

Ostara



Key Elements for Building an Intentional Fundraising!

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Sherwood Trust

Founded by Donald & Virginia Sherwood

Racial Equity Statement

We acknowledge the power dynamic that exists in the nonprofit sector between the organizations that require funding to deliver their missions and the predominantly white institutions and individuals who hold wealth and power.

We acknowledge there also is a power dynamic between consultants and the people we consult with.

We work to support clients in navigating these dynamics, while placing their voices and perspectives at the center of our work.

Racial Equity Statement

As a company, we are working towards internal clarity about institutional racism.

We are committed to addressing institutional racism within The Ostaro Group and to advancing equity in the nonprofit sector in collaboration with our clients.

How do *you* feel about fundraising (today)?

Vision and Case Statement

- **Vision:** Donors give to organizations that have a sound vision of where they are going. We will clarify your organization's vision and the impact you want to have in your community.
- **Case Statement:** Your story and the story of your organization are critical to your fundraising success. We will hone and practice stories important to your organization.

Board Engagement and Intentional Fundraising

- **Board Engagement:** The board is critical to achieving your vision and telling your story. Leave with a plan to engage your board effectively in fundraising.
- **Intentional Fundraising:** There are many sources for fundraising: individuals, foundations, corporations, and government. Prioritize your fundraising audiences and develop intentional strategies to reach them.



Key Elements for Building an
Intentional Fundraising Program

Vision

What is your \$1M idea?

First
Only
Best

What is your organization's WHY?

Organization is asking:

- What impact are we trying to make in the world?
- Who's lives are we impacting?

Donor is asking:

- What can I accomplish with my gift?
- Why should I give?
- Why should I care?

Fundraising Flow

- Strategic Plan (Where is the organization going?)
- Vision (What the organization aspires to change/do in the world)
- Mission (Overall purpose of organization)
- Values (Organization's core priorities)
- Development Plan (How the organization is going to raise the critical funds to serve the mission)
- Budget (Tells the story of the organization in numbers)

Why Do People Give?

8. Business Interests (5%)
7. Religious beliefs
6. Personal connection to the mission
5. Immediacy of need
4. Volunteers for the organization
3. Give back to the community
2. Feel financially secure
1. Moved at impact of gift (75%)

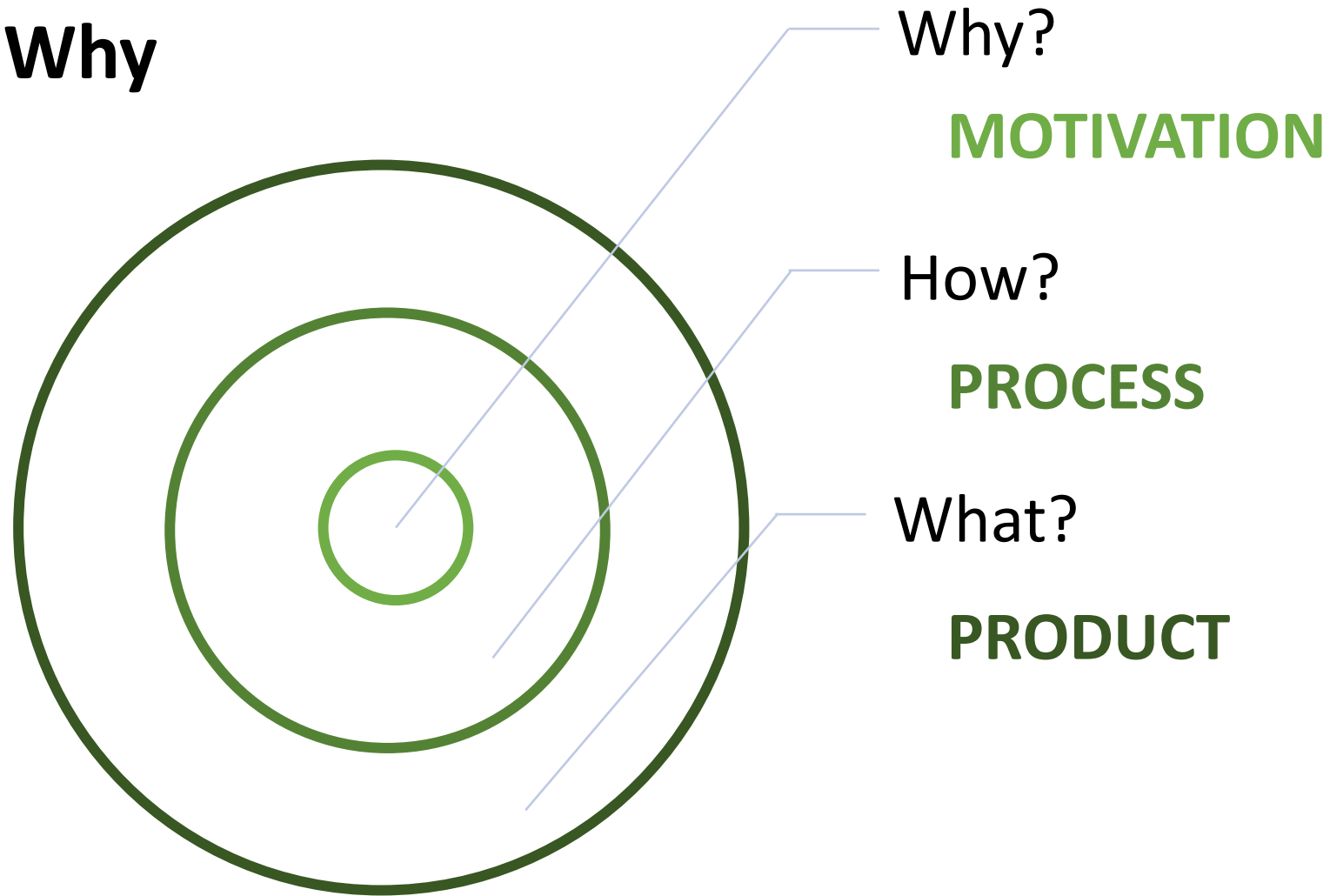
BECAUSE THEY ARE ASKED



Key Elements for Building an
Intentional Fundraising Program
Case Statement

Picture Your Case

Start with Why



What or Why? (Product or Motivation?)

- What* To provide free dance classes for kids
- Why* To ensure no kid goes to sleep hungry
- What* To provide career counseling for adults
- Why* To heal trauma through art
- Why* To increase community health and well-being
- Why* To make the public education system more equitable
- What* To match high school students with mentors
- What* To teach nutrition in elementary schools

Ethos, Pathos, and Logos

Ethos – Credibility

- Why should we listen to you?
- Why should we believe what you are telling us?

Pathos – Emotion

- Look beyond “things that happened”
- Use emotion with intention
- Proud vs. Guilty

Logos – Logic

- Ask questions and engage audience
- Tell 1 story
- What is the story vital to understanding the issue

Stories People Like to Hear

Impact and success stories – 60%

Nonprofit news – 17%

Upcoming events – 15%

Campaign goal progress – 8%

6 Word Story

For Sale: Baby shoes, never worn.

Case for Support vs. Case Statement

- Case for Support
 - Official “story”
 - Long version
 - All-encompassing
 - Serves as foundation for all materials
 - Usually not a public document
- Case Statement
 - Expression of internal case
 - Tells the story, including graphics and pictures
 - Shorter, reliable, and compelling piece
 - Fundraising and marketing tool
 - Public document

7 Elements of a Case Statement

1. Emotional Opening

- Good first impression in opening paragraphs
- Stories not statistics

2. Mission and Vision

- What does your organization do?
- What's our plan?

3. History of the Organization

- Short history (really short)

4. Explanation of your Programs

- What are the challenges?
- Why do we need philanthropic support?

7 Elements of a Case Statement

5. Outcomes of Impact

- What's our impact?
- How are we different?
- Testimonials

6. Financial Needs

- Why are we a good investment?
- Why do you need to raise the money *now*?

7. Means of Support

- What are the different ways to give?

6 Steps to Writing your Case Statement

1. Select a Writer

- Pick one person to write
- Generally someone outside your organization

2. Who are the stakeholders?

- Board, volunteers, and staff

3. Gather information

- Interviews and conversations (a lot of questions)

4. Write first draft

5. Revise the draft

- Circulate draft among key stakeholders

6. Vote and approve and USE!

Case Statement Outline

What are your next steps?

What is your \$1M idea?

- What do you need to do next?
- Who needs to be involved in the conversation?

What is your WHY?

- What do you need to do next?
- Who needs to be involved in the conversation?

Where is your Case Statement?

- What do you need to do next?
- Who needs to be involved in the conversation?



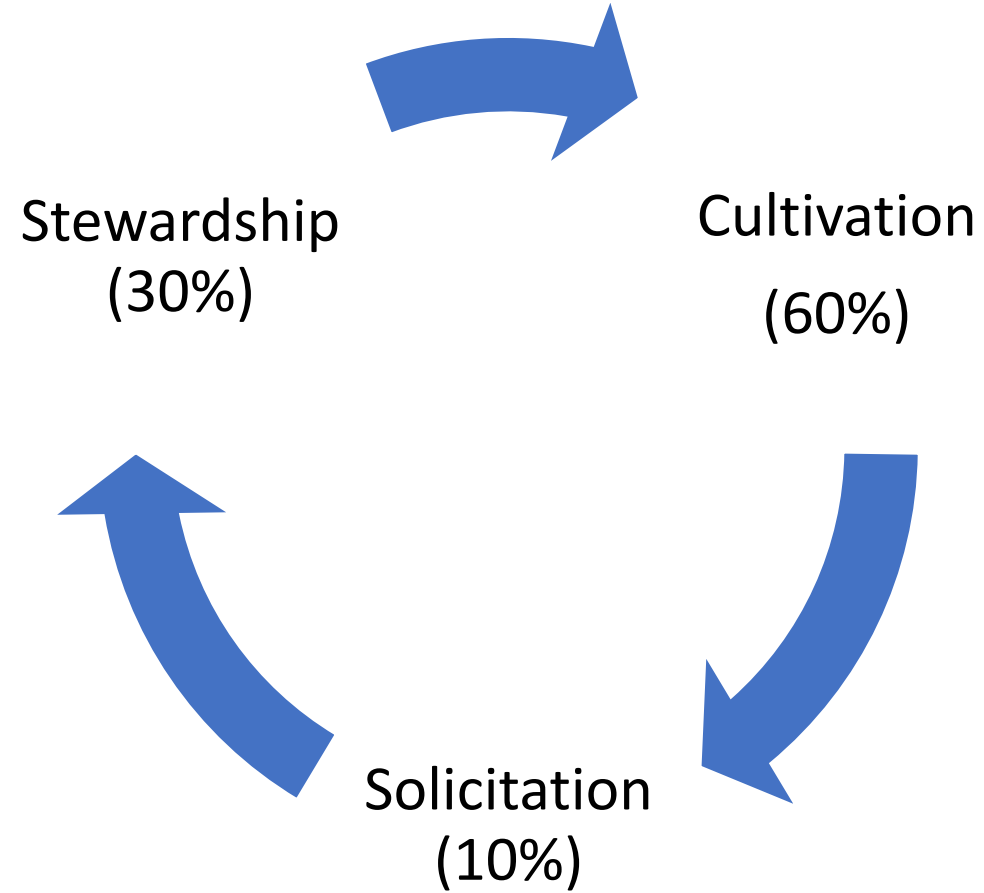
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Board Engagement

How is your board currently involved in fundraising?

Where have you seen the greatest success in engaging your board in fundraising activities?

Philanthropy Cycle



Board Activities

- Thank you calls
- Participate in events
- Identify prospects
- Identify new prospects
- Stewardship of prospects
- Solicit prospects
- Attend Major Donor events
- 100% giving participation
- Identify Foundation contacts
- Identify Corporate contacts
- Host a table at lunch/breakfast/dinner
- Identify event prospects
- Recruit friends

BoardSource
501 Videos
Nonprofit Research
Collaborative (Study)

Where to start?

- Personal meaningful gift (1st) = 100% board participation
- Clear expectations around fundraising
- Skills analysis of board members
- Fundraising training and workshops (practice)
- Incorporate fundraising in board meetings
- Stories and messaging
- Allow the board to SEE their role in the fundraising plan
- It is more than \$ (retention, donor behavior, board giving)

Board Networking Mapping

- Individuals
- Corporations
- Foundations
- Social Organizations
- Faith Community
- Service Organizations

Why Board Engagement Matters

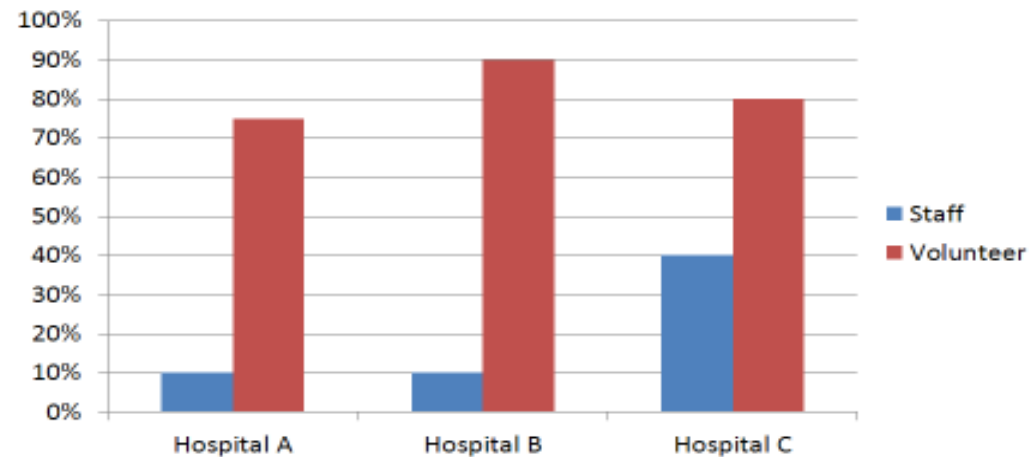
- Board member giving is a public commitment to the organization's work
- Board members attention increased when their own \$ is involved
- Many donors and funders will not give to organizations that don't have 100% giving participation

Board Engagement - Access & Signaling

- Access – Helping the organization reach new prospective donors
 - Sharing contacts
 - Securing sponsorship funding
- Signaling – Indicating the organization's value to the community by their own association
 - Allow the use of your name
 - Sending thank you's
- Combination of Both
 - Make personal introduction
 - Host an event
 - Personal visit

Success Rates – Staff vs. Board

Success Rates for Securing Initial Meeting with Prospects



Key Elements for Building an
Intentional Fundraising Program

Intentional Fundraising

Rule #1 (and only)

- It is about your DONORS not about YOU
 - Values
 - Beliefs
 - Experiences

Do these two things:
Personalize and Segment

Identifying Potential Funding Sources

- ❖ Linkage – who has a connection to the organization or project?
- ❖ Interest – who would be interested in the organization or project?
- ❖ Ability – who has the ability to make a gift to the organization or project?

Development Process

- Suspect
 - Prospect
 - Donor
 - Repeat Donor
 - Upgrade Donor
 - Special Gift
 - Major Gift
 - Planned Gift

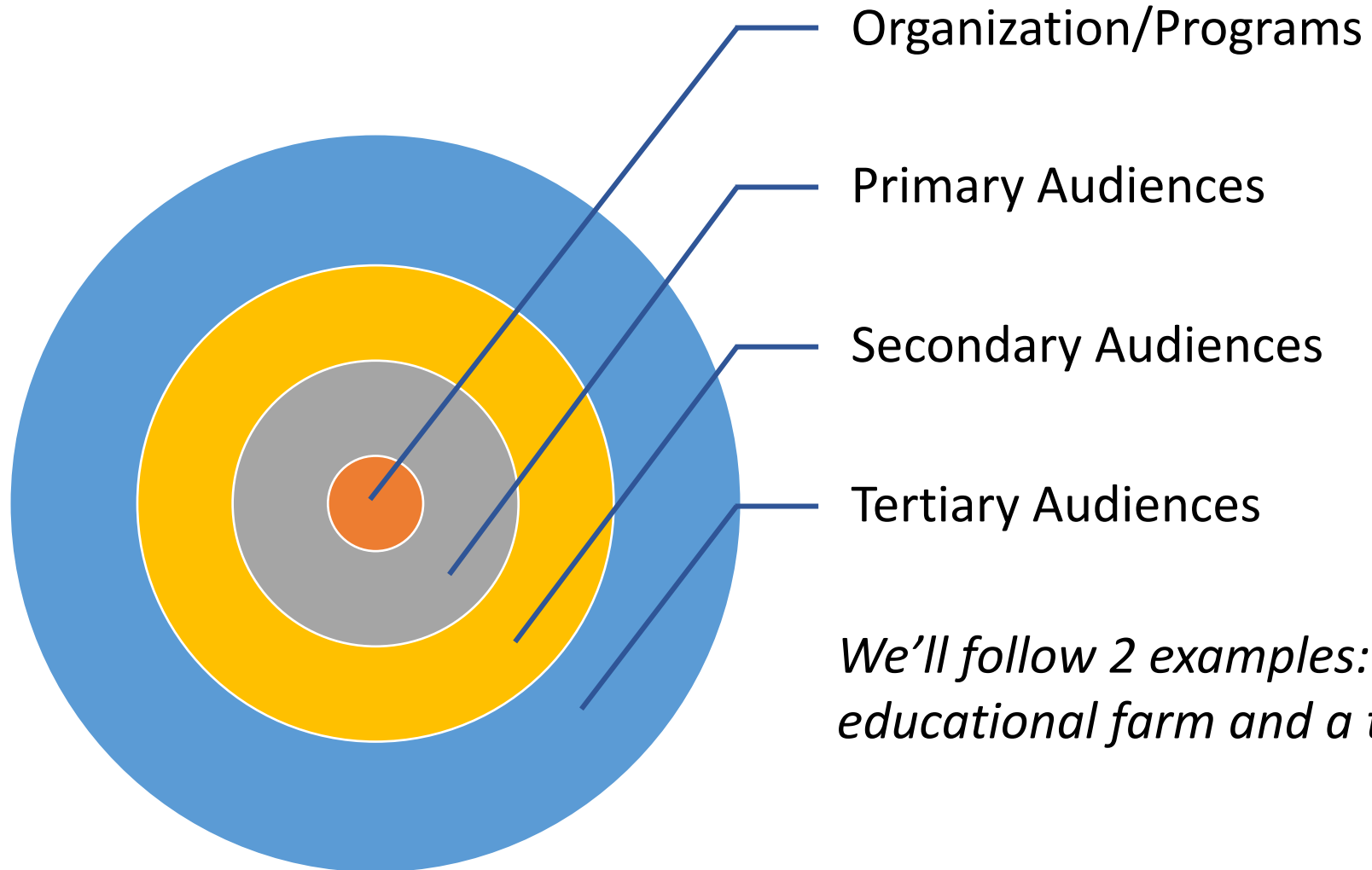
Fundraising Ladder of Effectiveness

- Personal visit
 - Telephone from peer then a letter (or email/text)
 - Phonathon
 - Personal letter (or email/text)
 - House list (mailing or emailing)
 - Benefit (special events)
 - Door to Door – cold calls
 - Traditional advertising media

Now What...

- You have your vision
- You have your why
- You have an impactful story
- Your board is engaged
- Now...
- Let's' talk about WHO

Your Audiences



We'll follow 2 examples: an educational farm and a theater

Primary Audiences

Your program participants or people directly served by your programs

Educational farm:

Farmers-in-training, youth camp attendees, cooking class or farm-to-table meal attendees

Theater:

Performing artists, audience members, youth, teaching artists

Primary Audiences

List your top 3 primary audiences

Secondary Audiences

Directly impacted or lives are improved by your impact on primary audiences

Educational farm:

Families of youth campers, organic grocers and co-ops, agriculture-based communities, families of cooking class attendees

Theater:

Parents, schools, teachers, partner nonprofits

Secondary Audiences

List your top 3 secondary audiences

Tertiary Audiences

Values/beliefs aligned with impact on primary and secondary audiences, or has a reason to be invested in your success

Educational farm:

Environmentalists, local businesses, food justice and food system activists

Theater:

Arts & culture lovers, the business community, neighborhood residents, and neighborhood businesses, employees, and customers

Tertiary Audiences

List your top 3 tertiary audiences

Prioritization

Now that you have your universe of potential connections defined, how do you prioritize your efforts?

Who are your Top 5? Top 10? Top 25?

First...

Define what a major gift is for your organization:

- Look at last 5 years
- Sort by lifetime giving
- Sort by largest gift

What is a major gift?

\$ Level	# Donors	Subtotal
\$25	85	\$2,125
\$50	63	\$3,150
\$100	44	\$4,400
\$250	31	\$7,750
\$500	24	\$12,000
\$1,000	11	\$11,000
\$2,500	7	\$17,500
\$5,000	3	\$15,000
\$10,000	2	\$20,000
\$15,000	1	\$15,000
Totals	271	\$107,925
<i>Average</i>		\$398.25

Exercise #1: Who?

List 3 prospects to start your major gifts portfolio.

Second...

WHY?

What are the needs of your community?

What is your story?

Third...

Define Your “Moves”

Engage staff (including program staff) and board in this conversation. What actions and activities could draw a donor closer?

Examples:

Site visit, newsletter sent with a personal note, handwritten thank you card, sending the donor a photo of themselves at your event etc.

Exercise #4: Connect donors to moves

Define who will do the next move for each of your 3 donors.

In your database (or excel):

- List your major donor prospects
- Identify a meaningful next move (or two) for each person/couple
- Clarify who will make this move
- Establish relationship “leads” – someone who will make moves with this person/couple over time. ED or DD can’t carry all of this.

What do you really NEED?

1. Name
2. The Why (Story)
3. First Step
4. Questions
5. Research
6. Next Step

Putting it ALL together...

1. Vision
 2. Story and Why
 3. Engaged Board
 4. Targeted Who
- Who else needs to be involved?
 - What is your next step for each?