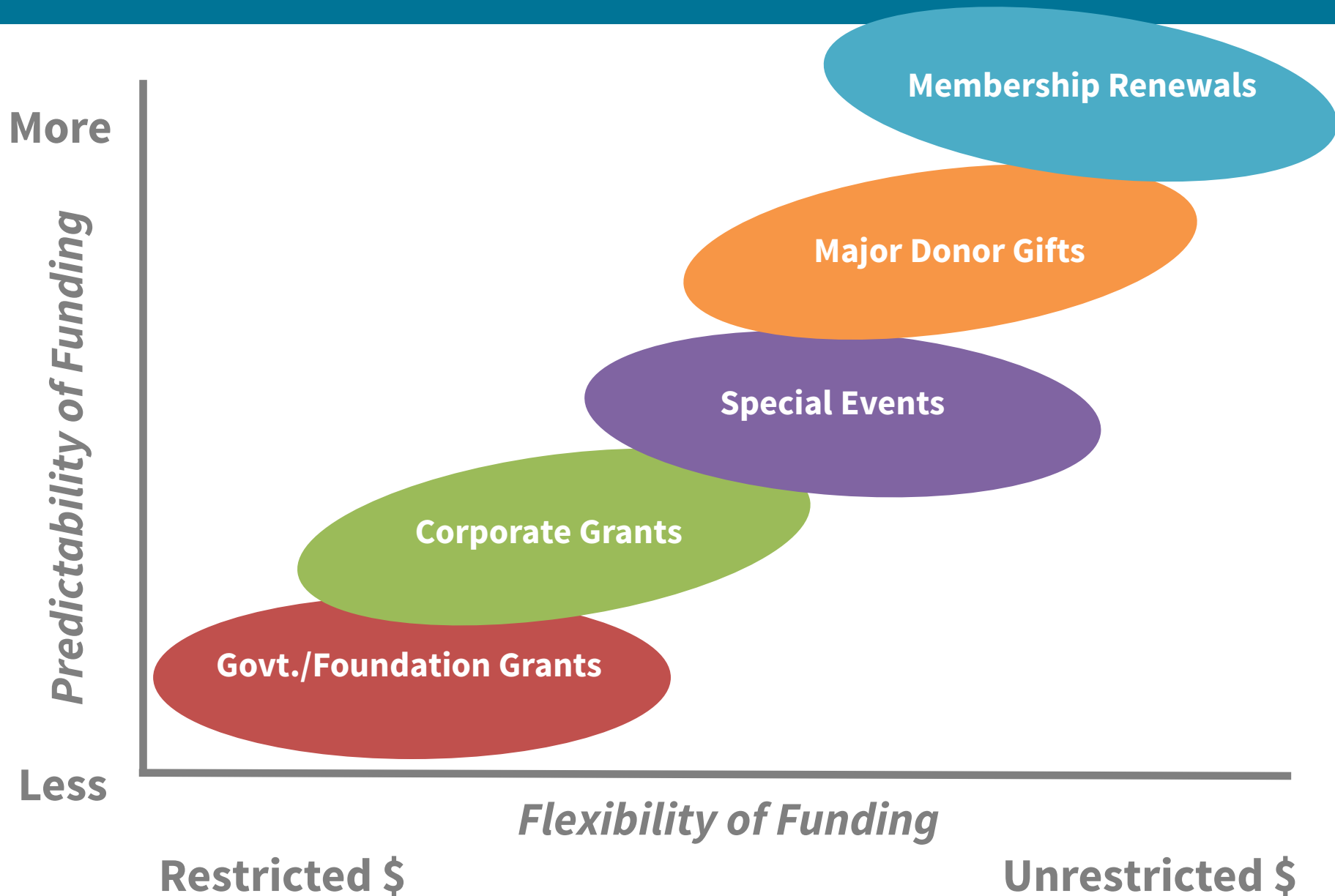
- ✓ Mission appropriate
- ✓ Availability of skills and resources
- ✓ Cost effectiveness
- ✓ Build organizational capacity
- ✓ Timing



Best Practice #5: Balanced Income Sources



Predictability vs Flexibility



Questions About Best Practices 1-5?

Best Practice #6: Identify Roles & Responsibilities



Staff Roles & Responsibilities



- Bring fundraising expertise
- Provide overall coordination of fundraising program
- Be sensitive to board member's and volunteer's needs
- Provide information & support to help board members and volunteers succeed in fundraising

Board Roles & Responsibilities



- Make a “proud and personal” annual gift
- Establish policies and engage in the development & implementation of your fundraising plan
- Help identify, cultivate, and steward donors
- When appropriate, assist with solicitations
- Ensure that the fundraising program has adequate resources and support

Board Expectations & Engagement



Example Board Member Fundraising Expectations

Board members play an important, leading role in an organization's fundraising program. Trustees are expected to: give of their own time, talent and treasure; get contributions from those in their sphere of influence; provide work, wealth, and wisdom. It can be very helpful to both a trustee and an organization to have expectations. Below are examples of both general expectations and detailed expectations that may be developing an expectations document with your board.

Example General Expectations of Board Members:

- Know the organization (mission, vision)
- Serve as a bridge to the community (speak up for the organization)
- Assure institutional credibility (balance budget, build endowment)
- Help develop influential friends (introductions to Executive Director)
- Give and help get (funds for the organization)
- Support the marketing efforts (attend events)
- Remember the organization in your estate plan (legacy gift)

Example Detailed Expectations of Board Members:

- Support annual giving. XXX organization should be your primary charitable focus with goal is for each trustee to contribute at the Leadership Level (\$XXXX) or more annually.
- Identify a minimum of five individuals you will cultivate and solicit while on the board during fundraising campaigns, thank them for their support, etc.
- Secure a minimum of \$5,000 in gifts from donors. Work with Development staff to contact for donations (this could be 1 gift from 1 person or several gifts from prospective donors the enthusiasm and interest you have for our organization).
- Organize and accompany Executive Director/Development Director on two identify for the organization to be able to solicit, cultivate and/or establish partnerships.
- Look for opportunities to engage the Executive Director with strategic partnerships.
- Make a gift over and above your Annual Fund gift to support the Strategic Campaign(s).
- Host an event at your home for the Executive Director/Development Director and donors.
- Join the Planned Giving Society. Participate in the process of identifying (legacy) giving prospects.
- Serve as ambassador of the organization (Introduce yourself at events, wear your nametag, share your story of XXX, share the organization's vision with the Executive Director).
- Arrange for Executive Director to make presentations to community groups, etc.
- Commit to recruiting new members (place marketing materials, connections with your realtor, friends, etc.).
- Participate in making calls or writing thank you notes to volunteers.
- Invite and host people with whom you are acquainted to function in XXX.



Example Board Fundraising Commitment Form

I, _____ Board member _____ will help _____ Organization _____ raise \$ _____

My personal gift will be \$ _____

I would prefer to make (check one):

- ☐ One yearly payment
- ☐ Semi-annual payments of \$ _____
- ☐ Quarterly payments of \$ _____
- ☐ Monthly payments of \$ _____
- ☐ Weekly payments of \$ _____

I will also do the following fundraising tasks:

1. _____
2. _____
3. _____

I am particularly interested in _____ Strategy _____ of the fundraising plan.

- ☐ I would like more training
- ☐ Call on me for other fundraising tasks

Name _____
Phone _____
Email _____

Dev. Committee Roles & Responsibilities



- Help develop the annual fundraising plan
- Develop an annual work plan, goals and budget for the Committee
- Attend committee meetings and complete assigned fundraising actions/tasks
- Identify prospective donors
- Participate in cultivation activities and events
- Recognize and/or create opportunities to promote the work of the organization

Leading & Supporting Roles

Fundraising Task	Lead(s)	Support
Develop annual budget and fundraising plan	Staff	Board
Approve annual budget and fundraising plan	Board	
Identify potential funders	Staff/Board	Volunteers
Research potential funders	Staff	Volunteers
Make an annual contribution	Staff/Board	
Prepare solicitation letters, proposals, reports and other fundraising materials	Staff	
Sign solicitation letters and make visits	Staff/Board	
Do follow-up to solicitation visits	Staff	
Thank donors and funders (written and verbal)	Staff	Board/ Volunteers
Maintain organizational database	Staff	Volunteers
Organize special events	Staff	Board/ Volunteers

Best Practice #7: Use a Database

Average rating by organizations out of 5:

Bloomerang (3.5)

DonorPerfect (4)

E-Tapestry (3.5)

Gift Works (3)

Little Green Light (4.5)

NEON (3.5)

Network for Good (4)

Salesforce (3.5)

Salsa (2.5)



Source: Third Space Studio

Best Practice #8: Evaluate Your Program

DONOR TYPE	# 2016	# 2017	# 2018
Major (\$10k+)	1	2	Goal: 3 Actual: 3
Middle (over \$1k-\$10k)	10	15	Goal: 20 Actual: 19
Minor (\$250 - \$1k)	30	40	Goal: 45 Actual: 50
Budgeted Actual	\$65K \$66K	\$75K \$78K	\$80K \$85K

MEMEBERSHIP	2017 Actual	2018 Goal	2018 Q2 cum.
New Members	30	40	19
Upgraded Donors	40	50	10
First Time Donor - Renewed	25	30	10

Key Performance Indicators

Fundraising Metrics		Donor Retention Metrics	
Gifts Secured		Donor Retention Rate	
Donation Growth		Donor Growth Y-O-Y	
Average Gift Size Growth		Recurring Gift Percentage	
Pledge Fulfillment Percentage		Giving Capacity	
Fundraising ROI		Conversion Rate	
Online Gift Percentage		Outreach Rate	

Best Practice #9: Policies & Procedures

- Board Development Expectations
- Development Committee Role and Responsibilities
- Gift Acceptance Policy
- Gift Processing Procedures
- Gift Acknowledgement Procedures



Best Practice #10: Thank Donors

- Thank donors in a timely fashion
- Thank donors regardless of size of gift
- Tell donors about the **impact** their gift has made
- Do “thank-a-thons”
- Recognize donors publically

Gratitude

(n). the quality of being thankful; readiness to show appreciation for and to return kindness.

Questions About Best Practices 6-10?

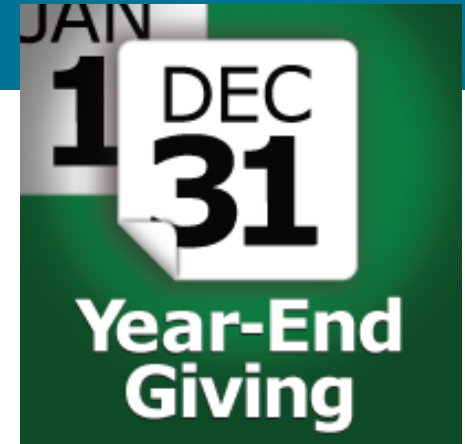
Bonus Content: EOY Fundraising

- 50% of nonprofits receive the majority of their annual giving dollars Oct – Dec
- 12% of giving comes in the last 3 days of the year
- The biggest giving day of the year is December 31st
- 2/3 of people who donate do no research before giving
- Volunteers are twice as likely to donate as non-volunteers
- Direct mail is the most popular medium for EOY asks, followed by email and in-person

Sources: Bloomerang, Neon, Network for Good, Winspire

EOY Tips

- Be realistic about what you can and can't do
- Focus on a few simple strategies
 - LYBUNTs, Major Donors, Volunteers
- Thank donors & funders
- Share your successes or send an inspirational holiday greeting
- Change out your website - set your donation page as the main landing page for the site or have a pop-up that directs you to give
- Make sure you have staff coverage (phone, website, office) during holidays
- Send an email on New Year's Eve!



Before You Go...

- Mark your calendars for our next Effective Organizations webinar on January 10: *We Want You! Volunteer Recruitment, Management & Retention*
- Thanks in advance for completing our evaluation survey!



Final Questions - Reflections - Thanks

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