

10
THINGS
EVERY
BOARD MEMBER
NEEDS
TO KNOW

Fundraising

A Partnership between
Board and Staff

Revised, 2011

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CoreStrategies for Nonprofits, Inc.*

Edited by Vincent Hyman

INCLUDES
10 TACTICS FOR
WEATHERING
RECESSIONS

Mission

Our mission is to foster effective risk management practices and the overall development and advancement of nonprofits through unique, creative initiatives.

Ten Things Series for Nonprofit Boards

Welcome to this series of short briefing papers for nonprofit board members. Whether a seasoned leader or first-time trustee, there is a continual need to revisit the expectations and demands of the critical board member roles in steering, supporting and safeguarding nonprofit organizations. In this series, First Nonprofit Foundation has identified topics of particular interest to board members and will provide digests of time-tested wisdom, emerging thought, and the insights of highly experienced practitioners. We trust these papers will succeed in helping nonprofits to develop and advance. As always, we welcome your comments and suggestions.

Booklets in this series

Advancing Together: The Role of the Nonprofit Board in Successful Strategic Alliances

A Winning Board: Steps That Bring Out the Best

Champions with a Cause: The Nonprofit Board Member's Role in Marketing

Strong Partners: Building an Excellent Working Relationship between the Nonprofit Board and its Chief Executive

Evaluating the Executive Director: Your Role as a Board Member

Finding the Opportunity in Economic Chaos

Fundraising: A Partnership between Board and Staff

Essential Keys to Nonprofit Finance

Risk Management: Your Role as a Board Member

Shaping the Future: The Board Member's Role in Nonprofit Strategic Planning

Sustaining Great Leadership: Succession Planning for Nonprofit Organizations

There is nothing so easy but that it becomes difficult when you do it reluctantly.

—Terence, Roman comic dramatist (185 BC–159 BC)

Did you join the board of a nonprofit because you love fundraising and want every possible opportunity to ask your friends and colleagues for money?

Probably not.

It is far more likely that you agreed to serve because you have a passion for the organization's mission—and that the mere thought of fundraising makes your hair stand on end. Yet assuring that the organization has adequate financial resources to fulfill its mission and realize its vision is one of the most important responsibilities of the board as a whole, and of its members individually.

Despite the responsibility, most nonprofit boards are ill-equipped to be successful in this arena. According to Linda Crompton, president of BoardSource (www.boardsource.org), fundraising is the number one area of nonprofit board performance that needs to be improved.¹

This booklet will help you to (1) understand what your organization must have in place to support a vibrant fund development program; and (2) become familiar with the wide variety of effective board activities that are needed to support fundraising, including roles you might play.



To be successful at fundraising, nonprofit staff and board members must work together in a committed partnership. In such a partnership, staff

- creates the draft of the fund development plan that the board ultimately approves;
- manages the implementation of the plan;
- integrates the critical board member activities; and
- guides the board in the discussion when strategic changes must be made.

Meanwhile, board members

- help create and ultimately approve the plan;
- commit to become informed, articulate organizational advocates;
- understand the critical role fundraising plays in the nonprofit's capacity to serve; and
- learn how to be an integral part of the plan, supporting the fundraising initiatives as they are able.

When board and staff embrace their roles and support each other, success is all but assured. When the partnership is uneven or, worse, nonexistent, the organization and its clients suffer.

Here you will learn about the five key elements from each side of the partnership equation:

Part 1 – What You Should Expect from the Organization:

1. A clear explanation of board duties
2. Access to training in fundraising
3. Dedicated professional fundraising staff
4. A choice of fundraising activities for board members
5. Organizational transparency and accountability

Part 2 - What the Organization Should Expect of You

6. Learn about and advocate for the organization
7. Commit in writing to an annual gift
8. Work closely with the CEO and development staff
9. Always be introducing potential friends
10. Have fun creating authentic relationships with donors



Part 1:

What You Should Expect from the Organization

Let's start with the framework the nonprofit should have in place to allow you to be the best fundraiser—and friend-raiser—you can be.

1.

A Clear Explanation of Board Duties

In an ideal world, when you are cultivated by an organization and then recruited for board service, you are given a written job description, clearly indicating what is expected of you. Again, in this ideal world, you are then held accountable for having met or exceeded your goals through an annual board self-evaluation process.

If you are serving on the board of an organization that has not yet taken these important steps, you may facilitate this by suggesting to the board president, CEO, or development staff that such documents be created. At that point, adding a list of expectations for fundraising is essential. So here it is—a sample listing of the type of fundraising (and friend-raising) activities it would be helpful for a board member to know is expected of him or her prior to accepting a place on the board. (A more comprehensive list for use with board members currently serving is provided in section 4, *A Choice of Fundraising Activities for Board Members*.)



Board Member Fund Development Opportunities

Thank you for considering service on our board of directors. Your passion for our mission and especially your work to help raise awareness, friends, and funds for the organization are sorely needed. The following are a few of the kinds of activities we will ask you to choose among during the year. Once you are on the board, we will give you a more detailed list and ask that you commit to those activities where you feel you will be most comfortable and effective.

- Attend our special events and bring friends.
- Send out our newsletter with a personal note to friends and colleagues who are not familiar with our organization, and provide those names and contact information to development staff.
- Make thank-you calls to donors as requested by staff.
- Hold an organizational awareness event in your home, or sponsor another function to benefit the organization and build awareness.
- Make an annual gift.
- Assist in identifying and cultivating major gifts prospects (for example, bring them to tour the facility to see the work the organization does; set up a lunch with the CEO, etc.).
- Suggest foundations where you have a contact for possible grants.
- Bring the CEO and development director to a community event as your guests.

Along with providing a prospective board member with this kind of information, the organization should have a written vision statement so board members can speak with one voice about the dreams of the organization. A vision statement explains what success will look like, externally (how will the world be improved, changed or different through the work of the nonprofit?) and internally (what will the organization look like when it is operating effectively to achieve the external vision?)

Board members who cannot articulate the external and internal vision to a potential donor are at a disadvantage. Donors, especially those who are able to make major gifts, want to be inspired and excited by the plans and goals of your organization. They want to know how they can be a part of your dreams, how they can soar to new heights with you!

2.

Access to Training in Fundraising

In this day and age, all nonprofits, no matter their size or budget, have access to ample and affordable educational opportunities for both staff and board in fund development and philanthropy. Fundraising and friend-raising are not rocket science, but their success requires a fundamental infrastructure and a thorough understanding.

The Internet is jam-packed with incredible resources. The depth, breadth, and quality of information available online at little or no cost are remarkable. To get you started, take a look at CharityChannel (www.charitychannel.com). This site is one of the most informed online communities of committed professionals and volunteers in philanthropy, as well as a resource for a huge variety of information related to nonprofits. Here you can browse all manner of topics and also sign up for newsletters and blogs that will efficiently keep you abreast of the latest in the field.

Your organization should also provide you with a comprehensive list of local continuing education opportunities. At a minimum, these should include the schedule of the meetings of your local chapter of the AFP—the Association of Fundraising Professionals (www.afpnet.org), as well as affordable trainings for board and staff provided through many local community foundations or nonprofit resource centers. (Check the National Council of Nonprofits, www.councilofnonprofits.org, to see if your state has a nonprofit association.)

For those nonprofits and board members able to afford pricier trainings, there are professional associations with stellar reputations that hold annual conferences geared to both board and staff. Nonprofits will often send the CEO or development officer, plus the board president and other key board members, to these conferences. The Association of Fundraising Professionals mentioned above holds its international conference in the spring. Other excellent educational opportunities are the annual conferences of Board Source (www.boardsource.org); Alliance for Nonprofit Management (www.allianceonline.org); Association for Healthcare Philanthropy (www.go-ahp.org); and Council for Advancement and Support of Education (CASE) (www.case.org).



There are dozens of excellent publications on the subject of boards and fundraising. Three books that you may find especially helpful:

- *Asking: A 59-Minute Guide to Everything Board Members, Volunteers, and Staff Must Know to Secure the Gift* by Jerold Panas (Emerson & Church, Publishers, www.contributionsmagazine.com).
- *Big Gifts for Small Groups: A Board Member's 1-Hour Guide to Securing Gifts of \$500 to \$5,000* by Andy Robinson (Emerson & Church, Publishers, www.contributionsmagazine.com).
- *FriendRaising: Community Engagement Strategies for Boards Who Hate Fundraising but Love Making Friends* by Hildy Gottlieb (Renaissance Press, www.help4nonprofits.com).

Additionally, here are some outstanding journals you may want to take a look at:

- *Chronicle of Philanthropy* (www.philanthropy.com).
- *Grassroots Fundraising Journal* (www.grassrootsfundraising.org).
- *Stanford Social Innovation Review* (www.ssireview.org).
- *Nonprofit Quarterly* (www.nonprofitquarterly.org).

Check with the development staff of your organization for their additional recommendations and suggestions.



3.

Dedicated Professional Fundraising Staff

The expression “it takes money to make money” is as true for fundraising as it is for any other arena. There is simply no question that organizations that invest in dedicated fund development staff will raise more money, and in most cases far more money, than those that do not. For example, the U.S. universities that raise millions of dollars every year and have endowment funds into the billions have very large fund development staffs. The return on the investment is enormous.

Certainly, most of the nearly two million charitable organizations currently registered with the IRS do not have the wherewithal to staff up their fund development efforts to this extent. However, even the smallest nonprofits must find a way to secure at least one full-time fundraising professional. This writer believes that it is unrealistic and ineffective to expect any other staff member, especially the CEO, to simply add fund development responsibilities to their already full plate. And without someone on staff responsible for the fund development program, it will never reach its potential.

Listed below are just some of the important tasks involved in staffing the fund development program:

- Preparing, managing, and budgeting for the fund development plan (which may also include public relations and marketing functions).
- Assuring that proper board-approved policies are in place for gift acceptance and acknowledgement, donor recognition, and investment and allocation of philanthropic revenue.
- Overseeing and integrating the work of board members related to fundraising.
- In concert with appropriate volunteer committees, preparing all content and material needed for approved annual, capital, endowment, and planned giving fundraising, special events, public relations programs, proposals to donors and prospects, gift acknowledgement materials, appeals, and so forth.
- Maintaining record-keeping systems for tracking donor participation, identification, recognition, and cultivation, as well as prospect identification and volunteer involvement in development activities.
- Assuring that gifts and pledges are properly booked using accepted accounting standards. Assuring that proper management and stewardship is provided for planned gifts (trusts, annuities, and so forth).
- Researching and compiling data on individual, corporate, and foundation donors and prospects identified by board members, staff, volunteers, and other friends of the organization. Creating and monitoring “management plans” for the cultivation and solicitation of these donors and prospects as appropriate.
- Keeping up-to-date on current development and public relations practices and procedures and informing the board, volunteers, staff, and other leaders of matters that would benefit and interest them in their work on behalf of the organization.

If your nonprofit expects its board members to be actively involved in awareness- and relationship-building, it must provide the staff to properly manage the process. In turn, the board must assure that the financial resources are there to allow the organization to do so. If the budget lacks funding for such a staff position, here are some good ways for the board to secure at least the first year’s funding for this individual.

- Help the organization identify a private foundation, corporation, or “angel” that would fund the position for one year, raise the needed funds among its own members, or combine these tactics to get enough money together.
- Borrow from its reserves, with the understanding that the funds will be repaid within 12 months through new monies raised as a result of implementing development initiatives. (Be sure that this is prudent, given the organization’s current financial status, and that the financial policies allow it.)
- Brainstorm about alternative sources of revenue. For example, a school could lease out its computer classrooms in the evenings to the county’s adult education program to help fund the development position.

Typically one of the first charges for the new fundraising director is to raise enough to cover his or her own salary, and way beyond, by the second year.

3. Dedicated Professional Fundraising Staff



4.

A Choice of Fundraising Activities for Board Members

Not every board member is interested in, appropriate for, or good at asking others for contributions. Yes, there are those few who love the challenge and the hunt and are really good at it. These “born salespeople” are good listeners, know the product, are comfortable in any situation, excel at meeting the needs of the “buyer,” and happily take risks. Many board members, however, find the activity distasteful to say the least. No matter what pressure is put on them, what training is offered, or what financial crisis looms, they are simply never going to ask for a contribution. Luckily, there are many other equally important activities that every board member can do to bring in a gift. For example, the organization may ask you to choose among the following:

Introduce the organization to new people

- Provide ten to twenty new names for the mailing list annually, especially for invitations to special events and mailing of the annual report.
- Provide entrée for staff to visit two or three close friends or colleagues—no solicitation.
- Keep on the lookout all year long for potential board members who could add value to your board.
- Share your passion for your organization’s mission with people in your day-to-day life.

Focus on donations

- Make your own gift or upgrade your current giving.
- Help identify major gifts prospects and create individualized cultivation plans.
- Participate in cultivation efforts (taking donors or prospects to lunch, giving tours, sending birthday greetings, other activities that build organizational friendships).
- Help research grant opportunities; review lists of boards of foundations to see if you have any connections.
- Put the organization in your will, sign over an unneeded life insurance policy, or create some other type of planned gift.
- Attend your organization’s special events and invite your friends and colleagues. Continue to cultivate them after the event.
- Hold a “parlor party” at your home for a special, targeted group of prospects or donors.
- Ask community groups in which you hold membership to sponsor events to benefit your organization.

- Hand deliver thank-you letters with your appreciation to those who make a contribution at a designated level.
- Call donors just to update them on the organization's accomplishments.
- Take pictures of the program in action and send them with a handwritten note to donors and potential donors (be sure that any confidentiality issues are respected).
- Volunteer to “work” a fundraising event.

Build fundraising infrastructure

- Attend workshops and seminars on fundraising.
- Update and reorganize the board orientation process—do one every year and request all board members, new and current, attend. Each board member should say why he or she serves.
- Help your organization create a legacy society to recognize donors who have made a bequest or crafted some other type of planned gift.
- Help create a welcome package for new donors.
- Help create gift acceptance, donor recognition, and investment policies for your organization.
- Be sure that fundraising is included in your annual retreat and strategic planning meetings.
- Support an adequate budget for continuing education in fundraising and philanthropy for development staff and board members.

Public relations and advocacy

- Learn how to advocate for your organization's mission on a political level.
- Ask staff to train you to speak about the organization; then join the organization's speaker's bureau.
- Call donors and thank them for their gifts and interest. Ask them why they support the organization. Tell them why you do.
- Create your own “community rap” or “elevator speech” to be able to quickly tell your organization's story in any given situation.
- Invite the CEO or development professional from your organization to a community function as your guest.
- Add your organization's web site as a link on your signature information for email, and on your letterhead.
- Help write a case for support for your organization.



5.

Organizational Transparency and Accountability

A board might be the best fundraising machine in town, but if the nonprofit is not completely accountable to its community and beyond reproach, board members cannot succeed in fundraising. Current and prospective donors have a right to know that they are wise to invest in your organization. They need to know that the money they give will be used effectively, that it won't go to support frivolous activities, and that the organization will be around long enough to benefit from their hard-earned dollars.

The board's job is to be sure their organization truly is a smart investment for donors. From properly completing and filing its IRS Form 990, to assuring that there are outside audits of its financials, to intelligently managing risk, to avoiding "mission drift," to regularly evaluating the CEO, to avoiding all conflict of interest—the organization must commit to adhering to proven organizational and governance practices. Staff and board must work in partnership to assure that any and all examination of its facilities, programs, financial records and activities will have a superb result. While we have included this topic in the "What Board Members Should Expect the Organization to Provide" section, it is ultimately the board's duty and responsibility to assure that the organization remains true to its mission and is being managed with the utmost integrity.

Part 2:

What the Organization Should Expect of You

Now we will move on to focus further on what you, the board member, can be expected to do with respect to fundraising. Remember that the trust placed in you by the community requires that you adhere to and support your organization's values, ideals, mission, capital assets, and reputation. This includes your responsible involvement in the organization's fundraising efforts to assure its financial future.

6.

Learn about and Advocate for the Organization

Your passion for your organization's mission may be enough to initially intrigue potential donors. But if you cannot quickly tell a story or share a compelling fact or "gee whiz" statistic, their interest may quickly wane. As you know, we are bombarded every day by an overwhelming amount of information. To cut through the clutter, you must become a skilled storyteller about how your organization changes lives. Often you may have only a minute or two to share your story, so you must always be prepared.

Visit with key organizational staff, find out what they do, why they have chosen to work at this particular nonprofit, how they see lives changing, what keeps them coming back. If appropriate, meet with a client who has benefited from the organization's services. Understand from the inside out what this organization is all about, its core values, and the best way to describe its programs. And keep yourself abreast about issues related to your organization and its mission by regularly attending board meetings, reading journals, updates, newsletters, and so forth.



A final note regarding advocating for the organization: It is not a good idea for board members to serve on multiple boards. What does the board member do who meets a new business leader with an interest in every one of the missions of the five organizations on whose boards he or she serves? To which organization does the board member introduce this prospective friend? How much time can this board member devote to the business of the board at each of five organizations? How does the community perceive a board member who wears so many nonprofit hats?

Just as the organization owes it to you to provide an infrastructure that supports your efforts to raise friends and funds on its behalf, you owe it to the organization to do the best job you can by keeping your energies and loyalty focused rather than fragmented.

7.

Commit in Writing to an Annual Gift

As Skip Henderson says in *Achieving Excellence in Fund Raising* (published by Jossey Bass, www.josseybass.com), serving as a board member, “no matter how active and committed the individual, cannot substitute for a financial contribution, nor will a token contribution suffice.”² You cannot be very effective as an advocate and fundraiser for your nonprofit if you have not first made a financial commitment yourself. How much should this gift be? Generally, unless the nonprofit has established a required contribution amount (which should be made clear before you join the board), a board member’s gift should be at least among the top three charitable contributions he or she makes that year. Many organizations encourage “stretch gifts,” gifts beyond one’s normal giving limits, especially during campaigns.

Often this annual commitment includes tickets or tables you may purchase to support the organization’s special events. It also may include monies you bring in from others, above and beyond your own contributions. Your organization will have its own guidelines and expectations. There is also the matter of including the nonprofit in your estate planning. If the mission is truly important to you, and if you believe that the organization is strong and has a bright future, you will want to take this step and then help educate others, especially other board members, to do the same.

8.

Work Closely with the CEO and Development Staff

As mentioned earlier, the board and staff make up the fundraising team and must be close, enthusiastic partners to achieve success. Ideally, this pairing makes the best use of the skills and abilities of each and leads naturally to a robust fund development program. Furthermore, according to author and consultant Kay Sprinkel Grace, this partnership is an excellent way to supplement diminished resources while increasing volunteer motivation and developing volunteer leadership.³

In fact, the board chair and the CEO are generally the most influential team the organization can bring together for key donor prospects.

We have previously described some of the specific areas of responsibility of a fund development staff person (see item 3 in this booklet). A helpful board member commits in writing to the activities he or she will undertake as part of the development plan (see item 4) and never behaves like a “loose cannon,” pursuing prospects and donors without the knowledge or participation of the staff. In certain circumstances, this kind of behavior can create an impression in a prospect or donor that “the left hand doesn’t know what the right hand is doing.” This can quickly derail a potential major gift or, worse, alienate a friend to the point of no return. Faced with such behavior, the potential donor is smart to wonder if the board member’s foolish actions ultimately reflect the quality of the organization’s performance. After all, if the organization can’t coordinate its actions, how well will it manage the donor’s gift?

Rules and expectations should be made clear from the outset. Staff and board members should define the partnership parameters and agree on desired outcomes before the work begins.



9.

Always Be Introducing Potential Friends

As mentioned above, one of the most important fundraising activities in which board members can engage is to help create and cement the genuine friendships with prospects and donors that lead to lifelong loyalty to the organization.

To help you understand how critically important it is for board members to be involved in the identification and cultivation of potential individual donors, let's take a look at the latest figures for charitable giving in the US (provided by the Giving Institute, www.aafrc.org). Here are the figures for 2009:

- **Total Charitable Giving:** **\$303.75 billion**
- Corporations: \$14.1 billion (4.6%)
- Foundations: \$38.44 billion (12.7%)
- Individuals: \$251.21 billion (82.7%)

(Includes outright gifts of \$227.41B + bequests of \$23.8B)

Clearly, individual donors provide the vast majority (almost 83 percent) of the total charitable monies contributed in any given year (these percentages remain fairly constant from year to year). Though many nonprofits focus the majority of their attention on foundations and corporations, in reality it is individuals who have the greatest capacity to help them. Nonprofit staff alone cannot possibly do all the finding, cultivating, asking, thanking, and “stewarding” (informing donors of how their contributions have been put to work and how lives have been changed) of prospects and donors. Board member participation is needed every step of the way.

It is only through the genuine friendships that are forged over the course of time that sustainable, predictable philanthropic revenue becomes a reality for organizations. Generally speaking, it takes years of friendship before a donor is then comfortable and committed enough to include the organization in his or her estate plans—the “ultimate gift.”

Many board members think, “But I don’t know anyone who is wealthy whom I can introduce to this organization.” Yet wealth is not the only (nor the best) criteria to use to judge who may become a great supporter. In many cases, the most important factor is the person’s passion for the mission and his or her relationships with prospective donors.

You and every board member should think about the following categories and who in each would be as excited and gratified to be involved with your organization as you are. Every board member should provide the organization names of people they know through:

- Religious organizations
- Work
- Other nonprofit groups
- Large or small companies with whom you do business
- High school, college, graduate school
- Professional associations
- Sports teams, book clubs, adult education classes
- Cultural activities
- Civic organizations
- Government
- Neighborhood

You should also provide the names of those you know who are “connectors,” people in the community who may not themselves be wealthy, powerful, or decision makers, but who know virtually everyone who is!

You can work with staff to determine what kinds of customized cultivation activities will be successful for select individuals, what initiatives to put in place that will draw these potential friends closer to the organization. It is then the responsibility of staff to orchestrate the “moves”—the frequent, consistent, quality contacts that help develop the relationship between the prospective donor and the organization. Board members can play important roles in these scenarios, from providing background information on the individual, to helping cultivate and perhaps ultimately solicit the prospect for a gift.

Think about how many new potential friends would learn about your organizations if every board member, other volunteers and staff members completed this list!



10.

Have Fun Creating Authentic Relationships with Donors

As author and consultant Hildy Gottlieb says, “When we stop telling board members they must raise funds, and we provide them instead with a variety of ways to help build relationships that will support the organization’s mission at its core, board members will begin to make friends everywhere they go.”⁴

Once you see that it is not that your organization is “in here” and the community is “out there,” Gottlieb continues, “you will begin to work with all those individuals who make up your community, seeing them as part of the fabric of your organization, because each of their lives is somehow affected by the work you are doing...we are then linking arms to create substantially more impact in our communities.”⁵

In numerous surveys on why people give, the following motivating factors come out on top over and over again:

- They have a passion for the organization’s mission.
- They believe the organization is fiscally sound and will responsibly steward their donation.
- The organization has stable staff and board leadership.
- They need the organization as a partner to make the community a better place.

This last point is perhaps the one that it is most important to keep in mind as you spread the word about the work of your organization. When you offer an opportunity for someone to join you in helping change lives, remember that none of us can do this alone! We who care about doing good in the world (or even in our own corner of the world) need the organization as much as it needs us. Joining with others to build the nonprofit’s capacity to fulfill its mission is one of the greatest needs of donors that an organization can meet.

Penelope Burk has been writing about what she calls “donor-centered fundraising” for many years, studying what keeps donors loyal to an organization. Among the most interesting findings she has published (*Donor-Centered Fundraising*, US Edition, Cygnus Applied Research, Inc. www.cygnusresearch.com) are these.

What donors want⁶:

- Prompt, personal gift acknowledgment
- Confirmation that their gifts have been set to work as intended
- Measurable results

What donors say they get⁷:

- Sometimes prompt but usually impersonal gift acknowledgement
- General appeals with few measurable results

Why donors stop giving⁸:

- Feel the nonprofit is not fulfilling its mandate
- Disagree with a change in direction
- Lose interest in the cause
- Believe the nonprofit no longer needs their support
- Feel there are more compelling causes out there
- Believe the nonprofit has not adequately kept in touch

Burk also talks about the power of heartfelt thank-yous. Her findings⁹:

- 95% of respondents would be very appreciative if a member of the board called them within a day or two of receiving their gift just to say thank you.
- 85% would definitely or probably support the nonprofit again if this happened.
- 85% would definitely or probably give a larger gift.



In Summary

So there you have it. As Robert G. Swanson says about board members in his book *Fundraising Magic* (ASR Philanthropic Publishing, www.hartsookcompanies.com):

Once [board members] make the transition from being “on the board” to being “connected with an organization,” something wonderful occurs. They become more than decision makers; they become magic makers. They change from just making plans to making their clients’ dreams come true.¹⁰

We hope that the ideas in this booklet have helped convince you that raising funds can be fun and exhilarating, and is really all about finding and keeping friends for the organization over the long haul. Most of all, the best fundraising is a true partnership between board and staff. Once staff and board members join hands as true partners and move forward together to invite others to share their passion, anything is possible. And the journey can and should be a joyful one, built on friendship, loyalty, and an abiding commitment to making the world a better place.

Resources Suggested in This Booklet

Helpful organizations

Alliance for Nonprofit Management, www.allianceonline.org
Association of Fundraising Professionals, www.afpnet.org
Association for Healthcare Philanthropy, www.go-ahp.org
BoardSource, www.boardsource.org
Charity Channel, www.charitychannel.com
Council for Advancement and Support of Education (CASE), www.case.org
Giving Institute, www.aafc.org
National Council of Nonprofits, www.councilofnonprofits.org

Books

Achieving Excellence in Fund Raising by Henry A. Rosso & Associates, edited by Eugene R. Tempel (Jossey-Bass, www.josseybass.com)

Asking: A 59-Minute Guide to Everything Board Members, Volunteers, and Staff Must Know to Secure the Gift by Jerold Panas (Emerson & Church, Publishers, www.contributionsmagazine.com)

Big Gifts for Small Groups: A Board Member's 1-Hour Guide to Securing Gifts of \$500 to \$5,000 by Andy Robinson (Emerson & Church, Publishers, www.contributionsmagazine.com)

Donor-Centered Fundraising, by Penelope Burk, US Edition, Cygnus Applied Research, Inc. (www.cygresearch.com)

FriendRaising: Community Engagement Strategies for Boards Who Hate Fundraising but Love Making Friends by Hildy Gottlieb (Renaissance Press, www.help4nonprofits.com)

Fundraising Magic: 33.5 Strategies for Turning Board Members into Money Makers by Robert G. Swanson (ASR Philanthropic Publishing, www.hartsookcompanies.com)

Journals

Chronicle of Philanthropy, www.philanthropy.com
Grassroots Fundraising Journal, www.grassrootsfundraising.org
Stanford Social Innovation Review, www.ssireview.org
Nonprofit Quarterly, www.nonprofitquarterly.org

Endnotes

¹ As noted in Chronicle of Philanthropy, 11/29/07, "Fund Raising and Lack of Diversity are Key Challenges for Trustees" by Elizabeth Schwinn.

² Achieving Excellence in Fund Raising, page 342.

³ Ibid, page 331.

⁴ FriendRaising, page 7.

⁵ Ibid, page 6.

⁶ Donor-Centered Fundraising, page 31.

⁷ Ibid, page 31.

⁸ Ibid, page 20.

⁹ Ibid, page 57.

¹⁰ Fundraising Magic, page 2.

About the Author

GAIL S. MELTZER, CFRE is the founding president of the Jacksonville, Florida Chapter of the Association of Fundraising Professionals, president of the consulting firm, Fund Raising Advantage, Inc. and a founding principal in CoreStrategies for Nonprofits, Inc. For almost three decades, she has mentored many nonprofit professionals, board members, staff, and volunteers. She is a skilled trainer, specializing in teaching boards and staff how to embrace fundraising and create dynamic and effective donor relations programs for their organizations.

Gail has also served on numerous nonprofit boards during her career. She has had the distinction of being designated a Certified Fund Raising Executive (CFRE) since 1990, which requires ongoing rigorous documentation of fundraising success as well as service to the profession. Gail has had articles published in *The Grassroots Fundraising Journal*, *Advancing Philanthropy*, *Fundraising Success Magazine*, *South Florida Sun-Sentinel*, *The Major Gifts Report*, and numerous issues of the newsletter for the Broward Chapter of the Association of Fundraising Professionals.

Series Editor

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10
FUNDRAISING
TACTICS

Ten
Fundraising
Tactics
for the
Great
Recession

Revised, 2011

*by Gail S. Meltzer, CFRE, Founding Principal
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We in the nonprofit arena have been especially hard-hit by the Great Recession. The need for providing help to those in dire circumstances has exploded even as our financial capacity is stretched thin. One thing is clear: we can't wait for things to get better—they are just going to be different. Organizations that are expecting things to “return to normal,” that plan to rely on outmoded tools, will suffer and may ultimately fail. Here are ten tactics to help your organization come out stronger on the other side of this economic cycle.

1. Have an attitude of gratitude.

Use this opportunity to communicate with your most loyal and generous donors, especially at the higher levels. Thank them, tell them what their ongoing commitment has accomplished, and show them how much it is appreciated. Let them know what you are doing to create a better future, and that you hope they will continue to be a part of your work. Ask what they love about what you do, what sets you apart from others, and how their giving to your organization fits in with their overall philanthropy. Get to know what really connects them to you. Explore how they may be able to continue to help you fi-

nancially while they themselves are recovering from setbacks. This can accomplish at least two things: it may have a very positive effect on their own sense of well being, and it will bring them closer to you as the recovery comes.

- 2. Cultivate your garden.** Concentrate in a similar manner on cultivating your “middle level donors,” those who are not (yet) major donors but have moved beyond giving minimal annual gifts. This cohort will become increasingly important to the financial future of your organization. Many of them are baby boomers, who are approaching their later years with an increased sense of

urgency to leave a meaningful philanthropic legacy.

3. Search for the surprise winners.

Economic downturns can produce new potential friends for your organization. Find and meet the professionals and businesses that are benefiting from the recession, including those who have been laid-off and are creating new businesses. For example, think about the financial success bankruptcy attorneys, forensic accountants, and shoe repair shops are having during these challenging times! And those start-up businesses created by people who are out of work may become some of your best corporate prospects.

4. “Poach” big game in the king’s forest. It seems the “big guys”—the universities, medical centers, large cultural centers—refrained from aggressively soliciting their high net worth donors during the past year. Grassroots nonprofits can take advantage of this by strategically researching who these donors are in their own community. Asking someone who normally gives \$10 million a year to her university for a gift of \$10,000 may yield surprising success. In your “ask,” point out that a gift of this size can make a huge difference to your small nonprofit. Major gift donors are motivated when they know their money makes a real impact.

5. Be the gift people want to give.

Promote tribute giving, especially among your board, staff, volunteers and others who are closest to your organization. Many of us have enough “stuff.” Older boomers like the “new frugality,” younger generations want to make the world better, and both like the idea of giving a gift that will help someone truly in need. So, suggest people give a gift to your organization to recognize milestones such as birthdays, anniversaries, births, adoptions, deaths, graduations, new jobs, etc.

6. Beef up your development infrastructure.

Use the downturn as a stimulus to reinvent your development approach. Examples: 1) Foundations must continue to give—so ramp up your grants program. 2) Audit your donor database software system and upgrade it. 3) Take a hard look at yourself and your staff; is the configuration right for the future? Retrain or retire as needed.

7. Get your house in order. Board and staff alike should take the time to familiarize themselves with the dramatically revised (and now complicated) Form 990. Invite a local accountant or IRS official to educate your group about the new form, the ramifications for your organization and the implications for individual board member liability.

8. Re-shingle the roof. The economic crisis is a great opportunity to evaluate leadership. Do you have the right people on the board? Are they fulfilling their responsibilities to give to your organization and to help you raise money? Are they a diverse group, with the skills and talents needed by the organization? Are they passionate and willing ambassadors for your cause in the greater community? Are they serving on too many other boards?

9. Diversify. Think about adding at least one new fundraising method to your arsenal. Try something internet-based, perhaps using social media, if you have avoided that until now. Evaluate your assets; those things you do really well or your physical space that may offer opportunities for business ventures. For example, see if it's possible you could earn income through training others, or leasing out trucks, or leasing extra storage space you may have.

10. Make new friends. Identify key people you've previously failed to reach. Visit individually with them. Ask such things as: What do you know about our organization? How important do you believe [our issue] is to the community? Do you have thoughts about how we could create more impact? How can we be more effective at [_]? Then work with board members to open the door with your best prospects.

This is not the time to pull back. It is vital to be proactive, get out in the community, connect with donors, and represent a positive future. Communicate that your organization continues to do incredible work and that economic downturns won't deter you from achieving your mission. Choose to stay strong and robust, and you will always attract those who want to join with you to change the world.

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