



cultivating elite  
fundraisers

# REDF Continuing Education Fundraising Workshop

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February 8th, 2023

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# FUNDRAISING DISCUSSION

## TODAY'S OBJECTIVE

To evaluate the components of a strategic fundraising plan in order to refine it.

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# FUNDRAISING DISCUSSION

## WARM UP

What are your biggest pain points when it comes to your fundraising plan?

- A. We don't have a plan. We react to opportunities that arise.
- B. We have a plan, but it lacks strategy or focus.
- C. We have a solid plan, just not enough capacity to see it through.

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# FUNDRAISING DISCUSSION

## OUR THEORY

- A. You can raise more money by doing less activity
- B. The activity you choose to do should be focused on 1-2 contributed revenue streams only.
- C. Only after fully operationalizing those 1-2 streams, should you add another.

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# FUNDRAISING DISCUSSION

## COMPONENTS OF A STRATEGIC FUNDRAISING PLAN

### **Revenue goals**

How do we set mission-driven revenue goals?

### **Fundraising strategies**

What are the strategies to which you will operationalize the organization (major gifts, annual giving, grants, events, sponsorships)?

### **Fundraising resources (budget and infrastructure)**

What is the budget and infrastructure required to execute the selected strategies?

### **Fundraising invitations**

What invitations are extended to donors by the organization?



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# FUNDRAISING DISCUSSION

## SEED'S OBSERVATIONS: revenue goals

**Revenue goals are rarely connected to the cost to achieve impact (mission-driven):** It's often difficult for social enterprise fundraisers to communicate the rationale for the dollars they are raising because it's the gap in revenue after earned income.

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# FUNDRAISING DISCUSSION

## SEED'S OBSERVATIONS: fundraising strategies

**Relief in honing in on 1-2 strategies:** Many ESEs are relieved to hear that they can focus on fully operationalizing 1-2 fundraising strategies rather than needing to do all five.

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# FUNDRAISING DISCUSSION

## SEED'S OBSERVATIONS: fundraising resources

**Most are underinvested in fundraising:** Those we worked with are willing to make infrastructure investments in fundraising, but their first priority is getting their habits down (Tech Dump migrated to a CRM, but CivicWorks is not prioritizing that yet)

**Marketing platform changes should follow strategic focus:** Overhauling collateral or websites should happen after the org has chosen their top strategies



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# FUNDRAISING DISCUSSION

## SEED'S OBSERVATIONS: fundraising invitations

**Invitations are focused on mission statement and program outputs:** Most ESEs share their mission statement and a series of outputs with donors in order to raise money. There is rarely a donor communication strategy that leverages an impact goal and outcomes.

# SELECTING FUNDRAISING STRATEGIES

# THE FIVE STRATEGIES OF FUNDRAISING

## ANNUAL GIVING

Activating generosity through compelling content.

## EVENTS

Activating generosity through curated experiences.

## MAJOR GIFTS

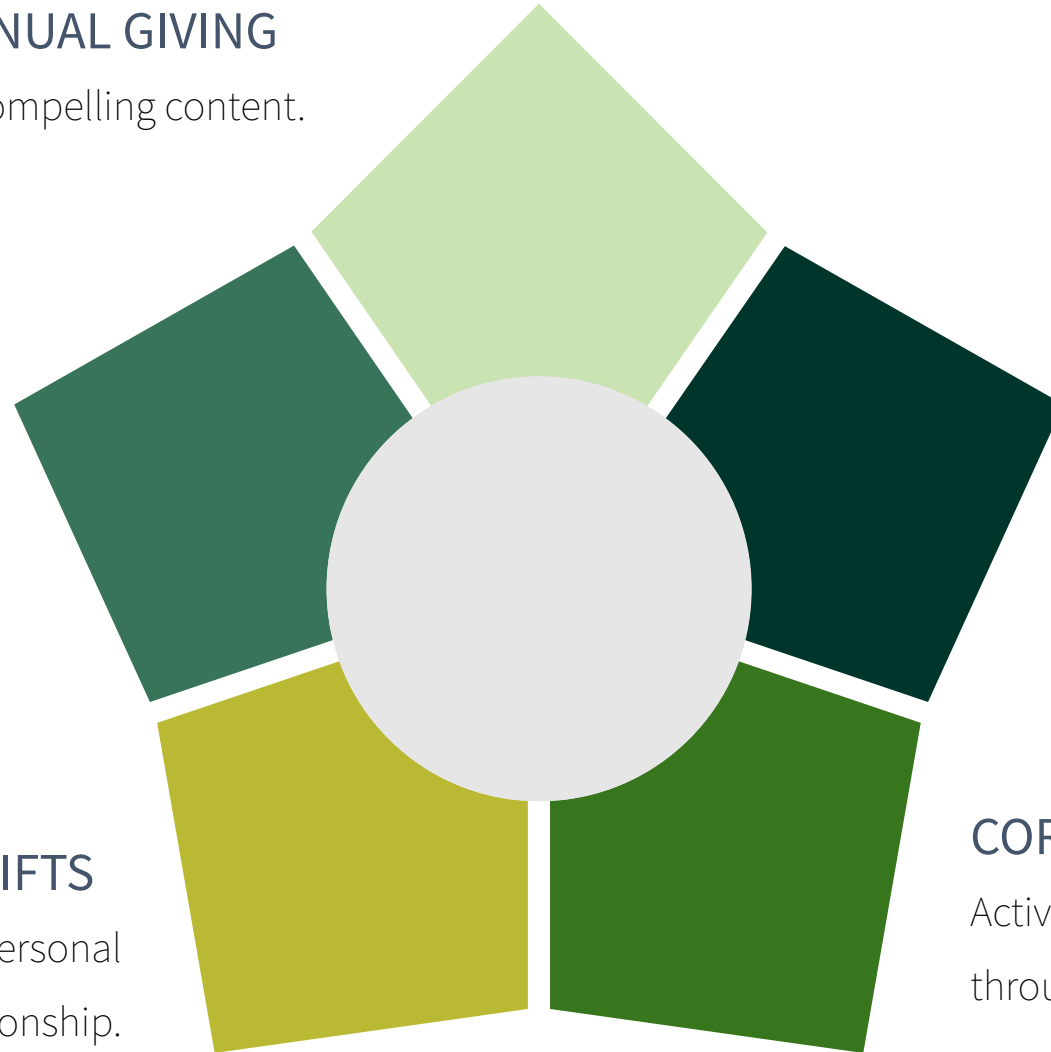
Activating generosity through personal relationship.

## GRANT WRITING

Activating institutional generosity through structured process and technical writing.

## CORPORATE SPONSORSHIP

Activating corporate responsibility through meaningful value propositions.



## RATING THE STRATEGIES

(5 stars is most preferred)

	SUSTAINABILITY	ROI	RETURN HORIZON (5 stars is most preferred)	SCALABILITY	NEEDED INFRASTRUCTURE
MAJOR GIFTS	*	*****	***	***	*****
ANNUAL GIVING	*****	**	**	****	*
EVENTS	****	**	**	**	*
GRANTS	**	***	***	**	***
CORPORATE SPONSORSHIPS	*	***	****	****	**

## MAJOR GIFTS (activating generosity through personal relationship)

### **When to consider:**

- There is evidence of current donors with untapped major gift capacity and propensity
- You have significant connectors
- Specific program goals inspire transformational gifts
- You are willing to allow restricted gifts
- You are prepared to clearly demonstrate impact
- You are prepared for a 6-8 month investment cycle

### **Necessary Resources:**

- At least 10 hours/week to dedicate to this strategy
- A system to manage donor portfolio (Full time officer holds +/- 100 donors on portfolio at a time)
- Collateral
- A travel budget
- Staffing: Major Gift Officer and Portfolio Specialist

## ANNUAL GIVING (activating generosity through content)

### **When to consider:**

- You have a high tolerance for a long runway (you will not receive a return on investment for 18 months)
- You have the ability to make an upfront investment
- You're prepared to apply direct response science to the fundraising operation
- You have a competency and proclivity to storytelling through words and imagery

### **Necessary Resources:**

- Staff with a test and learn propensity
- Ability to write, manage a communications calendar, analyze and report on tactical performance, etc.
- A robust CRM system to support gift acknowledgement and receipting
- Strong communication and online giving platforms
- Staffing: AG Manager, database/reporting manager, donor relations specialist, communications specialist

## EVENTS

### **When to consider:**

- Your programming benefits from telling a story in a specific time and place
- The life stage of the organization matches the lift necessary to host a successful event (Cost to raise \$1 is less than \$.35 by year 3)
- You have the reach to efficiently exceed participation goals

### **Necessary Resources:**

- A CRM, gift acknowledgement, and receipting process
- Strong communications platforms
- Staffing: Events Manager, Events Specialist (logistics), and a Communications Specialist

## GRANTS

### **When to consider:**

- You have a strong outcome-driven logic model fueled by clear program design
- You have a program model that appeals to multiple funding priorities (ie: workforce development funding and mental health funding might apply to your program)
- You have strong evaluation and reporting infrastructure

### **Necessary Resources:**

- An investment in evaluation
- A portfolio management process
- A grant language sourcebook
- A process for field-generated reporting
- Staffing: Relationship manager, grant writer/report writer



## CORPORATE SPONSORSHIP

### **When to consider:**

- Your programming naturally produces one of two opportunities: expanding public reach and/or mass volunteerism
- You're willing to invest in the development of sponsorable assets
- Understand and accept the liabilities of corporate alignment

### **Necessary Resources:**

- Marketing and collateral assets
- A system to manage sponsorship portfolio
- Staffing: staff to fulfill sponsorship benefits (Fulfillment Specialist), manage volunteers (Volunteer Coordinator), and develop sponsorships (Sponsorship Officer)
- A travel budget

What were the key components of your evaluation process?

# FUNDRAISING INFRASTRUCTURE

## BUDGET

### **How do we determine the investment necessary to execute our plan?**

**Cost to Raise \$1:** Cost to raise \$1 should be anywhere from \$.20-.30, but can be higher during a time of investment

**Desired Pace of Growth:** the quicker the growth, the more the upfront investment is required; strategies have different average time horizons

- AG: 24 month return horizons
- EV: 36 months
- MG: 12 months
- GR: 18 months
- CS: 18 months

# INFRASTRUCTURE

## DEVELOPMENT DEPARTMENT

### EARLY STAGE DEVELOPMENT TEAM: Years 3-5

Title	Strategies
ED/CEO	Major Gifts
Portfolio Specialist/ Development Associate	Major Gifts

### GROWTH STAGE DEVELOPMENT TEAM: Years 6-8

Title	Strategies
ED/CEO	Major Gifts
Development Manager	Major Gifts and Annual Giving
Donor Relations Specialist/Development Associate	Annual Giving

### GROWTH STAGE DEVELOPMENT TEAM: Years 9-15

Title	Strategies
ED/CEO	Major Gifts
Development Manager/Major Gifts Officer	Major Gifts and Annual Giving
Donor Relations Specialist/Development Associate	Annual Giving
Outsourced Annual Giving Agency	Annual Giving

## DEVELOPMENT DEPARTMENT

### **DETERMINING NEXT HIRE:**

1. Determine fundraising strategy (major gifts, grants, annual giving, events, corporate sponsorships)
2. Begin to establish administrative operations to increase the capacity of the Executive Director/CEO within the framework of the selected strategies
3. Add a development strategy leader (Development Manager or Director) to scale those strategies.
4. Increase the capacity of the team to support each priority strategy.

INVITATIONS

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# INVITATIONS

## THE IMPACT STATEMENT

**A summary of what it looks like if you knock it out of the park on your mission within your organization's lifetime.**

## EXAMPLE IMPACT STATEMENTS

1. We will end Veteran homelessness in Marin County.
2. Young adults will realize their ability to transform their future and lead their communities.
3. For all incarceration, decarceration.
4. We will develop a solution to a just and equitable transition to renewable energy within our lifetime.



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# INVITATIONS

## MISSIONAL GOALS

**The bite sized pieces you're taking out of the impact statement within a short term period of time (3-5 years). The quality of the impact.**

## OUTPUTS

**The immediate result of day to day activities. The ingredients of outcomes. The quantity of the impact.**

## OUTPUTS VERSUS OUTCOMES

OUTPUT	OUTCOME
Average hourly wage	% of participants who experience economic mobility
# of children enrolled in education program	% of students who increase resilience and curiosity
# of referrals made to partner organizations	% of community measuring whole person wellbeing
# educational programs offered on conservation	% of corporations in our region committed to land preservation
Retention rate in workforce programming	% of participants increased preparation for workplace

## CATEGORIES FOR MISSIONAL GOALS/OUTCOMES

### **Employment-focused program include:**

- Economic mobility
- Earning power
- Acquiring hopeful purpose
- Racial reconciliation
- Clean energy
- Reuniting families
- Decreasing anxiety
- Wellbeing
- Spiritual maturity
- Social capital

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# INVITATIONS

## EXAMPLE MISSIONAL GOALS

### GRID LA

- By 2025, 50% of the communities we serve become active participants in the solution to our climate crisis.
- By 2025 we will present/disseminate a workforce development-centric model for a just and equitable transition to clean energy that can be scaled nationally.

### HOPEWORKS

- By 2025, we will build independence and autonomy for X% of the people we served through our trauma-informed approach to healing and community transformation.
- By 2025, we will provide technical and career training leading to high wage, transformational employment ending cycles of poverty for X% of the individuals we serve.
- By 2025, we will provide supportive economic resources to build community wealth in X% of the neighborhoods we serve.

### SISTER HEARTS

- 95% of program participants will recreate themselves measured by indicators of personal identity development
- 68% of formerly incarcerated individuals completing our program will return to serve and mentor others.
- We will provide decarceration programming in 10 additional prisons

### TECHDUMP

- x% of participants eliminate stabilization barriers to chosen career path opportunities
- x% of participants demonstrate healing through community building or community repairing or community leadership (participants will experience the transformative effects of decarceration)
- x% of participants will reclaim their capacity to maneuver/choose/identify preferences within the workforce in order to experience economic growth (earning power)



## NEXT STEPS

What is your first order of business as you consider strengthening your fundraising strategy?

- A. Re-working revenue goals to connect to the cost to achieve impact.
- B. Selecting top 2 revenue streams to operationalize.
- C. Building fundraising infrastructure.
- D. Creating compelling donor invitations.