

PowerPoints from the July 29, 2020 Training and Technical Assistance session

Best Practices in Fundraising

Presented by Maggie Katz

35 years in professional fundraising and development services

View on Fundraising

- I've often heard people say they could never be a fundraiser as they hate begging for money. I hate begging for money too and could never have made a career of it if that is how I viewed my efforts. As a fundraiser, I gave people a chance to make a real difference toward something that mattered to them. So, I loved what I did.

Relationships

- Fundraising is not sales; it is relationship based. Focus on the person, not their wallet. Get to know them. Once you understand what matters to them, you can motivate them to participate.
- The goal is a long-term relationship. In sales, statistics say it cost 6 times more to acquire a customer than to retain one. The same principle applies to donors. Your best prospects are past donors, particularly those who have given consistently. Non-profits, like most enterprises, rely on repeat business to survive and flourish.

Advice

- Ask for money, you get advice. Ask for advice, you get money. For that to work, however, you need to actually listen to and consider the advice.
- This is an important tool in building a long-term relationship.

Win-Win

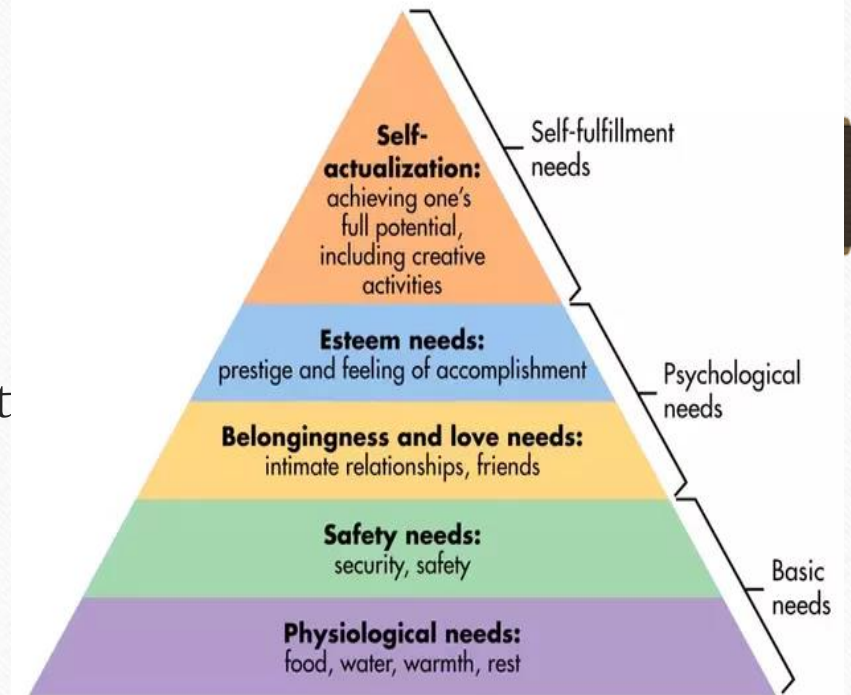
- You are trying to create a win-win situation. Help your prospect see the need and show them how they can help achieve the common goal. There is no value in creating an adversarial relationship. It is never you versus them with their money as the prize to be won or lost. Instead, you are potential teammates, fighting the common enemy your cause addresses – hunger, homelessness, disease, etc.

Sincerity

- Sincerity builds trust.
- Say what you mean and mean what you say. Sincerity cannot be faked long-term. Trust is hard to win, easy to lose and, once lost, almost impossible to regain.

Maslow's Hierarchy of Needs

- Maslow's Hierarchy of Needs – Your prospects are almost certainly covered on the two basic levels. They have food on their tables and are safe. The needs that you can and should address are your prospects' need to belong, self-esteem and self-actualization. So, give them a sense that they are part of something larger than themselves, that they are part of something important and that they can help themselves and your organization reach their potential.



Marketing

- Cause-based marketing can motivate businesses to support you. Be prepared to show them how you can impact their bottom-line positively if they contribute. For example, can you help them access an audience that they might not otherwise reach? Can you make them look good to people they want to impress?

Special Events

- Events have value but should be approached carefully. They are generally very labor-intensive, taking a lot of your effort to raise less money than a well-cultivated donor can provide. Events are useful for friend-raising and visibility but are not your most effective way to raise dollars. Use them sparingly.

Gifts-in-kind

- Gifts of products can be helpful to your organization, as materials, auction items, door prizes, etc. Do not just ask for money, ask for things that can help you reach your goals.

Board Members

- Board members should be selected very thoughtfully. Look objectively at your needs and recruit people who fill those needs. The ability to give (or get) money should not be your only criterion but it is an important one. Other valuable criteria include prestige, connections, expertise in a multitude of areas (i.e. finance, manufacturing, public relations), etc. Board members should be passionate about your organization and eager to be an ambassador for your cause. They must be donors and your organization should be one of their top five giving priorities, regardless of their capacity to give. The commitment is more important than the actual size of the gift, although you do need some large donors.

Leaders as Donors

- All leaders in a non-profit organization should be donors as it sends a good message re: putting your money where your mouth is. It can be viewed as hypocritical if you ask others to give when you, and the others closest to the organization, have not.

Solicitors

- The solicitor should be the person to whom the prospect will have the most difficulty saying no. A friend is best, preferably one who is a major donor as well. If not feasible, a major donor who has the respect of the prospect can be quite effective, such as a prestigious board member or a high-ranking executive of the organization. It is ideal if the solicitor gives at or above the level of the ask. If that is not possible, go with someone the prospect knows and likes. Relationships are the key. Staff can be very effective as solicitors as long as they can speak with passion about the cause and organization.

Data

- Keep good records so you know as much as about your prospects, particularly those already donors, as is possible. The more you know, the better you can meet their needs. Fundraising is a combination of art and science with data falling into the science category. Data about prospects is virtually always public information, nothing confidential or intrusive. The science is as important as the art, which is the more emotional side.
- People give for emotional reasons but only if the case has been made as no one wants to throw good money after bad. And foundations and corporations are all about outcomes, so data is crucial. You must be able to show how their gift is a good investment.
- So, know about your organization and cause as well as your people.

Acknowledgements

- The thank you for the last gift is the beginning of the ask for the next gift. Say please and thank you often, sincerely and specifically.

Conclusion

- Don't limit your contact to asking for money. Make sure your prospects hear from you about other things. like accomplishments, requests for advice and just checking in occasionally. Remember, this is a relationship, not a transaction.
- E-mail questions to maggiekatz@hotmail.com.



Fundraising Strategies

Claire Huttenlocher - Fund Development Officer
Office of Development and Grants
City of Detroit

Training and TA Call 7/29/20



What Does The Office Do?

City Departments

ODG helps departments

- Identify interested partners to support key projects and programs
- Align with each other to maximize impact,
- Leverage investments to support enhanced or expanded services, and
- Achieve intended impacts with awarded funds.

Partners

ODG helps partners

- Identify projects and programs of mutual interest,
- Ensure funds are used effectively to achieve desired outcomes,
- Find allies making similar investments in Detroit's future,
- Navigate City structure and understand City processes.



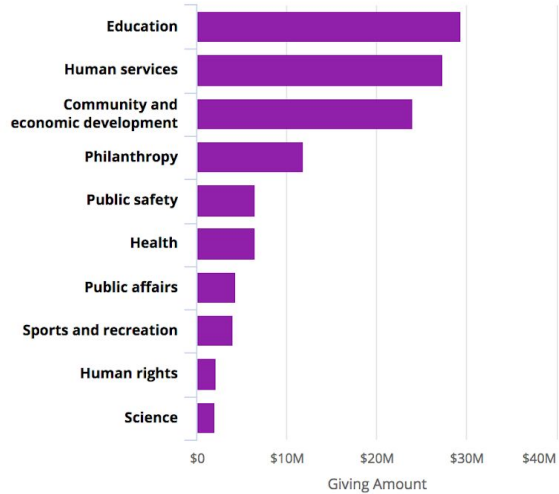
Prospecting: Where to look?

- Grants.gov
- Your Nonprofit Board
- Keyword Search Tips
- Fee-Based Grant Resources
- Crain's Lists, Michigan Nonprofit Association list
- Ask existing funding partners!



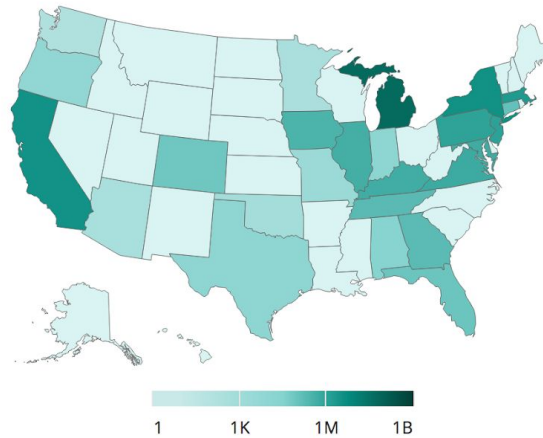
Foundation Directory Online

What Is Being Funded?



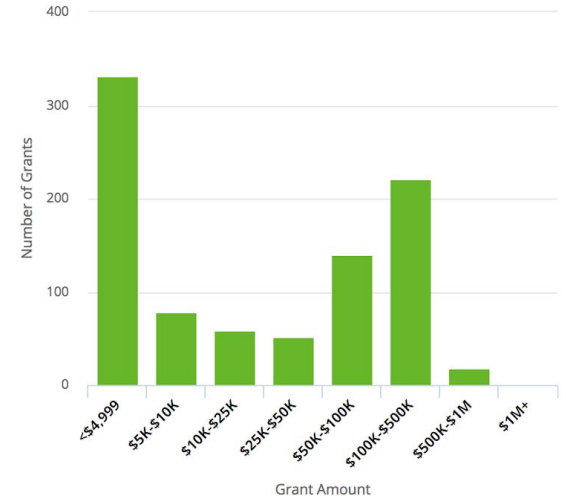
[View Each Subject with More Detail](#)

Where Is The Money Going?



[View Each State with More Detail](#)

How Big Are The Grants?



[View Each Grant with More Detail](#)

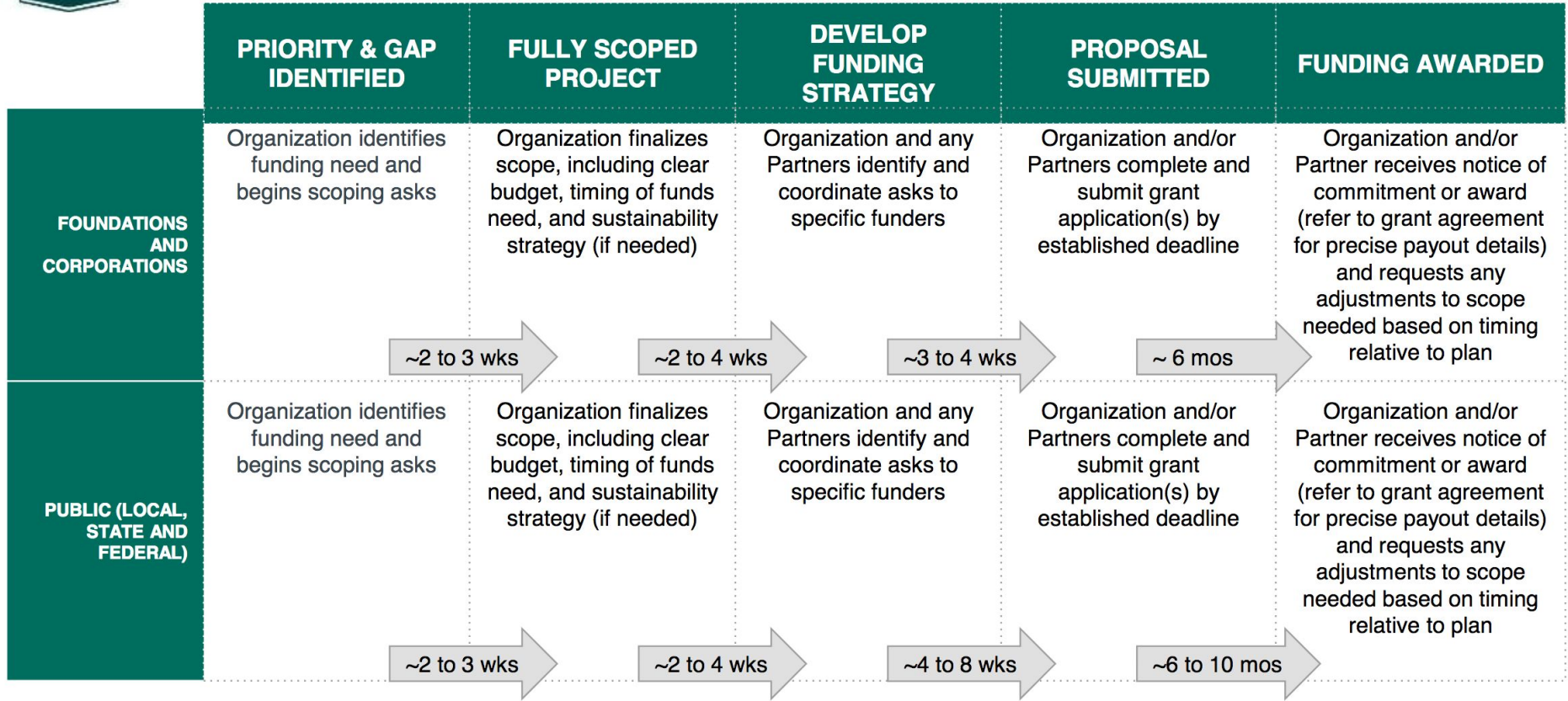
Maximizing Time & Fundraising Capacity



- Eligibility and Requirements
 - Geography
 - Required Partnerships
 - Matching funds
 - Evaluation
- Past Awards, Shifting Strategies
- More time prospecting on the front end = higher alignment/fit and efficiency



TYPICAL FUNDING TIMELINE





Partnerships

- **Work with partners early and often.** When compiling application submissions, consistent and early communication is vital in order to obtain a thorough application.
- **Define clear roles and responsibilities** for both the application and implementation of the programs. Outlining who will complete each section of an application helps to lift the burden from off of one party.
- **Establish application timeline milestones** (i.e. draft deadlines) and select who will be “submitting” the final application and by when
- After applying, **obtain internal feedback from your partners** who worked on the application. It’s possible that you’ll be working with them on future submissions. Getting to know your partners strengths, weaknesses, gaps and opportunities will help you both submit higher quality applications in the future.



What are Funders Likely to Support?

Program Expenses

- Non recurring/limited time, department program expenses and operational costs

Professional Development

- Staff training and other related costs

Volunteer Support

- Mission related employee volunteer support

Program Equipment & Supplies

- Equipment and supplies necessary to operate program successfully

Building & Capital Costs

- Physical infrastructure and capital improvements

Capacity Building

- Organizational and team development

Non-Recurring Program Costs

- Pilot program

Evaluations

- Measures progress toward program goals outlined in grant/proposal

WHAT FUNDERS ARE UNLIKELY TO SUPPORT

Admin & Overhead Costs

- No more than 10% of these costs (i.e. utilities, rent, insurance) are likely to be covered

Public Services

- Services that are typically covered by city government (i.e. animal control, facilities and maintenance)

Recurring Program Costs

- Costs not associated with a new program or expansion of existing program

Do's and Don'ts



Do consider funders that you have worked with before.

Good performance, communication and/or press for an existing grant can help unlock future opportunities. Consider funders as thought partners when developing new projects.

Do think about who you know. Perhaps a funder can't give again, but they or an ally can make an introduction to others they know who might be interested in your project or organization.

Do respond to grantor questions as asked. Use key words from the application questions or other materials, and be sure that you respond to all parts of the question. If you're not sure what they are asking for, confirm with their point of contact. Be detailed!

Do describe real, measurable impact. Most grantors are primarily focused on what outcomes you will achieve with their resources. It is important to logically connect your expenditures to the desired outcomes, and clearly explain how you will measure those outcomes.

Do develop an off-ramp. Grants have end dates, and it is important that your grant-funded project does too. Be prepared to explain to funders how you will continue the project and/or what the long-term impact will be after the grant ends.

Don't keep going back with the same ask if they say no. Ask for feedback when you are not awarded, and use that feedback to rework your proposal. If you can't incorporate their feedback, the funder may not be the right fit for the project.

Don't focus on the negative. Grantors are much more likely to give when they see a clear, bold, forward-facing vision. While you may need to provide context for your ask, the bulk of your application should be focused on concrete positive outcomes.



Storytelling

- Tie each response to the bigger picture and narrative.
- What makes your organization unique? How do you do what you do differently?
- What do you and your audience have in common?
- What values inform your organization's approach?
- Don't forget the budget as a storytelling tool!



COVID-19 Funding Phases





Next Steps

- We are always happy to talk with new potential partners! Please contact Brandi Shelton at sheltonb@detroitmi.gov to identify next steps for your idea.
- New opportunities arise every day. While the Office only provides direct assistance to City Departments and Partners, we offer some general tips for fundraising success and a selection of [current grant announcements](#).

Where am I: [Home](#) > [Office of the Chief Financial Officer](#) > [OCFO Divisions](#) > [Office of Development and Grants](#)

LOOKING FOR A GRANT?



Questions?

Community Foundation

FOR SOUTHEAST MICHIGAN

Building and Maintaining Relationships with Funders

Katie G. Brisson

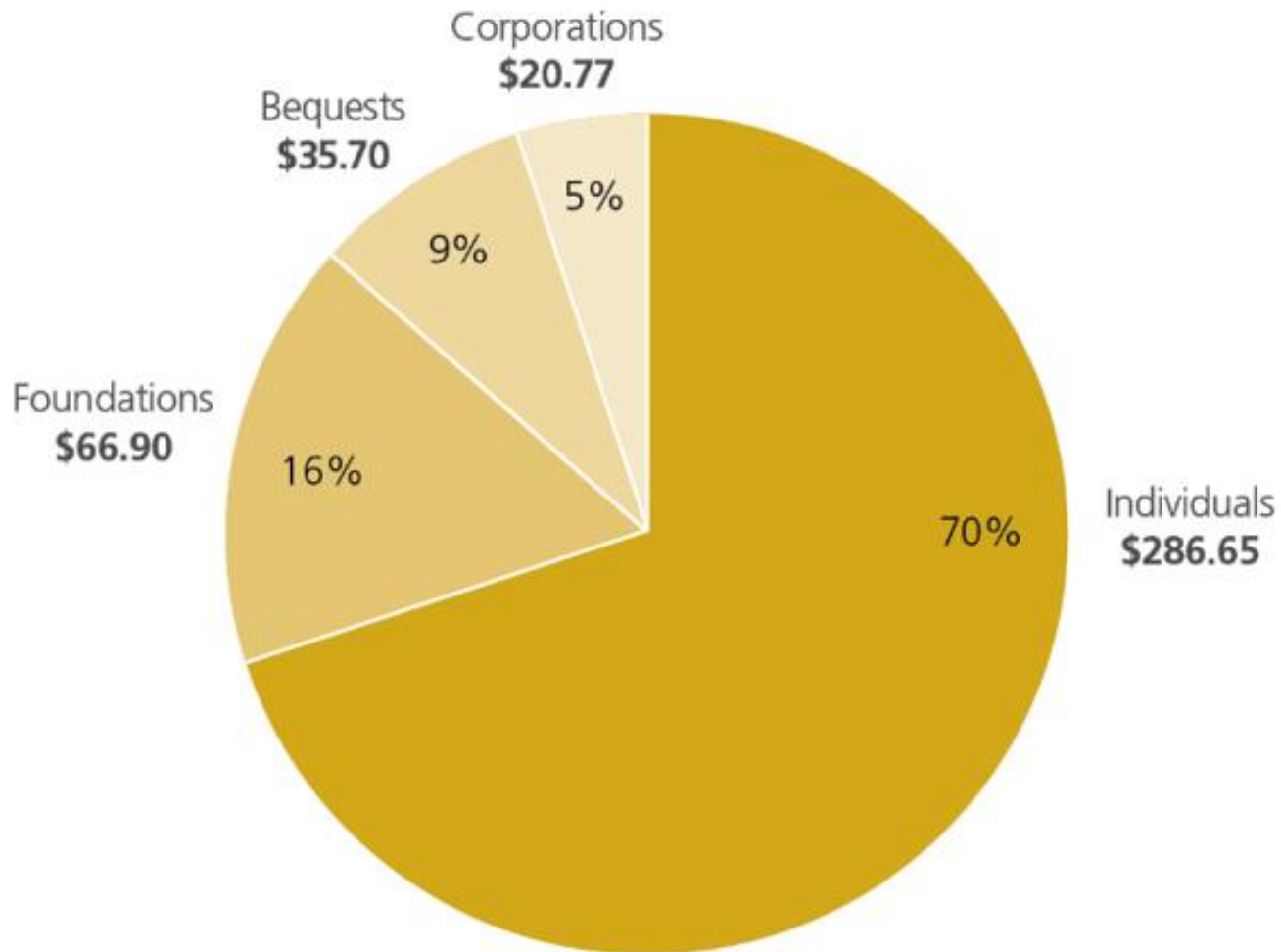
Vice President, Program

Community Foundation for Southeast Michigan



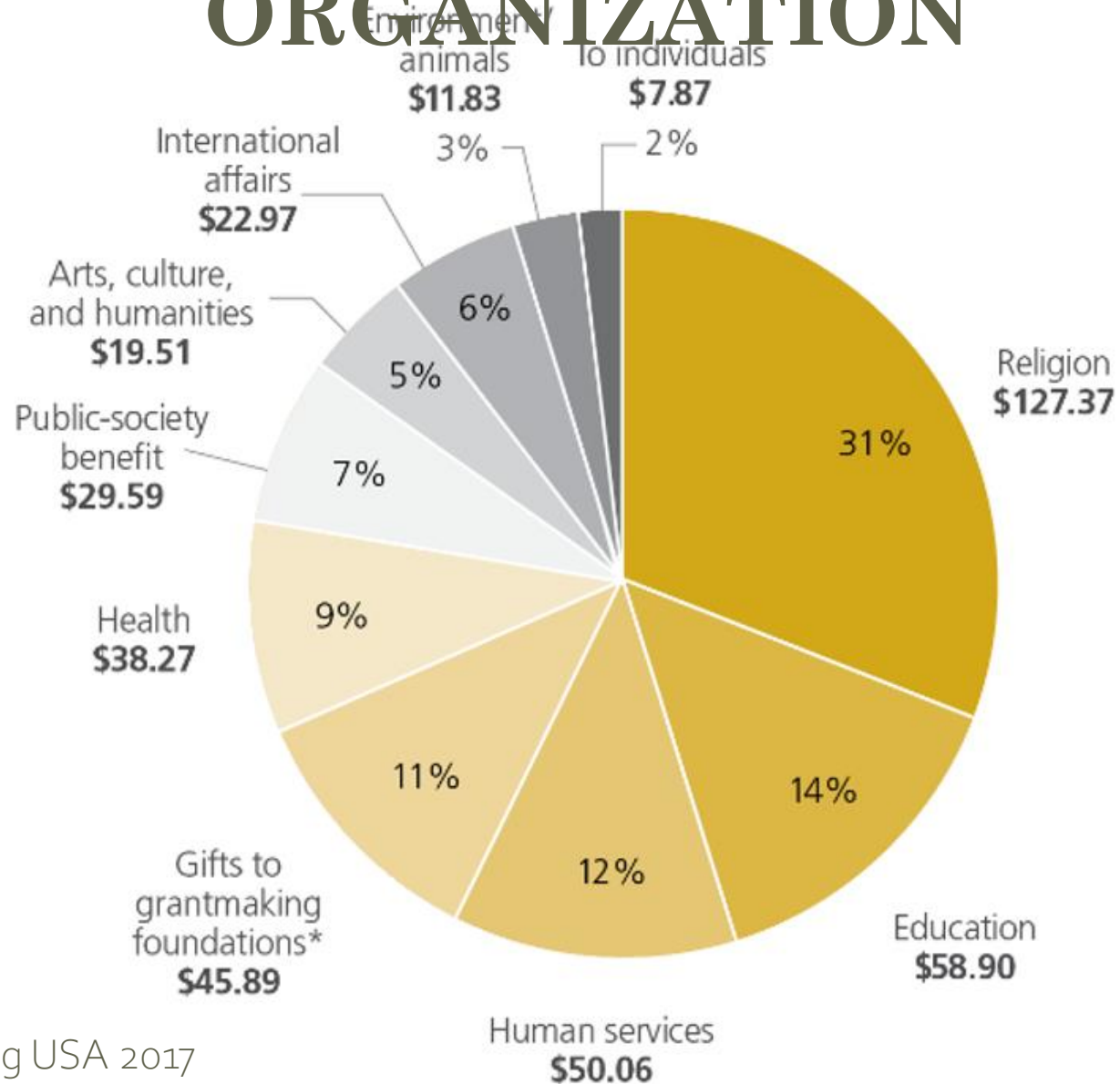
SETTING CONTEXT

SOURCES OF GIVING



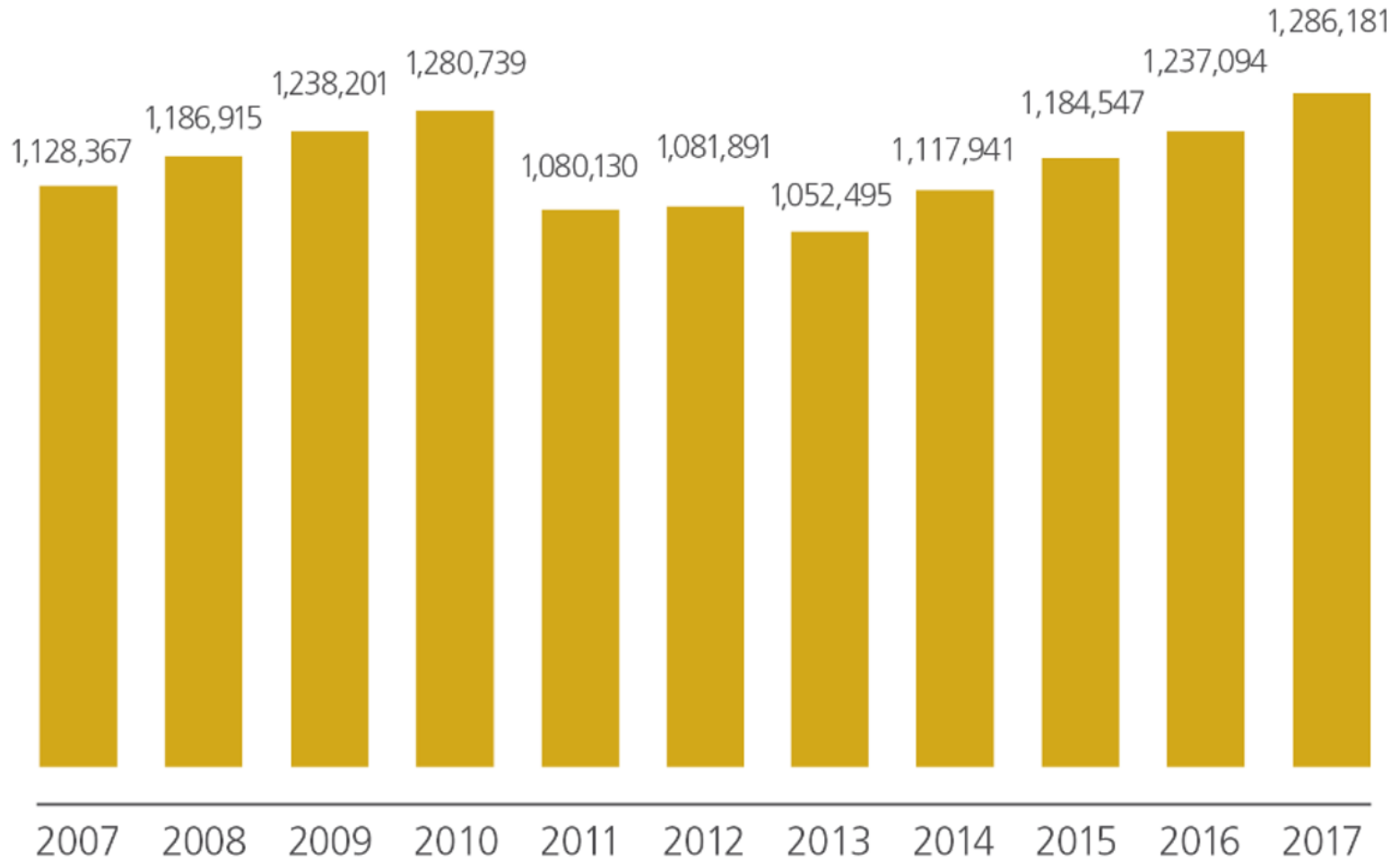
Source: Giving USA 2017
\$410 Billion total

TYPE OF RECIPIENT ORGANIZATION



Source: Giving USA 2017

NUMBER OF 501(c)3 ORGANIZATIONS



Source: Giving USA 2017

FUNDER TYPES



- Private
- Family
- Corporate
- Community

An underwater scene with a walkway and railing in the foreground, and a large, colorful, abstract shape resembling a coral reef or a large rock formation in the background. The water is clear and blue. The walkway has a metal railing and a handrail. There are some lights and a sign on the wall in the background.

BUILDING FUNDER RELATIONSHIPS

TAKING THE LONG-TERM VIEW

- Meetings should be a two-way dialogue
- Identify how a funder can assist you beyond dollars
- Establish a co-learning relationship
- Manage declines well
- Remember role of foundations

DOING HOMEWORK MATTERS

- Guidelines are guidelines. Dialogue helps you dig deeper.
- Work to understand larger landscape of organizations.
- Work to understand larger landscape of issues.
- Stay abreast of changing landscape.

KEYS TO SUCCESS

- Do right by the grants you receive
- Be honest throughout process
- Accept where there may be or not be a fit
- Build appropriate boundaries
- Not just about passion – it's about doability, uniqueness, sustained progress
- Numbers matter



LOOKING AHEAD

WHAT YOU CAN DO

- Continue education on field of giving/raising funds
- Continue connection with and understanding of other organizations
- Learn about the world your funder is in as well as educating them about your world
- Be thoughtful about how you are growing your organization

Community Foundation

FOR SOUTHEAST MICHIGAN

CFSEM.org/Subscribe



Don't Be Scared of Partnerships

Building Mutually Beneficial Partnerships To Advance The Work

About BridgeDetroit

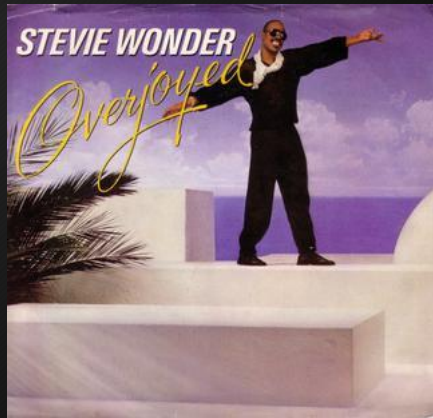
By Detroiters, For Detroiters

BridgeDetroit is a news and engagement organization that produces journalism based on the information gaps and needs that Detroiters identify.

Launched in May of 2020, BridgeDetroit is building a Community Priorities Model that will be an iterative mechanism for Detroiters to engage and directly influence news stories. The newsroom is majority Black and all Detroiters.



A Little Bit About Me!



ORLANDO P. BAILEY DETROIT

Quick Video!



Everyone Hates Group
Work... I get it.

EVERY GROUP PROJECT



Five Ways To Partner

1. **FISCAL SPONSORSHIP**

2. **GRASSROOTS ORGS**

3. **OTHER PLACE-BASED NONPROFITS**

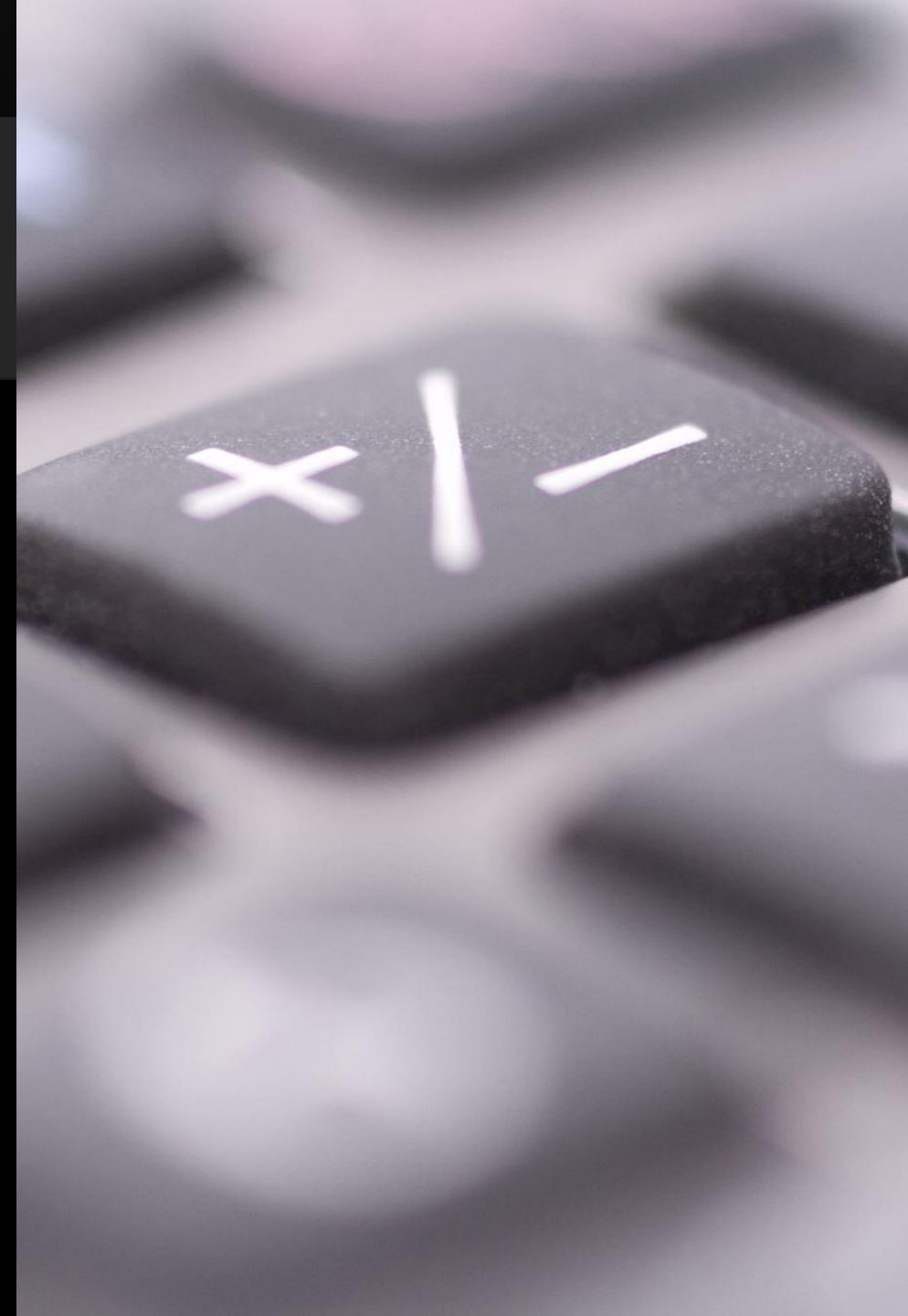
4. **FOR PROFIT & GOVERNMENT
COLLABORATION**

5. **MEDIA & STORYTELLING ORGS**

6. **WITH FUNDERS**

Fiscal Sponsorship

- “A fiscal sponsor is a nonprofit organization that provides fiduciary oversight, financial management, and other administrative services to help build the capacity of charitable projects and smaller nonprofits.” – **Fiscal Sponsorship: a 360 Degree Perspective**
- Reduction in overhead costs (i.e.) accounting and payroll, HR, reports, etc.
- Can apply for bigger grants and sponsorships.
- Can devote your energy on the mission and its work.
- Leverage the standing & strength of fiscal sponsor to receive guidance and coaching.
- The fiscal sponsorship fee is typically non-predatory.



Grassroots Organizations



- Hyper-local and place-based.
- Typically not a traditional nonprofit or 501c3 but residents passionate about their community.
- Ambassadorship and representation.
- Cemented relationships.
- People closest to the problem are often the ones with ideas for solutions.
- Building a nonprofit workforce that's of the community while adding legitimacy to neighborhood expertise.

Nonprofits Partnering With Nonprofits



Stop the nonprofit *Hunger Games*. We have to stop with being focused on our own survival that we sacrifice the needs of the communities we serve.



Program collaboration. Do you know what you do? Do you know what you don't do? What's wrong with bringing a partner to do what you can't?



Do you need your own building? Can you share space and lower costs?



Its only works when the end game is clear and everyone pulls their weight.



Develop a strong and enforceable MOU.



Transparency and trust is a must.

For Profit & Government Collaboration

- Move beyond survival mode and think about strategic alliances.
- For profit entities have the responsibility to give charitably to the communities they are in.
- Before asking a corporation for money, ask for partnership first.
- Think about how you can leverage the platforms and reach of the corporations.
- Ever thought about sports teams? Detroit is a sports town.
- Being the bridge to the people for government. Intention vs. Impact.
- Government isn't going anywhere. Figure out how to work with them.
- Once the relationships are cemented, ask for the cash!

Media & Storytelling Partnerships

Build relationships with journalists and editors.

Earned media with feature stories, coverage of events, radio, etc...

Media is hungry for content. Make it easier for them.

Funders want impactful stories from their grant partners. You have to be able step outside the work and see the story.

Leave the subjects with their respect and dignity.

Asset framing.

Advertising partnerships with media orgs.

Write in storytelling in your grant & sponsorship requests.

Partnering with Funders

- Your relationship with your funders should be partnerships.
- Be transparent and authentic without fear of losing the funding relationship.
- You can teach the funder. Funders want to learn. Teach them.
- Be honest about your challenges. Be honest about your triumphs.
- Funders have communications department that can help with exposure.
- When appropriate, partner on programming and evaluation.
- Advocate for multi-year support.
- Push back. You don't always need to do something new.

There Are No Neutral Paths

The logo for 'race forward' is located in the top right corner. It consists of a white arrow pointing to the right, with the words 'race' and 'forward' stacked vertically inside it. The arrow's border is decorated with a multi-colored gradient (orange, yellow, green, blue, purple).

race
forward

- **Status Quo:** results include inequity and exclusion Vs. **Outstanding Results** where classrooms with marginalized identities can thrive.
- **Auto-Pilot:** the practices and processes that we've always used Vs. **Equitable and inclusive practices and policies to achieve results.**

The End!

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THE
END