Moving Forward for Children Series:
Resource Development

The Board Member’s Role in Fundraising

Characteristics of a Successful Nonprofit Organization

- Mission statement is clear and agreed upon
- Strong, competent executive director
- Dynamic board of directors
- Organization-wide commitment to fundraising
Why Me?

“The reason that board members must take a leadership role in fundraising is simple: they own the organization.”

Kim Klein, Fundraising for Social Change, 2001

Fundraising 101

1. Responsibilities
2. Facts about fundraising
3. Types of fundraising
4. Beginning steps to develop a plan

Who is Responsible for Fundraising in Your Program?

- Board
- Fundraising Committee
- Executive Director
- Development Director
Key Roles of the Board

- Sets organizational direction
- Provides oversight
- Ensures necessary resources

Fundraising Committee

- Proposes minimum board member contributions
- Solicits contributions from board members
- Leads board’s efforts in identifying, cultivating and approaching major donors

Fundraising/Development Committee

- Leads board’s participation
- Works with staff to develop fundraising plan
- Develops fundraising policies, plans, procedures and schedules for the board
- Teaches board members fundraising skills and techniques
Development Director

- Works with the board and executive director to develop long-term fundraising strategy
- Organizes and executes fundraising programs
- Develops relationships with funders

Development Director

- Coordinates visits by staff and board members
- Plans and oversees donor recognition and cultivation
- Works with staff to design promotional materials for fundraising

Executive Director’s Role in Fundraising

- Serves as the agency’s representative to potential funders and the community
- Serves as a contact for donors
- Ensures compliance with funding sources and requirements
- Initiates and assists the board in developing policy
- Helps the board set fundraising priorities
Let’s Discuss the Board

Board Responsibilities

- Provide necessary resources
- Hire capable executive leadership
- Promote positive public image
- Compose capable and responsible board

Provide Necessary Resources

- Develop goals for the organization
- Assess what is needed to achieve these goals
- Prepare a plan to secure financial base to support goals
Snapshot of Your CASA/GAL Program

- Number of children served:
- Number of children without a CASA/GAL volunteer:
- Number of volunteers needed:
- Cost per volunteer:
- Cost per child:

Program Funding Plan

- What are the current resources?
- Is it a diversified funding base?
- What role will fundraising play in your organization?

Where Did Your Funds Come from This Year?

- Individuals: 51%
- Foundations: 31%
- Corporations: 11%
- State: 10%
- Special Events: 7%
- Other: 1%
Board Fundraising Responsibilities

- Define your annual fundraising goals
- Delegate responsibilities to meet these goals
- Create fundraising and donor recognition policies
- Ensure fundraising methods adhere to ethical standards

Show Me the Money

How do we start?

Mission and Fundraising

In order to convince others to give time and money, it is important to:
- Have a mission that you believe in strongly
- Make a personal financial commitment to the program
- Understand the role of philanthropy
2009 charitable giving
Total = $303.75 billion ($ in billions)

- **Individuals** $227.41 (75%)
- **Foundations** $38.44 (13%)
- **Corporations** $14.10 (4.0%)
- **Bequests** $23.80 (8%)

Total = $303.75 billion

Source: Giving USA Foundation™ / Giving USA 2008

Types of recipients of contributions, 2009
Total = $303.75 billion ($ in billions)

- **Religion** $100.95 (33%)
- **Education** $40.01 (13%)
- **Health** $22.46 (7%)
- **Human services** $27.90 (9%)
- **Public-society benefit** $22.77 (7%)
- **Arts, culture, and humanities** $12.34 (4%)
- **International affairs** $11.60 (3%)
- **Environment and animals** $16.15 (5%)
- **Foundations** $27.00 (9%)
- **Unallocated giving** $28.98 (10%)

Source: Giving USA Foundation™ / Giving USA 2008

Why People Give to Nonprofits

- They felt connected to the organization
- They were concerned about the cause
- They responded to a request—someone asked them
- They wanted to share their good fortune
- They had the resources
- They were seeking tax benefits
Why People Do Not Give

- They were asked infrequently or ineptly
- They did not see the impact of their gift
- They did not feel wanted or needed
- They were not thanked appropriately for a previous gift

Why People Do Not Give

- They were not asked to give
- They did not feel the timing was right
- They were not compelled by the mission

Types of Fundraising: Annual Giving

Goals: To raise money to support current budget and to find and retain donors.

Gifts come from:
- Individuals
- Associations
- Government
- Foundations
- Corporations
Annual Giving

Gifts come through:
- Direct mail
- Telephone and public media solicitations
- Membership development
- Special and benefit events
- Support group organizations
- Personal solicitations

Your Organization’s Annual Giving Efforts

- Two direct mail solicitations yielded $______ in 200_
- Annual special event yielded $______ in 200_
- Personal solicitations totaled $_______ in 200_

Types of Fundraising: Major Gifts

Goal: To raise money to meet the long-term goals of the organization
Types of Fundraising: Major Gifts

Gifts come from:
- Endowment, capital and special campaigns
- Major gifts from individuals, corporations and foundations
- Few donors making larger gifts than annual giving

Your Organization’s Major Gift Campaign

- Annual proposals for grants to major foundations and corporations earned $_____ in 200_
- Capital campaign 200_-200_ earned $_______ for new facilities
- Endowment campaign 200_-200_ earned $_______ for the endowment

Types of Fundraising: Planned Giving

Goal: To encourage individuals to give future assets through bequests, charitable trusts or annuities.
- Develops new donors and increases contributions from current ones
- Allows establishment of a solid financial base
Your Organization's Planned Giving Program

- Bequests received: $________
- Bequests yet to receive: $________
- Board is in charge of overseeing the donor relations
  - Personally thanking donors
  - Providing donors with financial information
  - Keeping donors connected to the organization
  - Handling legal details of bequest

Pyramid of Giving

Each Board Member Should

- Make a personal contribution
- Identify, evaluate and cultivate prospects
- Attend face-to-face solicitations
- Write appeal letters
- Organize and attend special events
- Thank donors
More Things You Can Do

- Make an annual personal contribution, a “stretch” gift
- Raise at least $5,000 from additional donors
- Attend special fundraising events
- Be available to assist with other fundraising efforts

Why Board Members Should Give

- Demonstrates personal commitment
- Encourages others to give
- Creates board member “ownership”

How Can I Help?
Questions

Resources

- Board Members Can Be Great Fundraisers Even If They Never Ask For Money, Presentation at 2006 BoardSource Leadership Forum, Chuck Loring
- Fearless Fundraising for Nonprofit Boards, BoardSource, 2003, Worth George
- Fundraising For Social Change, 2001, Kim Klein
- Fundraising Mistakes That Bedevil All Board (and staff too), 2004, Kay Sprinkel Grace
- Giving USA Foundation, Giving USA 2008
- Presenting: Fund-Raising, The Board Member’s Role in Resource Development - Power Point, BoardSource 2002