

# A Pragmatic Plan for Fundraising

*a presentation to the  
Association of Development Officers*

*December 8, 2021*



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# Strategic Planning: The Vision



*as seen from 30,000 feet,  
looking forward to the future*



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# *Pragmatic Planning: The Tasks*



*as seen from the weeds,  
focused on the here and now*



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# Today's Takeaways:

- tools to prioritize your fundraising tasks
- ideas for changing your mindset to relationships instead of \$ *(the \$ will follow)*
- action items to get you into the habit of *reaching out to donors*



***THE TASKS:  
in the weeds***

# Agenda

- How You Spend Your Time *30 min*
- Building Your “Outreach” Habit *10 min*
- Getting Planned Giving Off the Ground *15 min*
- Shiny Object Syndrome *5 min*

# How You Spend Your Time



the “BEST” way to use your time  
is connected to  
the “BEST” way to raise money

# How Nonprofits Raise Money

- Direct Appeals
- Events
- Grants
- Online Fundraising
- Major Gift Solicitations
- Bequests



What's the "BEST" way to raise \$\$

*the one with the lowest expenses  
that brings in the most money*



# Fundraising Expenses include...

everything spent on a fundraising endeavor  
from *marketing costs* to *staffing expenses*

# To calculate the cost of raising money

**divide the fundraising project's expenses  
by its revenue**

**=Expenses/Revenue**

# Analysis: Sample Development Effort

Fundraising Expenses: \$ 5,000

Fundraising Revenue: \$15,000

The Cost of Fundraising:  $5,000/15,000 = .33$

your cost for this project is

**33 cents per dollar raised**

# *Best* Fundraising Income Streams

- Most cost effective:
  - Major Gift Solicitations
  - Grants
  - Bequests
- Somewhat cost effective:
  - Direct Appeals
  - Online Fundraising
- Least cost effective:
  - Events

# Events: To Do or Not to Do

- yes, but limit them
- remember how much effort/energy/time required
- scheduling another event won't solve all problems
- events provide an opportunity to educate donors
- events help build relationships, *if handled correctly*

# Events: *the Most Important Day...*

- ...is the DAY AFTER the event
- that's the day you prioritize the guest list
- call as many attendees as you can:
  - thank them for coming
  - ask if they had a good time
  - invite them to hear more about the work

Personal  
Outreach!



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Giving Tuesday: *the Most Important Day...*

**WEDNESDAY/THURSDAY/FRIDAY**

when you must reach out to those who gave





*“How You Spend Your Time”*  
**MUST** include personal outreach  
because that’s how you get to  
Major Gifts and Bequests



Follow-up?

Finding new donors is a good goal...

*...but have you reached out to those  
who have already given to you?*



Personal outreach  
to people who have demonstrated  
their belief in your mission  
is the best way to get  
the most money for the least cost.



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# Why It's Called **DEVELOPMENT**

**IT STARTS WITH**

## ***OCCASIONAL GIFTS***

- Random online gift
- Gala guest auction bid
- Gift in memory or honor



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# With proper cultivation

*OCCASIONAL  
GIFTS*

**DEVELOP INTO**

***ANNUAL GIFTS***

- Consistent
- Predictable
- Reliable



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# When an “occasional” gift arrives

- it’s an invitation to engage with the donor
- THEY started the conversation! The hard part is done
- YOU must respond
- personal outreach is critical to making it grow
  - ✓ handwritten thank-you note is powerful
  - ✓ call/email to thank and ask what prompted the gift
- *before you reach out*: look the donor up on LinkedIn and FB, are you connected?

# Ideas for managing your time



# A Pragmatic Fundraising Calendar

- organize it by income stream
- keep the donor's point of view in mind:  
*How much outreach is TOO much? Not enough?*
- keep the staff's point of view in mind:  
*How much work is required? Reasonable?*

# Keep Diversity & Inclusion in mind

- who is or COULD BE in your donor community?
- think about current donors and POTENTIAL donors
- federal, religious, and cultural holidays
- mark holidays on your calendar BEFORE making plans
- avoid dates when important holidays occur

# Organize the Calendar by Income Streams

<b>Income</b>
Direct Appeals
Events
Grants
Online Outreach
Major Gifts

# Timing: *from the donor's point of view*

## SAMPLE DEVELOPMENT CALENDAR

Income	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Direct Appeals</b>		Impact Report			Impact Report		Annual Report			Impact Report		EOY Letter
<b>Events</b>			House Party		Annual Gala			House Party		Annual B'fast		
<b>Grants</b>												
<b>Online Outreach</b>	Email Blast		Email Blast			Email Blast	Crowd-funding		Email Blast		Giving Tuesday	Email Blast
<b>Major Gifts</b>	2 mtgs	2 mtgs	3 mtgs	3 mtgs	3 mtgs	3 mtgs	2 mtgs	2 mtgs	2 mtgs	3 mtgs	3 mtgs	3 mtgs

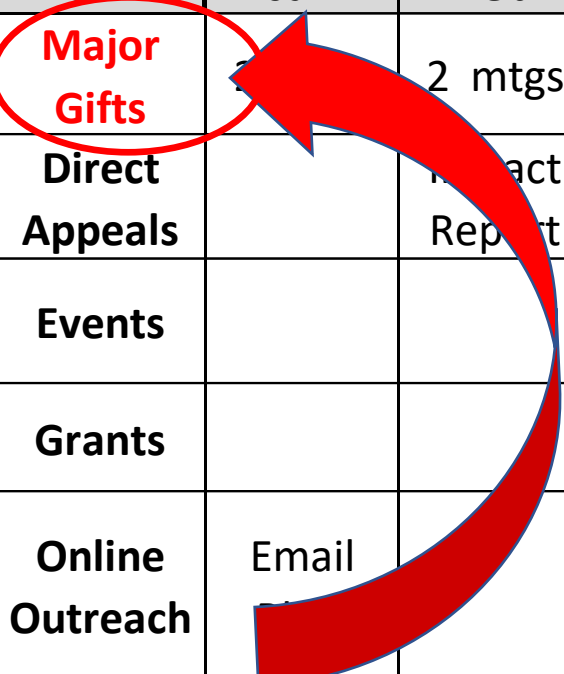
# Timing: *from the staff's point of view*

SAMPLE DEVELOPMENT CALENDAR												
Income	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Direct Appeals</b>		Impact Report			Impact Report		Annual Report			Impact Report		EOY Letter
<b>Events</b>			House Party		Annual Gala			House Party		Annual B'fast		
<b>Grants</b>												
<b>Online Outreach</b>	Email Blast		Email Blast			Email Blast	Crowd-funding		Email Blast		Giving Tuesday	Email Blast
<b>Major Gifts</b>	2 mtgs	2 mtgs	3 mtgs	3 mtgs	3 mtgs	3 mtgs	2 mtgs	2 mtgs	2 mtgs	3 mtgs	3 mtgs	3 mtgs
<b>Dev Tasks</b>	EOY TY notes					Confirm next honoree, date, venue	Start EOY letter	EOY approval	EOY to Designer	EOY to Printer		EOY TY notes

# MAJOR GIFTS HAVE NO DEADLINES!

*List them first so they don't fall off your radar!*

SAMPLE DEVELOPMENT CALENDAR												
Income	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Major Gifts</b>		2 mtgs	3 mtgs	3 mtgs	3 mtgs	3 mtgs	2 mtgs	2 mtgs	2 mtgs	3 mtgs	3 mtgs	3 mtgs
<b>Direct Appeals</b>		Impact Report			Impact Report		Annual Report			Impact Report		EOY Letter
<b>Events</b>			House Party		Annual Gala			House Party		Annual B'fast		
<b>Grants</b>												
<b>Online Outreach</b>	Email		Email Blast			Email Blast	Crowd-funding		Email Blast		Giving Tuesday	Email Blast



# Major Gifts?

# How about

# Personal Outreach

SAMPLE DEVELOPMENT CALENDAR			
Income	Jan	Feb	Ma
<b>PERSONAL OUTREACH</b>	2 mtgs	2 mtgs	3 mt
Direct Appeals		Impact Report	
Events			Hou Part
Grants			
Online Fundraising	Email Blast		Emā Blas
<b>Development Tasks</b>	EOY TY notes		

# Sample Development Calendar

SAMPLE DEVELOPMENT CALENDAR												
Income	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>PERSONAL OUTREACH</b>	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs	5 emails, 5 calls, 2 mtgs
<b>Staff Tasks</b>	research, prep meet, follow up											
<b>Direct Appeals</b>		Impact Report			Impact Report		Annual Report			Impact Report		EOY Appeal Letter
<b>Staff Tasks</b>	EOY notes; prep report	finalize report	TY notes; prep annual rpt	prep impact and annual rpts	finalize report	prep annual rpt	finalize report	start EOY letter	EOY approval	prep rpt; EOY to designer	EOY to Printer	EOY TY Notes
<b>Events</b>			House Party		Annual Gala			House Party		Annual B'fast		
<b>Staff Tasks</b>	house party; gala	house party; gala	attend/ follow up house party; gala	gala	attend gala, follow up	start prep for next gala	house party	attend/ follow up house party	annual b'fast prep	attend b'fast; follow up		
<b>Grants</b>	include all grant due dates and tasks											
<b>Staff Tasks</b>												
<b>Online Fundraising</b>	Email Blast		Email Blast			Email Blast	Crowdfundin g appeal		Email Blast		Giving Tuesday	Email Blast
<b>Staff Tasks</b>	email; prep CF appeal	segment list	finalize, send email	prep CF appeal		finalize, send email	launch CF; follow up	follow up CF appeal	finalize, send email	prep Giving T	manage GT; follow up	follow up GT; prep Jan email



# Organize your task list





# Sample Real-Life Task List

Personal Outreach	WC4K	EOY	Website	Event: Take the Kids to a Show	Event: Benefit	Stories	Board	Comms
<ul style="list-style-type: none"> <li>• Review Bd member ABC Pledges</li> <li>• Review/update prospect list</li> <li>• Ms. ***** parlor meeting: Oct 1?</li> <li>• Ms. ***** parlor meeting</li> <li>• Ask ***** if WCF can help us with Planned Giving</li> <li>• Explore hard copy folders of prospects</li> <li>• Legacy Letter</li> <li>• Call honorary board members</li> <li>• Get a mtg with bd president to discuss planned giving</li> </ul>	<ul style="list-style-type: none"> <li>• Follow up with Ms. ***** for presentation at WP Rotary</li> <li>• Organize a core group of members to refine mission and brainstorm. 8:30 am breakfast</li> <li>• Ask Mr. ***** for suggestions on what to do next with WC4K</li> <li>• Continue outreach</li> <li>• Update co-chairs about new members</li> <li>• Reach out to Mr. ***** re BCW membership</li> </ul>	<ul style="list-style-type: none"> <li>• Oct 20 - EOY Letter due at printer</li> </ul>	<ul style="list-style-type: none"> <li>• Add WCA Stories of Advocacy</li> <li>• Next email blast</li> </ul>	<ul style="list-style-type: none"> <li>• Continue following up with last year's donors and WC4K</li> <li>• Find more agencies with kids</li> <li>• Crowdfunding for TTK</li> </ul>	<ul style="list-style-type: none"> <li>• Confirm honoree choices with committee</li> <li>• Ask and confirm honorees</li> <li>• Ms. ***** has agreed to co-chair the benefit; ask another board member to be Co-Chair?</li> <li>• Journal chair: Ms. *****?</li> </ul>	<ul style="list-style-type: none"> <li>• Develop more stories               <ul style="list-style-type: none"> <li>◦ Update RTA</li> <li>◦ Youth funding</li> <li>◦ Foster care employment</li> <li>◦ Our Community Partners</li> <li>◦ Update HV</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Get mailing lists from new board members</li> <li>• Talk with Mr. ***** about Ms. *****</li> </ul>	<p><b>NOM</b></p> <ul style="list-style-type: none"> <li>• Prepare menu of opportunities for board development</li> <li>• Send prospective member list to committee</li> <li>• Talk with Ms. ***** about possibly joining bd</li> <li>• Talk with Ms. ***** after the Annual Breakfast about possibly joining bd</li> <li>• Get new list of Leadership Westchester grads</li> </ul> <p><b>DEV</b></p> <ul style="list-style-type: none"> <li>• Expectations of board members</li> <li>• Revised annual plan</li> <li>• Update board skills form</li> <li>• Send best practice links, etc.</li> <li>• Prepare list for reviewing prospect list with committee</li> </ul>

# Questions, Comments, Ideas?



# Building Your “Outreach” Habit



Your goal is a major gift...

*...but cultivation starts long  
before you can ask*



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Major Gift acquisition starts  
with **Personal Outreach**  
to a donor... *major or not*

Stop focusing on the amount

*Instead, look at the relationship*





# Start with proven donors

Sort your donor list to find donors who

- ✓ have given the most often
- ✓ have given for the longest period of time
- ✓ have given the biggest donations

# Hone your “outreach” skills

- reach out to them regularly: start with quarterly?
- thank them for their gifts
- get to know them: *ask* what motivates them
- *ask* for small increases
  - ✓ if their annual gift is \$500, could it be \$600 or \$750?
  - ✓ regular event attendee: could they invite someone next time as their guest

# Sample email to regular donors

I noticed that you have been giving to [org] annually for 30 years! We're so grateful! I'd love to learn what inspires you. Would you have time to meet for coffee in the next few weeks?



# Sample email to lapsed donors

I noticed that you used to regularly support us, but you have stopped. It would be so helpful to our work to get some feedback from you. Would you have time for a brief chat by phone in the next few weeks?



# Get current donor email addresses

- before you call any donor call for any reason, check your database, and confirm it on the call
- call donors to ask for/confirm their email address!
- require email addresses on event registrations and all website forms
- give an incentive in return for an email address

# Help Your Board Help YOU

- wallet-sized card with key information
- side 1: list of key programs with the # of people served
- side 2: ways to support
- include a reminder: *Don't forget to ask for contact info to follow up!"*

# Sample Board Member Wallet Card

*SIDE 1*



## Key Programs

- Emergency Housing  
*(100 people/month)*
- Food Pantry  
*(250 meals/month)*
- Job Training  
*(1,000 people/year)*
- Connect to HealthCare  
*(200 referrals/week)*

# Sample Board Member Wallet Card *SIDE 2*



## Ways to Get Involved

- Join our mailing list
- Be a monthly donor
- Attend our gala
- Volunteer
- Donate goods/services

*Ask for their contact info!*



# Making the Cards

- one for each board member = 5-25 cards
- no need to spend money on a printing service
- use MS Word
- print in-house on Avery business cards
- update them every year

# set a weekly personal outreach goal



The worst thing a fundraiser can  
hear is not “NO”

It’s

“Why didn’t you ask ME?”



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# Questions, Comments, Ideas?



# Getting Planned Giving Off the Ground



# Planned Giving: when?

*ANNUAL  
GIFTS*



*ESTATE GIFTS*



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# Legacy Giving: Are **you** ready to talk?

- it might come up in your personal outreach
- it might be the right time for the donor
- if the donor's ready but you're not... *it could be a missed opportunity*
- ...gulp... what if THE DONOR brings it up???

# Legacy Giving: Is **your org** ready?

- must be a 501(c)3
- must be established in the community with a track record of success
- must have leadership that is well respected
- must be perceived as stable
- must have a **Gift Acceptance Policy** in place



# Legacy Giving: Is **your donor** ready?

- is the donor a longtime donor?
- is the donor committed to your mission and org?
- you can discuss planned giving with people of any age
- another nonprofit probably already has!
- the strength of the relationship determines the timing

# Asking for a legacy gift...

- shows respect for the donor's values
- acknowledges the donor's track record
- recognizes the existing relationship between the donor and the organization
- shows responsibility to the people you serve
- is *cultivation*

# A person's estate can only go:

- to their family and friends
- to the government via taxes
- to charity

*So why not ask committed donors to include your org in their plans?*

It's not about *how much* a person  
could leave to your org.

*It's about their commitment.*



# Your job is to ask. You are NOT

- a retirement planner
- a financial planner
- a tax preparer
- a lawyer

**BUT...**

*you can still talk about  
estate planning  
with your donors*



# What YOU need to know

- General Bequest: *a specific dollar amount or asset*
- Percentage Bequest: *a percentage of the total estate*
- Residuary Bequest: *a percentage, or the entirety, of the estate after all other debts, expenses, and bequests are accounted for*
- Contingent Bequest: *result of a certain condition being met (e.g., if a spouse pre-deceases the donor)*
- Beneficiary Designation: *donors name your nonprofit as a beneficiary of a portion (or all) of their retirement funds, bank accounts, and life insurance policies*

# How to Start Planned Giving

- mention it: direct appeals, newsletters, annual reports
- start by discussing an estate gift with Board members
- first, educate your Board members about
  - ✓ the history of bequests at your org
  - ✓ the potential benefits to your org
- then, ask them to include your org in their plans
- next, move on to longtime annual donors



*A Question for Annual Donors:  
You've been so reliably generous...  
what will we do  
without your annual gift?*

*If your org has an endowment:  
Ask your loyal donors to leave a  
lump sum to the endowment  
to replicate their annual gift  
into the future*



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# How?

- identify your org's endowment payout amount
- if the payout amount is 4%:  
*you'll need 25 times their annual gift to perpetuate it*
- if the payout amount is 5%:  
*you'll need 20 times their annual gift to perpetuate it*

# Maintaining Annual Gifts in Perpetuity

<b>Annual Gift</b>	<b>Bequest Amt Required 4% Endowment Payout</b>	<b>Bequest Amt Required 5% Endowment Payout</b>
\$1,000	\$25,000	\$20,000
\$5,000	\$125,000	\$100,000
\$10,000	\$250,000	\$200,000
\$25,000	\$625,000	\$500,000
\$50,000	\$1,250,000	\$1,000,000
\$100,000	\$2,500,000	\$2,000,000

# *Include the family in discussions*

# *Some surprising facts*

- 65% of families...  
*...do not have a will*
- 41% of baby boomers...  
*...do not have a will*
- \$68 Trillion of Wealth...  
*...will transfer through estates by 2045*

What if you could help  
your donors and your organization  
at the same time?



*a tool to grow  
Planned Giving  
at your org:*





# SFC Estate Coaching

- a service your org can provide to your donors
- starts the process of estate planning
- cultivates donors by educating them about estate planning
- reduces attorney fees for your donors
- often results in your org being included in your donor's estate plans

# How it works

First

Nonprofit invites donors to an educational presentation by SFC, in person or via zoom

Then

Attendees are invited to sign up for an individual session: SFC collects the donor's data & choices

Finally

SFC provides the donor with a booklet containing all their info, and connects the donor to attorneys

# What does this do *for your donor*?

- starts them on an important task many people avoid
- gets them thinking about how they could help your organization, even after they're gone
- saves them \$\$\$ when they work with their attorney

# How does it save your donor \$\$\$?

less billable time with the lawyer because:

- we educate/explain
- we collect all relevant information
  - ✓ names of children, grandchildren, etc.
  - ✓ estate inventory
  - ✓ choices like “who gets which piece of jewelry?”
- we get the donor lawyer-ready with a booklet containing all of the info we collected

# What does this do *for your org*?

no guarantees, but...

**80% of donors** include the nonprofit that provides this service in their estate plan

Interested in learning more about  
SFC Estate Coaching?

email me:

[BetsyVSteward@gmail.com](mailto:BetsyVSteward@gmail.com)



# Legacy Giving: to summarize

- cultivation and stewardship are required
- solicitation is required
- when a donor plans their legacy, their lawyer probably won't mention your charity
- other nonprofits are asking donors about their estates, why aren't you?

# Add Planned Giving to the Calendar

SAMPLE DEVELOPMENT CALENDAR												
Income	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>PERSONAL OUTREACH</b>	2 mtgs	2 mtgs	3 mtgs	3 mtgs	3 mtgs	3 mtgs	2 mtgs	2 mtgs	2 mtgs	3 mtgs	3 mtgs	3 mtgs
<b>PLANNED GIVING</b>	<b>1 conversation</b>			<b>1 conversation</b>			<b>1 conversation</b>			<b>1 conversation</b>		
<b>Direct Appeals</b>		Impact Report			Impact Report		Annual Report			Impact Report		EOY Letter
<b>Events</b>			House Party		Annual Gala			House Party		Annual B'fast		
<b>Grants</b>												
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# Questions, Comments, Ideas?

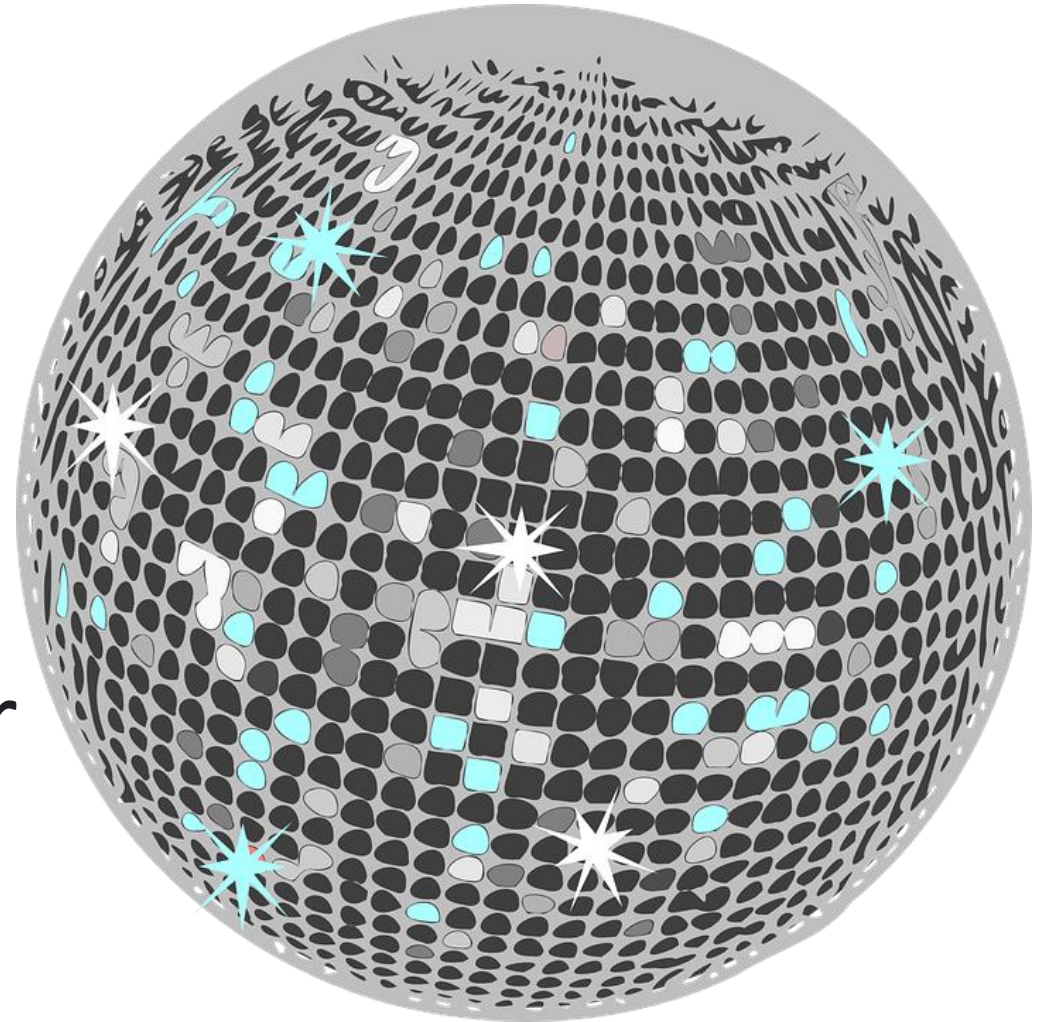


# Shiny Object Syndrome

# Shiny Object Syndrome

**a condition that inflicts millions of business owners each year**

Instead of focusing on the big picture tasks that fuel growth for their business, they get side-tracked by a new business idea or project that feels new and exciting.

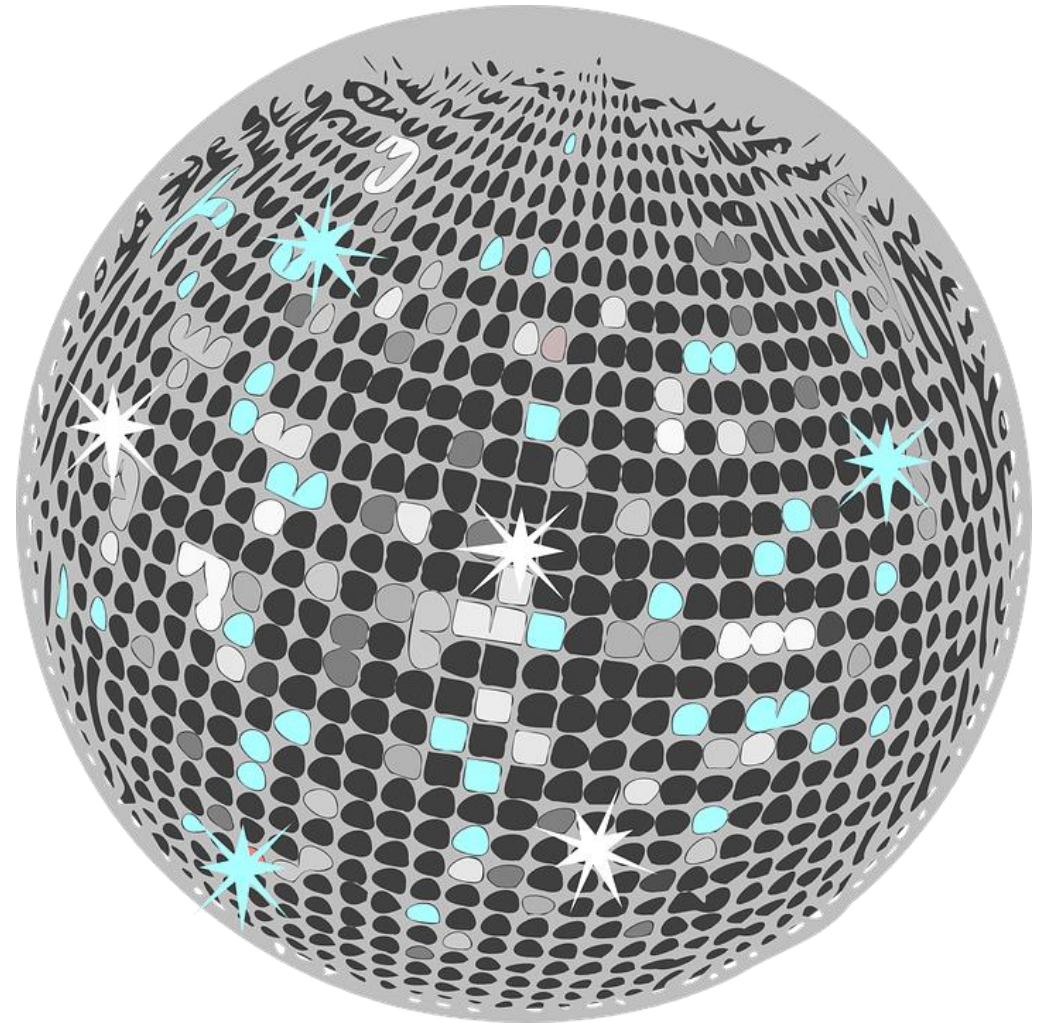


# Shiny Object Syndrome

## *in Fundraising*

a condition that inflicts millions of **fundraisers** each year

Instead of asking for gifts or building relationships, they get side-tracked by **a new fundraising suggestion** or **new technology**.



# Shiny Object Syndrome Activities

## *in Fundraising*

- scheduling another event instead of reaching out to donors who came to the last one
- saying YES to every suggestion
- looking for a new database without knowing your current one's features
- investing in new technology

# Tangible Takeaway To-dos

- reach out to new Giving Tuesday donors
- set a weekly goal for individual outreach
- add development tasks to your fundraising calendar
- make wallet-sized cards for board members
- research the history of bequests at your org
- join my mailing list and read my blogs!

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**FUNDRAISING MENTOR:**

BETSY HELPS THOSE WHO HELP OTHERS RAISE FUNDS