NAMI
National Alliance on Mental Illness
Center for Leadership Development

Building Organizational Capacity: Funding Your Organization

A Fundraising Toolkit

March 2009

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Introduction/Purpose

Bringing adequate revenues into your NAMI organization is key to fulfilling your mission and is paramount to creating an organization that can truly focus on its mission rather than on its survival. To do this, it is important to be mindful of the organization's needs and plan for the required resources.

This tool kit not only provides instruction with regard to the variety of methods to generate funds, it also addresses the capacities and capabilities a 501(c)(3) organization must have in place to do so effectively. While this toolkit may be used to guide a specific fundraising effort, it more importantly also provides a more holistic perspective to funding your NAMI to build strength and stability.

Depending upon the resources an organization already possesses, the political environment your organization operates in as well as its stage of development and size, some items may or may not be applicable or appropriate at any given time. Additionally, this toolkit focuses on fundraising for general operations. It is not intended to provide the information about planning, organizing and operating specific fundraising campaigns, per se. Although many of these fundraising methods are the same, the way in which they are executed differ.

It should also be noted that in order for an organization to participate in some of the methods outlined, they must be a 501(c)(3). However. NAMI Affiliates without this IRS classification can work with their state organizations who are, to access some of these otherwise "off limits" funds at times. All the same, regardless of your organization's current situation, there are some common elements to keep in mind as you seek to generate funds for your organization.

First, fundraising in an ongoing process. It is relatively ineffective to engage in fundraising on occasion. Successful fundraising is planned and built over time, not created overnight. It is not simply the activity that generates money, it is about building relationships—with individuals, with organizations and with the community.

Second, fundraising is an ongoing process. Everything you do should be looked at through the additional lens of "is this something that can add to my fundraising ability?" Lots of opportunities are missed when you do not take this perspective.

Third, fundraising is an ongoing process. It is critical to your organization's health to continually seek a variety of funding sources and diversify these as much as possible. By the same token, do not seek or accept funds for their own sake. Make sure that the money you raise is truly to support your mission.

Section 1: Building Your Organization's Capacity to Generate Money

The most important aspect of fundraising is excellent public relations, that is, ensuring that your community has a strong, positive impression of your organization

--*The Complete Guide to Nonprofit Management by Smith Bucklin & Associates*

Public Relations

People don't give to or contract with those they don't know. This is true for companies and foundations as well since people are still making the decisions here too. The importance of this cannot be overstated. This is the area where most not-for-profit organizations are lacking. It is not surprising--no one goes into human service/not-for-profit work (paid or volunteer) to gain fame and fortune. As such, people in the not-for-profit sector often get so focused on what they are trying to accomplish in terms of the mission , that the need for public relations is under recognized. Not only can it be uncomfortable to some because it may seem like bragging, often it is seen as wasting precious resources that could instead be used for programs. Moreover, we are conditioned to believe the value of what is being done speaks for itself, and we have been trained to believe that public relations, which generally falls within the category of overhead, is a luxury.

Consider, however, a for-profit corporation being told they could not advertise their product because it is an unnecessary and an excessive cost. How would they generate the sales necessary to grow their company? No one ever says, money should go to the stockholders instead of to advertising, because it is widely recognized that by advertising there is ultimately more to give the shareholders or owners of the company.

The same principle holds true for not-for-profit organizations with regard to marketing and public relations. The difference is that with not-for-profits the money goes into fulfilling the mission of the organization instead of to anyone's personal financial gain.

When you consider strengthening your public relations and marketing efforts, recognize there are three levels of doing so, all of which build upon the next. First is name recognition alone; the second requires people not only recognize who you are, but that they have a positive impression about you. Finally, you want people to know who you are, think highly of you and really understand what it is that you do for the community.

So how do you do this on a small budget? There are a multitude of different ways. The important thing is not to rely on only one or two, but to use as many as you can.

Speaking Engagements

Contact local civic and business groups and associations, local churches or even individual businesses to make presentations about NAMI in general and about your specific local NAMI efforts. You can utilize staff as well as volunteers as presenters, selecting people with good public speaking skills. Develop a presentation outline for everyone to use to ensure a consistent message. Where time allows, utilize NAMI's *In Our Own Voice* (IOOV) for this instead. Utilizing

IOOV only with potential consumer groups is missing out on a tremendous opportunity.

Information Booths

Purchase booth space at different local events to provide literature about your NAMI to the general public. Make sure to have it "staffed" at all times so there is always someone there to talk with people about what you do. Consider providing some type of short, fun activity to encourage people to come to your booth. One good method of gaining names to add to your mailing list is to offer a door prize (donated by someone). People have to provide their name and contact information to be included in the drawing—keep all these names and addresses and enter them into your database to later do a mailing and add them to your newsletter list.

> **Tip:** You can purchase NAMI banners and signage at www.3dasap.com/NAMI

Billboards

Contact the owners of the billboards in your community (there are generally only one or two) and ask if they will allow you to use the unsold billboards. Most do this for nonprofit organizations for the cost of printing the actual signage which is generally less than $100 per board. You will need to provide camera ready art. If you keep it simple by using your NAMI logos created by National for you, these can be downloaded directly off the NAMI Web site

> **TIP**: You can download the NAMI Identity Guide with your State or Affiliate logo at www.nami.org/identity

Using the logo, which includes NAMI (*org name)* and then "National Alliance on Mental Illness" and your phone number is more than enough. People are driving by and cannot read any more than this, but it clearly identifies who you are and what you are about, greatly improving name recognition. National created these logos for this very reason. Every NAMI across the country consistently using the same logo and format builds and strengthens the NAMI name for everyone across the country. Eventually, you will no longer have to explain what NAMI stands for; everyone will know and recognize the NAMI "brand".

Media

There are many opportunities to utilize print, radio and television to help people learn more about NAMI and what you are doing. TV and radio stations are required to run a certain number of public service announcements (PSAs) weekly. Often these are done during off peak times, but not always. Regardless, there are still people watching and listening during these times. The key to getting these spots is meeting with the person who makes the decision about which PSAs are going to air and selling them on why they should pick yours.

TIP: You can obtain NAMI PSAs on line beginning in May 2009.

Additionally, most local cable access channels are looking for things to run and often will help you put something together and film it at their local studio for you.

Build a relationship with your local newspaper editor (dailies and weeklies) and any reporters that are likely to do stories about you. Many reporters have an assigned area of focus, although where they see NAMI falling within their categories may differ. Some may see it as part of health care while others nonprofit. Learn from the reporters what elements and angles they are looking for when determining what constitutes a "good story idea" for them. Approach them with your ideas, framed in this way. Make yourself a resource to them as well. When they have questions, or need quotes for stories, be available to them.

Always invite the media to your events making sure to give them adequate notice. If necessary, help make sure they are able to connect with those they want to interview at these events and that you take pictures too, even if they plan to send a photographer. Not only might a reporter get a last minute assignment, this happens for photographers as well. If the reporter shows, but the photographer does not, you want to be able to offer them pictures for the paper. One way to help get better coverage of your event is to ask a local news anchor or favorite local reporter to either emcee the event or serve as Honorary Chair of it.

Associations, Coalitions and other Groups

Join and actively participate with others in efforts aligned with NAMI's mission. Very often these groups include a variety of public and private funders who can get to know your organization through working with you on common efforts.

Ambassadors

Every member of the Board of Directors should regularly be encouraged to remember their role as the organization's ambassadors whenever they are in the community as well as with their family, friends and coworkers and colleagues.

Seeing Things from a Different Perspective—Friend Raising

Perhaps a different way to think about fundraising, which may be particularly helpful for those that cringe at the thought of asking someone for money, is to instead look at it as friend raising. Since the key to being successful is based on the relationships you have with others, what you need to do is to increase and broaden your organization's friends. You may even want to consider the public relations aspect as increasing your acquaintances and more individualized strategies as turning these into friendships.

For example, if you are not including everyone your organization comes in contact with (acquaintances) on your mailing list, you are missing a huge opportunity to begin developing this into a friendship. Your mailing list should extend well beyond your members. Anyone that attends any event you put on, be it a NAMIWALK, annual dinner, your annual meeting, etc. should be put on your mailing list immediately following the event and begin receiving your newsletter regularly. If you only do a newsletter quarterly, and it will be some time before a person receives something from you, consider sending a quick hand written thank you note to first timers thanking them for participating in the event and offering them the invitation to contact you to learn more about your organization. Others to include on your mailing list beyond members and event attendees:

- Anyone attending an educational program you do—F2F, P2P, IOOV, CIT, etc.,
- Anyone contacting you to learn more about your organization
- Local foundations
- Government agencies involved in mental health and mental illness policies and services
- Your legislators at all levels of the government
- Circulate a sign up sheet at any speaking engagements for people who would like additional information about your organization
- Any names collected as a result of having a booth at someone else's event
- If you do anything that allows you to collect names, such as holding a raffle, or selling something to raise money like candy bars or member created cookbooks, etc.

Remember, people give to people, so before you begin actually raising money, build your friendships with them. This means, giving people more information about your organization and keeping them updated regularly through a newsletter and sending them a copy of your annual report. Often someone new comes in contact with your organization through a friend of theirs, like when a member or supporter buys a table at your annual dinner and invites friends to join them, or put together a WALK team. These new people have participated because of their relationship with their friend. Now that you have been introduced, you too need to build your own friendship with them. Until a person feels this connection, the odds of their making a contribution to your organization are small. If you do receive one, it generally will be small and a one time donation. In essence, you must court the person before they will have an interest in becoming a donor on an ongoing basis.

Similarly, there are often different situations or activities that, with a little creativity, can serve a dual purpose, not only its stated one, but also one to raise money for your organization, either immediately or indirectly. Sometimes it is obvious, but other times it is more subtle. For example, a local foundation may ask you as part of a group of local nonprofits to join them at an open house for their new offices or to serve on an ad hoc committee for their strategic planning process. If at all possible, you should agree and actively participate with these kinds of invitations as they begin the relationship building process.

Additionally, don't overlook the non-cash gifts that may be available. Volunteers who provide services can be a tremendous resource for your organization—people to write your newsletter, help develop a public relations campaign for you, sell tickets to events, organize events, arrange a lunch with a potential large donor or influential person, stuff envelopes, provide legal advice and services, and more.

Finally, give consideration to the dynamics of the situation. You don't want to develop a reputation for always asking for something and only being a taker. Recognize that you can also be a resource for others. In developing and nurturing these new friendships, you should offer this to others so there is more of a balance of give-and-take in these relationships. Moreover, don't limit yourself to seeing the possibilities as being only within those who are members or have identified themselves as being consumers and/or family members. This drastically and unnecessarily limits your opportunities. There is an unlimited pool of friends available who may want to be involved with your organization and support NAMI's mission for other good reasons.

Diversifying Your Resources

Equally as important as having adequate funding to fulfill your mission is the need to have this funding come from multiple sources in order to build and sustain a strong organization. With one or two main funding sources, you become too dependent on them for your survival. While there were times in the past that organizations were able have confidence in government funding automatically being approved year after year, this is no longer the case. As federal, state, and local governments are becoming more burdened with increasing pressures to cut budgets, so too goes the part of their budgets that includes funding for your organization. Added to this is the growing focus on accountability that can suddenly take a funding stream historically unofficially "earmarked" for your organization to provide specific services and put it out for bid on a regular basis. Quite often, there is no mechanism to credit your organization for its experience in providing this service either, and you can lose your funding to another organization who says they can do it better for less despite their inability to offer any proof of this.

If a majority of your organization's funding is currently from one or two government agencies or other sources, a loss of one can, and likely will, result in your organization having to significantly cut back on its efforts, including having to cut staff. Even worse, it can cause the organization to fold entirely. If on the other hand, you have multiple funders, while the loss of money from one may cause some need to scale back services, it will not be nearly to the same level of severity, if at all.

Another consideration for NAMI organizations and local affiliates, in particular, is the effect that dependency on one or two sources for the majority of your funding has on your ability to fulfill the mission of advocacy. If an advocacy effort puts you in conflict with your major funder, carrying out one of your core purposes for being is, at best, at a significant risk of being severely compromised.

Board and Staff Roles

Executive Directors often express frustration that their Boards of Directors do not take enough responsibility for fundraising. In contrast, boards often express concern that Executive Directors do not raise enough money to sustain their organizations. In reality, there is a common misunderstanding about who is responsible for bringing funds to the organization. The answer is both the board and Executive Director are responsible, and how funds and resources are brought in will depend on the specific skills and talents of the individuals involved.

Unfortunately, this misunderstanding is perpetuated in the majority of books, articles or lists that provide job descriptions for boards. Boards feel lost at what to do and how to do it while Executive Directors abdicate their role as a result. Instead, what should be said is that the board and Executive Director must work together to successfully accomplish fundraising for the organization. Developing an annual fundraising plan to identify who is responsible for each item is extremely helpful in overcoming this issue.

In addition, every board member* should donate money annually to the organization. The importance of board member participation in giving is vital to the overall success in fundraising. If a board member does not feel committed enough to the organization to contribute financially on a yearly basis, then why would someone outside of the organization be more inclined to do so? The question of board members annual giving is increasingly being asked on foundation applications for this very reason.

On occasion, to fulfill this obligation, a board member may instead donate a valuable service that reduces the organization's cost, which should be appropriately documented as an in-kind gift. For example, a board member who owns a printing company may give by agreeing to print the organization's newsletter for no charge. This is a quantifiable contribution that can be documented and clearly reduces an expense the organization would have otherwise incurred. By the same token, if a board member purchases a new computer and donates the old one to your organization, this is also considered a contribution, but would not typically qualify as part of their annual gift as it does not generate revenues or reduce operating expenses for the organization.

So how much should a board member give? This can be approached in several different ways, but the important thing is that whatever way your organization determines, the expectation must be made clear to potential board members, *before* they join the board.

Typical ways to structure board giving:

- Based on an individuals ability
- A set dollar amount

- A set dollar amount that must be generated—gifts need not all come directly from the board member, they can raise it from others as well.
- A commitment to bring in a particular number of participants to an event, such as sell three tables for a dinner or 5 WALK teams, etc.
- A combination of the above

Beyond this, in preparing the annual budget, some organizations will set one fundraising goal for the board and a separate one for the Executive Director based on the total included in the budget. This does not mean, however, that the two work independently of one another to achieve these goals, they must still work together in most instances.

Working together means helping each other to achieve the total fundraising goals of your NAMI organization. As is often the case, Executive Directors are responsible for the grant writing portion of the fundraising effort. While they may prepare the grant application, if a board member has a personal or professional connection with an individual that sits on a foundation's board, they should be expected to at least make a call to that person to advocate for their organization's application to be approved. Executive Directors are also typically responsible for generating funds through new and/or increased contracts for services with government agencies. Again, any board member connections that may help to increase the chances of approval should be utilized. Often, this can be as simple as a board member making a phone call or inviting a key government official to lunch along with the Executive Director to introduce them to one another. This then gives the Executive Director the opportunity to follow up at a later time with that person.

The reverse is true as well. A board member may have connections with individuals who have the ability to make significant contributions, but may not feel comfortable asking for money or feel confident about having enough detailed knowledge about the organization to present a case to the person. In these situations, the Executive Director should be included in these meetings, be they formal or informal, to make the case and eventual request for a donation.

There are a wide variety of roles that a person can fulfill in fundraising, without having to directly solicit funds. Remember, board members can be an organization's biggest asset when it comes to *friend* raising.

However, a board member who has no contacts and is not comfortable with direct solicitations may be a tremendous event organizer and be willing to Chair a NAMIWALK, annual dinner and auction, or other event. Another might be an excellent writer and will draft the letters for your mail solicitations.

Fundraising Roles and Responsibilities

BOARD

- Have input into fundraising plan
- Organize and participate on fundraising committee
- Identify and cultivate new prospects/donors
- Ask peers for donations
- Always be an advocate for the agency
- Make introductions for staff to follow-up
- Accompany staff on key visits to funders
- Help with expressions of thanks when appropriate

STAFF

- Accompany staff on key visits to funders
- Help with expressions of thanks when appropriate
- Research new and existing donors
- Write case materials
- Assist board in any way possible
- Write proposals
- Accompany board members on solicitation visits
- Ask for money when appropriate
- Take care of all logistics related to fundraising activities
- Plan, plan, plan

--*Alliance for Nonprofit Management*

In addition to participating in fundraising, every board should have a development committee to help plan and organize fundraising activities. Just as with any other service and activity, fundraising needs to be planned, implemented, and managed to include the identification of goals, time frames, and who is responsible for it. If responsibility is generically that of the board's, it is very unlikely it will occur. Within an overall organizational plan, the chair of the development committee may be adequate, but the Development Committee itself should have its own plan breaking down the over all goal into smaller parts and assigning time frames and identifying the responsibility of individual members of the committee. Executive Directors may expect the chair of a development committee to understand this and be proficient at doing so, but more often than not, this is not the case. The Executive Director and/or if there is a Development Director, need to help the committee create its work plan as well as guide them through its implementation.

Similarly, the Executive Director should have an annual fundraising work plan as well, and should ensure that ultimately, both are merged into the organization's overall work plan to provide for a coordinated fundraising effort.

Also, keep in mind that unless specified otherwise in your bylaws, you can expand your reach (create some new friends or strengthen existing relationships) by including others from the community on your board committees.

In fact, you may even want to consider creating a short term (3 to 4 meetings) advisory group made up of your community's most prominent business leaders. It is important that this remain time limited and that those you ask are assured up front that they will not be solicited for money, nor will they be asked to do anything other than offer you advice. Under these conditions, you will find many individuals willing to help. What they can offer are suggestions on both public relations and fundraising strategies. These are the people who are inundated with requests for contributions. Who knows better than they what works and what doesn't? And, you've made some new friends with a good deal of influence.

Tip: Create a short-term advisory group of prominent individuals in your community to assist you in friend raising.

Section 2: Internal Organizational Capacity Needs

Database/Information Management

As is probably evident by now, the need for a good database/information management system is essential to collecting and organizing the information you will need to fundraise. For a small organization, an EXCEL spreadsheet may be sufficient, at least initially. The larger your mailing list and the more sophisticated your fundraising becomes, the greater the need for a software package designed for this purpose becomes necessary. At its most basic level, a database needs to include a framework for collecting minimum information:

- Title
- First Name
- Last Name
- Street Address
- City
- State
- Zip
- Nickname (Preferred Name to address the person by in a letter)
- Type/Category (why this individual is in your database, such as member, WALK Participant, etc)
- Date Added to database
- Date Updated
- Donation History (Amount is response to what request, dated)
- Comments and special instructions

Setting up the spreadsheet properly and keeping it up to date will allow you to use it to personalize mailings, track a person's giving history, identify the success of a particular fundraising effort such as a direct mailing, as well as provide some minimal level of trend analysis. Moreover, it allows you to do follow up to boost results.

As an example, if you send a direct mail piece out to everyone on your database in November, you might want to send another one in February, but to only those people who did not respond with a donation in response to the November mailing. As long as this is kept up-to-date, you can go into the data base and select only those records that meet the criteria you establish. Using the tools included with EXCEL, for example, you could indicate you only want records where the donation history for November mailing is blank. This would provide a list of everyone who did not give and should, therefore, receive the new mailing. Moreover, setting up the record by putting everything in a separate column or "field" will then allow you to write your new letter and do a mail merge to personalize each one.

The more fundraising efforts you do, the more names in your database, and the more complicated the effort of sorting names by different criteria becomes. As your fundraising efforts grow, you will want to be able to generate reports that allow you to do a thorough analysis of your efforts for decision making purposes (e.g. determine effective strategies, growth trends, etc.) At a certain point, this generally requires investing in software designed specifically for this to assist you.

Accounting/Bookkeeping and Record Keeping

It is not only critically important to track information from a fundraising perspective, but you also need to adequately track donations from an accounting perspective. This includes not only entering donations appropriately in your accounting system, but also maintaining appropriate and adequate documentation for every gift. For example, any check you receive that is a contribution should be photocopied and stapled to a copy of the dated thank you letter sent, as well as a copy of any letter that accompanied the donation, and kept in a file. At a minimum, the date the check was deposited in the bank should be written on the copy of the check as well. These should then be kept in a file. (Your auditor can indicate whether to keep them by individual, by mailing, or by deposit date based on your system.) You will be required to produce these during an audit. You will also likely need to provide the auditor with a copy of any letters you sent soliciting contributions.

Be careful when writing solicitation letters not to inadvertently restrict any donations to a specific purpose or use. There are occasions when this is done intentionally, but don't do it accidentally. While performing your audit, your auditor will likely review your solicitation letters for this very reason. If they find you have created a restriction, they will reclassify the revenues you generated accordingly. For audit purposes, restrictions are set by the donor only (this includes a letter that leads a donor to believe they are giving for a specific purpose.) The board may choose to temporarily restrict or obligate funds for a specific purpose within your bookkeeping, but these restrictions may not be reflected in an audit as such due to generally accepted accounting principles (GAAP).

Unrestricted Funds:
Revenues generated without any restrictions or limitations as to their use.

Restricted Funds
Temporarily Restricted: Grants or contributions that require funds be used in a specific way by the donor until expended.

Permanently Restricted (Endowment): Contributions where the donor stipulates the gift is maintained permanently, but all or part of the income may be used.

It is also vital to ensure that the organization's chart of accounts provides the level of detail necessary for both auditing as well as for reporting back to funders as required. Be aware that if you received more than $500,000, either directly or as a sub-recipient from federal government agencies in a given year, whether from one source or multiple sources, from grants or from fee for services, you will be required to have your CPA perform an A-133 audit. This is much more highly detailed than is typically done and will therefore increase the cost of your audit, which should be considered when developing the costs of the services and/or activities performed.

Costs

In seeking funds, it is vital to know how much something actually costs to ensure you raise enough money to do it. There are a variety of ways to break costs down, but at a minimum, your accounting/bookkeeping system must provide enough detail in order clearly determine both the direct and indirect costs of a program or activity, which includes fundraising efforts.

Direct costs are those that are easily attributable to a specific program, service, or activity. Indirect costs are those which are necessary, but not necessarily clearly identified with a specific service, program, activity, or function. Such items include the Executive Director's salary and their associated employer taxes and benefits; rent; utilities; printing; postage; office supplies, etc. Apportioning indirect costs to direct services is typically done either on a case-by-case basis or by developing an indirect cost rate.

The case-by-case method often groups like items together such as rent, utilities, and building/equipment insurance; administrative personnel costs; and office supplies, postage, in-house printing, etc. Each group then assigns a defendable portion of the cost to different programs or activities. For the rent and utilities usage of the space's square footage is often the method used. If a program uses one fourth of the rented space, then 25 percent of the cost is allocated to that program. Administrative personnel is often allocated based on the average amount of time administrative staff provide the program (documented through time studies). Printing and the like may be allocated based on the number of participants for each program. The methods used can be what ever makes sense for the situation. However, they must be reasonable, defendable, and once they are determined, they should remain static unless there is a compelling reason to change them.

Alternatively, in developing an indirect cost rate, one formula is devised to use across all programs and functions. A simple method is to allocate indirect costs to each program, service, or activity based on how much of the total budget each one comprises. So, if your organization spends $5,000. on Family To Family

(F2F), $2,000. on IOOV and $10,000. on Connection in direct costs, with $3000. in overhead, the calculation would be the following:

F2F	$5,000	(29 percent)
IOOV	$2,000	(12 percent)
Connection	$10,000	(59 percent)
Indirect	$3,000	_____
	$20,000	100 percent

Using this example, the true cost of F2F is $5,870; IOOV is $2,360; and Connection is $11,770. Therefore, when raising funds, this is how much you need to generate for each program.

There are times when a funder explicitly states that they will not pay for overhead costs. In these cases, while it may not be possible to recoup all of your costs, it may be possible to cover some portion of indirect costs, depending upon how expenses are broken down. Using the numbers above, look at what items comprise the $3,000 of overhead. It may be possible to legitimately reclassify some of these expenses. For example, if this includes marketing expenses, and you can break out specifically those for each program, this could easily be transferred into program outreach costs. Or, if you have included part of an administrative assistant's salary in the $3,000., and in fact the person is doing things specifically for the program, they may be able to be considered as a program support person within the program instead of overhead. Sometimes it is about rethinking how you describe and break down items in your internal budget, and then by simply reclassifying them, being able to include them in your request.

If a fundraising effort costs more than it generates in net revenues, serious consideration must be given to its continuation. It is not uncommon to see an organization hire a person to do fundraising and never realize that the costs for that person are more than the money they are raising. For a new or start up organization, this may be expected for the first year or two, but the recognition of this should be reflected in the budget and in the goals set in their individual work plan.

Program Evaluation

Yet another internal need for fundraising is program evaluation. Donors understandably want to know that what you are doing works. Foundations, corporations, and government entities want proof that their money is being used effectively and efficiently. The methods and scope of program evaluation will vary, but generally speaking, the more money being requested, the more comprehensive this requirement. While this has not always been the case, today, virtually any grant proposal will require you to report on outcomes and not just outputs. As such, it is essential that an organization have and/or develop this capacity.

Program evaluation is something that should be done on a regular basis, not only when you plan to seek funds. It is much easier to set up the processes and procedures to collect the data you need on an ongoing basis as a matter of doing business than it is to try to generate the information you need after the fact. If not planned in advance, you will often find the data does not exist, and even if it does, the time to collect it, put it in the form needed, and then analyze it can be overwhelming. However, determining up front what information you need, collecting it as it occurs, and maintaining it in your database as it is available stream lines the process considerably. Additionally, if done well, this is important information for your organization beyond fundraising. It should also be used obtain information that will allow you to continually improve your programs, services, activities and organization as a whole. Evaluation takes many forms and can provide much needed information for different purposes. The W.K. Kellogg Foundation has done extensive work on evaluation and provides many resources and tools on their following Web site: http://www.wkkf.org/default.aspx?tabid=1174&NID=331&Year=&Issue=15&LanguageID=0

Human Resources

An organization needs adequate human resources to accomplish everything that needs to be done. This does not just mean a certain number of people, but a certain number of people with the skills and abilities to perform the necessary tasks. Each organization will need to determine what this means for them in terms of paid staff and volunteers. One thing is certain, however: fundraising cannot be done alone.

The diverse methods of fundraising require very different levels of manpower and different skill sets to complete. While the preparation of grants and direct mail solicitations can potentially be done by one person, special events can require multiple volunteers to accomplish successfully. However, because your fundraising achievement ultimately depends upon the relationships built in the community, the more volunteers and staff you have serving as ambassadors to the organization, the better.

Section 3: Sources of Funds

- *Individuals*
    - ♦ Direct Solicitations
    - ♦ Direct Mail
    - ♦ Special Events
    - ♦ Online Giving
    - ♦ Planned Giving & Bequests
- *Corporations*
    - ♦ Foundations
    - ♦ Sponsorships
    - ♦ Other creative ways
- *Government*
    - ♦ Contracts for Service
    - ♦ Grants
- *Private and Community Foundations*
    - ♦ Family Foundations
    - ♦ Community Foundations
    - ♦ National Foundations
    - ♦ Public Foundations
- *Fee for service*
- *Membership dues*
- *Associated nonprofit activities*
- *Investments*

The above list is not necessarily appropriate or advisable for every NAMI organization to consider at any given time. However, in order to establish and maintain diversified funding for your organization, it is important to select multiple strategies from the above list, base on your needs and resources. The following is a brief explanation of what each of these areas includes as well as considerations for inclusion within your fundraising plan. More detailed information about direct mail, grant writing, and special events is provided later in this document.

Keep in mind that the success of each of these activities builds over time. None are intended or will necessarily result in huge successes the first time out.

Individuals

Direct solicitations refer to directly asking individuals for money. These are typically larger donors with whom you and/or others within your organization know or have connections. These are individuals with whom you take time to cultivate and build relationships. Within the realm of individual giving, these donors generally represent 80percent of your annual contributions.

The other 20 percent of your direct contributions result from direct mail pieces sent to your mailing list. These are usually one page letters sent solely to request donations. At a minimum, this should be done twice per year, although there are those who recommend doing these as often as monthly. In tracking the effectiveness of your direct mailings, a 7percent return, meaning that you receive a gift from 7percent of those mailed to, is considered a good average rate of return.

Tip: Increase individual donations by allowing people to pledge over a year by arranging automatic withdrawal from their accounts. Donors who historically give you $50.00 a year, will often pledge $10.00 per month, more than doubling their gift to you. Your bank can help you set this up, just make sure to check with your accountant to ensure you record these donations correctly.

Special Events are activities you host that bring people together, usually at a specific time to participate in a prescribed agenda or format. NAMIWALKS is a special event. Annual dinners, festivals, art shows, and golf outings are all examples. Money can frequently be raised before the event through sponsorships in addition to ticket sales or pledges. There may also be ways to raise additional money during the event by including silent auctions, raffles, contests, and/or sales of items like concessions, artwork, etc.

Tip: Sell sponsorships to local companies to cover the costs of your event and generate additional net revenue.

There are several basic things to consider when deciding to develop a special event for your organization. Most often they are labor intensive, so you need to make sure that you have a strong group of highly motivated and active volunteers. People must enjoy themselves at the event so that they want to come back the following year. Although there are occasions when an event may be done only once, more often or not, you should plan on doing them regularly.

If done well, your net revenues should grow from one year to the next. Develop events according to your target audience. Because the major goal is fundraising, your event needs to be able to draw in individuals broader than your membership in order to also capitalize on public relations/public education opportunity as well as draw the attention of individuals with the capacity to make substantial donations.

Online giving can be accomplished in a couple of different ways and is a relatively new area for fundraising. An arrangement can be made with third party providers that allow people to simply click a link on your Web page in order to charge a donation to their credit card that will be forwarded to you. Letters, similar to direct mail pieces can be sent to your email lists as well. Given its newness, there is little hard data about what works and what doesn’t. Thus far, it appears that e-mail campaigns developed as a series of cohesive e-mails over a three week period that include the campaign goal, a deadline for donating, and matching opportunity yields roughly a 1.32 percent response rate. Note this differs from using online line capacity to raise funds for events that depend on pledges.

Planned giving is ensuring donations for the future. There are several different types of planned giving including bequests, charitable remainder trusts, gift annuities, as well as others. With the exception of bequests, which are assets left to your organization in a person’s will, it is generally advisable to have an attorney or financial planner assist in setting these up. How and why someone might choose to use one of the other planned giving options will depend on their particular circumstances and the tax advantage each might offer them.

Corporations

Different companies handle gifts to charities in different ways. While some companies can be directly solicited, others have set up their own internal foundations to handle contribution requests. Still another option is to approach businesses to sponsor certain events or activities to obtain funds. If your request for a sponsorship provides a company with enough visibility, it may even be willing to consider your request as an advertizing expense as opposed to a donation. This is important to keep in mind when considering what opportunities you might ask them to support.

There are other ways companies might support you in addition to or in lieu of a monetary donation that will also generate funds for you. These may include a donation request in bills sent to their customers; offering a percentage of sales of certain products; or even allowing you to use a service of theirs for free.

Government

Funds from government agencies come in two forms—grants and contracts. While these may at times appear to be no different, it is important that you understand the difference. Additionally, there are different types of contracts—flat rate, fee for service, deliverable, etc.

Government grants provide an up front, lump sum, pre-determined amount of money for your organization to accomplish some pre-determined activity. Often these are awarded to organizations in response to a request for proposals (RFP). Grants are frequently used in situations where a government agency has a one-time project it wants to have completed or to pilot new ideas for programs. It is becoming increasingly common that grants include an evaluation component similar to foundation grants which will be discussed more later.

Contracts, on the other hand, are typically used to pay for a particularly service or activity the government agency has requested you deliver and payment is frequently provided after the service is completed. Although these may also be established through an RFP process, they are generally structured to be fee for service—they pay a set amount per service unit as agreed to in the contract, or they are based on a deliverable—where they pay an agreed amount after you submit documentation that you have completed the required tasks.

There are many times when operating with a government grant or contract that you may notice little difference. However, it is important to recognize that they are not the same because the government agency has differing levels of control depending upon which it is. With grants, they are able to control and withhold payment to you if something is not within the approved budget. With contracts, they are purchasing a service or outcome and do not have this ability. Problems can sometimes arise when they do not make the distinction.

Note that with grants and contracts, as well as other terms used throughout this document, definitions may vary some based on location.

Foundations

There are a variety of foundations, although there tends to be some commonalities among them that are useful to know. For example, family foundations tend to be smaller, and decisions about approving grants are often very subjectively made by the families themselves. As you go up the list to community, national, and public foundations, the amount of the awards offered are generally much larger. Along with this comes an application process and reporting requirements that are more commensurate with the size of the award. The more money that is attached, the more complex the grant proposal will most likely be. Although not always the case, the goals and mission of the larger foundations are much more clearly defined and focused, with grants specifically approved in their identified target areas.

Fee for Service

This is a set fee you charge an organization, company or individual for a service you provide. While it is NAMI's policy that services be free to families and consumers, this does not mean you cannot charge anyone for anything you do. For example, most service providers have training budgets for their staff, and therefore could be charged for providing trainings to staff. One way to help offset costs or even generate revenues through your annual conference, is to provide CEUs to professionals and charging them (or their agency) fees for these trainings.

> **Tip:** Generate additional revenue by charging professionals for training and providing CEUs.

Membership Dues

Too often, organizations like NAMI forget to consider membership dues as part of their fundraising effort. A great deal of revenue may be lost simply because member renewal letters are not sent regularly or no follow up is done with members who do not renew. Moreover, while there is a clear desire to increase membership in terms of number of members, it is rarely spoken about in terms of the additional revenue this can generate for an organization. This is a particularly untapped market for many affiliates. It is important however to understand that while this does generate revenue for your organization, this money is neither a contribution nor tax deductible.

Associated for-Profit Activities

There is a whole array of different activities that an organization can utilize to generate revenue. This can range from manning a concession stand with volunteers at a stadium on a monthly basis, to selling t-shirts on your Web site with your NAMI logo, to much larger more complicated enterprises such as operating a thrift store or other business enterprise. For all but the simplest activities, be sure to check with an attorney and/or your auditor to ensure you do not do anything that will jeopardize your tax exempt status and that you collect, record, and pay any required taxes.

Investments

Investments are revenues generated through growth in the value of assets. This could be real estate, stocks, bonds, money market accounts or certificates of deposits (CDs) and need not necessarily be liquid. Typically, it is older or larger organizations that generate any substantial revenue from investments, but it is something to consider if you are given stock by donors in lieu of cash or if you generally have cash reserves. Regardless, the new IRS 990 guidelines stipulate that not-for-profits include an investment policy in their bylaws.

Crafting the Message

So far, this document has been limited to the mechanics of the different methods of generating revenue. But it is equally important to ask in the right way too.

Your audience, as well as the fundraising method itself, will determine this to some degree. What you include in a mail solicitation is not the same as what should be in a grant proposal or invitation to a special event. There are some general principles, however, to keep in mind.

- Keep the focus of your message on helping others, not on the internal needs of your organization. People give to help other people, not because your organization needs money
- Address things in terms of people, not in terms of issues
- Back up your claims with statistics
- Provide information about the impact or effect of a person's donation in terms of the how it makes a difference and to whom. Donors want to know what results their contribution "buys"
- Rather than focusing on what you will spend the money on specifically, discuss things in terms of what the money will accomplish or achieve
- Describe the need in a way that potential donors can visualize and relate to on a personal level
- Where possible, use real stories as examples of what your organization accomplishes
- Your message must pull on a person's heart strings, but be careful to leave the potential donor with a feeling of hope. In addition, what you are doing must make sense. Donors give from both the heart and the head

What's the Money For?

This deceptively simple question has a right and wrong answer. How you respond will significantly influence your success at raising the funds. The chart below provides examples of how to phrase your answer to the question, What is the money for?

Wrong Way	Right Way
Library (books, furniture)	Start an information center to help 120 people with disabilities each month discover how to solve their own problems. (Donors with special interest in women's issues, or native people, or athletics, or law could be asked to sponsor a shelf of books on their favorite topic.)
Secretary $25,000/yr	Provide information in person and on the phone to 40 people a day ($2.40 per person helped) with disabilities, in addition to other duties.
National Conference lasting 5 days: $50,000	To enable 100 isolated people with disabilities, each representing 200 others (for a total of 20,000 reached) to share their problems and their solutions with other disabled people on the topic. The cost is $100 per participant per day, and only $2.50 for each person ultimately reached, making it a cost-effective way to help.
Annual board meeting (travel costs, etc)	[Should be part of the individual project budgets, not a project on its own.]

What's the Money For? Was adapted from Ken Wyman's book Fundraising Ideas that Work for Grassroots Groups

Notice that the right way focuses attention on what the money will be used to accomplish and how many people will be served. Further, each is broken down into a per person cost which ultimately shows the donor how reasonable the cost actually is for the activity. Determining this cost is very simple to accomplish. First define the unit of service—one person, one hour, one class, etc. Then determine how many units of service you will provide. Divide the total project budget by the total number of units to determine the per unit cost.

For example, if you are seeking funds for a Family to Family class of 20 people with a total cost of $5,000, you can look at it in a variety of ways. If each weekly class is six hours, then each individual gets a total of 72 hours of education or an entire 12 week session for a group of 20 is 1,440 hours.

Depending upon how you defined the unit of service, you can then present costs accordingly:

Cost per participant hour would be 1440/5000=$3.47
Cost per class per participant would be 240/5000=20.83
Cost per hour would be 72/5000=$69.44 OR
Cost per person for the 12 weeks is 20/5000=$250

You can then write your request as enabling 20 family members to develop the skills and knowledge needed to provide support and advocacy for their family member diagnosed with a mental illness lead healthier more productive lives. The total cost for the 12 week course is $250 per family or $3.47 per class hour, which is quite reasonable given the documented savings by preventing hospitalizations.

Section 4: Fundraising Methods

Direct Mail Solicitations

Mechanics

- Letters should be about one page, but no longer than one and one-half pages; longer or shorter reduces responses
- Paragraphs should be indented with double spacing between each. Each paragraph should be about five sentences, but no more than seven
- Use a serif font such as Times New Roman or Georgia
- All letters should be addressed to a specific person—no Dear Friend or member
- Sign letters by hand using blue ink (unless you are mailing more than a few thousand)
- Have board members hand write one or two sentence notes on letters to people they know; .e.g., "Jack, this is a great organization I have been involved with over the years. We could really use your support. *Mary*"
- Include a short P.S. at the end to summarize the letter and ask for money, preferably in blue ink
- Consistently use the same NAMI approved logo/letterhead
- Provide response mechanisms including a separate response card to send back with a donation as well as a self addressed envelope. Even though the response card costs extra, it will help you considerably in tracking and recording donations you receive
- Use only actual stamps for postage. Do not use metered or pre-printed postage envelopes unless you are sending more than a few thousand. When using stamps, use a combination of two or more stamps to create the proper amount of postage even though one stamp would be easier
- Use blank envelopes, not one with graphics or teasers on the outside
- Include one typo in your letter (I have not tried this myself, but the literature indicates it increases responses)

Content

- Write the letter as if you were explaining a situation to a personal friend
- Make sure your opening sentence is interesting and will entice the individual to continue reading
- Make your letter compelling—tug at the heart strings. Telling an actual story of how your organization made a difference in someone's life is good for this (changing real names of course! And don't go into too many details). Then, make it clear how the donor can help alleviate the problem

- Use the word "you" and explain benefits of giving in these terms. Not how it benefits the organization, but instead how it benefits the donor; e.g., "You can help make a difference…"
- Identify accomplishments through statistics, but do not use a lot of facts and figures
- Avoid the use of negative words such no, not, never, etc.
- Unless your letter is truly for a specific project, be careful how you actually phrase the request for money. You can accidentally restrict the use of contributions by even implying they will be used in a certain way. Do not request a donor to identify the purpose of their gift unless you are doing a highly specialized fundraising campaign. Regular mail campaigns for general operating funds should not ask donors to identify how they want their gift used. However, if a donor does specify this anyway, you <u>must</u> honor this and be able to track and show it through your accounting procedures
- The request for a contribution should be at the end of the letter and should provide a time frame, "Please join with us in ….by sending your donation today. Your gift of $25 will help…"
- Depending on the situation, include an amount you are requesting, this gives the donor a sense they are doing their fair share. Larger amounts can be included on a response card inserted with the letter
- Make sure to tell the donor how to make out their checks
- Thank them for helping

Administration

- Send a personal thank you within 24 hours of receiving a gift
- Keep track of who you sent to and when, as well as who responded. It is a good idea to send another (different) letter to non-responders six to eight weeks later. A simple, "We were sorry we didn't hear from you…" will do. DO NOT SEND THIS PEOPLE THAT GAVE. If you don't have a database for fundraising, you need one! Depending upon the size of your organization and the complexity of your fundraising efforts, this can be designed in excel in its simplest form or you may need to purchase a software package designed for this purpose. Your mailings should include more than you're your active members
- Find other ways to acknowledge gifts as well. If you have a newsletter, write an article about the importance of contributions and provide in the last edition of the year, a list of all donors for the year with a thank you for their generous support . Include a list of all donors in your annual report as well.

Are you Ready to do a Direct Mail Solicitation?

Considerations:

Mailing List

Do you plan to make the mailing specific to your membership, or do you want to expand it to others? ____________________________

How many names are there? ____________________________

	YES	NO
Is your mailing list up to date and *accurate?*		
Is it in a format (or easily converted) to allow for printing of envelopes (Does your printer let you feed multiple envelopes?)		
Is it in a format (or easily converted) to allow you to personalize each letter? (e.g. Mail Merge)		
Staff and Volunteer Resources		
Do you and your board president have time to manually sign all the letters?		
Are there an adequate number and/or time to manually stuff each envelope (insuring the letter and envelope match also), stamp them, and take them to the post office?		
Is your board willing to hand write short personal notes on the letters to people they know who are on the mailing list?		
The Letter		
Does someone have the skills/experience to write a compelling fundraising letter?		
Do you have the information needed for such a letter such as outcome measurements, program outputs, etc readily available?		
Do you know what the funds raised with be used for? Is there a specific project or is it for general operations?		
Costs		
What kind of budget do you have to work with? Is it adequate for the size of the mailing? Will it allow you to contract out some of the tasks such as printing the letters and envelopes, if you need/want to do so? Excluding staff time, you will have the costs of postage, paper, envelopes, ink or toner (or printing if done outside)?		
Do you want or do you have the funds to purchase additional mailing lists?		

Direct Solicitations

The importance of friend raising and cultivating donors is key to your success in requesting large gifts from individuals or couples. This is not a short-term fundraising effort, but instead is a process.   It takes time to plan and develop the relationship to the point where asking for money will yield significant results.

Finding Potential New Large Donors

Starting with those who already have some knowledge and contact with your organization, create a list of the following:

- Current and past members
- Current and past donors
- Current and past mailing list
- Current and past board members
- Current and past volunteers
- Current and past program participants
- Friends of board, staff, volunteers
- Business leaders and others known to have resources
- Current and past participants of other events, such as NAMIWALKS

If you do not already have a database that contains this information, go through any and all existing records and talk with those that have been involved with your organization to collect names, making sure to include where, or from whom, you obtained the name. From this list, working with others such as board members identify who has the potential to make a significant contribution. You may want to consider doing the "Webbing Exercise" (see the appendix) as a method for identifying potential donors as well. The individuals are not always as obvious as you may think. Moreover, depending on how you define a significant gift--$500 or $10,000., the list will also vary.

Hopefully, your organization has kept in touch with those from the past, but if not, you can often rekindle these relationships relatively easily.

This list will be your best place to start. However, if you wish to expand it to include those in your community that you know have considerable resources, but who have never been involved with your NAMI or have never donated, they can be added to the list at this point as well to begin cultivating these relationships for future donations. Any name generated should immediately be included on your mailing list to receive your newsletter and annual report.

Generally, before sitting face-to-face with a potential large donor and requesting a substantial gift you have had multiple contacts with the individual or couple you are asking to contribute to your organization. In other words, you have already been friend raising with them. There are however, other times when a board member or other contact of yours has set the stage for you to meet with the person to ask for a gift, and therefore you are able to do so based on their friendship. Regardless, the art of successfully obtaining these types of gifts comes from building the relationship with the person.

In either case, before making any kind of request, do some research on the person. Try and find out who else they have made large contributions to, for how much, and for what purpose. Use this information to help you determine how much you will request from them. While you do not want to ask for so much that the person is embarrassed enough they can say “no,” you do not want to under ask either. If you know a donor typically gives in the $5,000 range, you can feel quite comfortable asking for this or even $10,000. Likewise, you don’t want to turn them off by suggesting $100,000. However, someone who often does give this much should not be asked for $5,000 either. The request should match the donor’s general giving level, assuming you can justify what you will use it for. There is often a tendency to ask for too little because of the concern of looking greedy. The reality is, if you ask for $5,000 and the person was prepared to offer $15,000, they are not going to give you more than you requested very often. Generally, before you sit down with a person to ask for a contribution, they already know how much they are prepared to donate.

In your research about the potential donor, try to determine if there are any other connections you have in common that may help to convince them of your worthiness. Some of these connections can be quite surprising. Recently, I learned of a situation where a donor was giving an organization about $35,000 a year. When the organization discovered and pointed out to the donor that the man who cleans his office nightly was one of their program graduates, he increased his donation for the next three years to $200,000.

For very large donors, particularly those with whom you have no connection or previous contact, asking them for their advice and help can be even more useful that soliciting money. Perhaps they will host a lunch with you and eight friends to introduce you. With proper follow up, this can result in a great deal more money in the long run. Not only do you now have more potential new friends, the person who sponsored the lunch is becoming invested in your organization because they feel they have done something significant to help you.

When you have these kinds of initial meetings, it is best to go in pairs rather than alone. Utilize the people who make the most sense for the situation—are there any common interests or do they know people in common, etc. The two individuals (as is true for anyone who might go on any of these visits) should have a script to work from to ensure key points are made and that everyone is providing a consistent message. Practicing with one another answers to possible questions is very helpful as well in helping everyone feel more confident and comfortable.

Start getting to know the individual at these meetings too. What are their interests? Do they have children? What are their ages? What other charities have they been involve with? As you run across things that may be of interest to them, send them a quick hand written note about it.

Again, people give to people. Until you have built a relationship with the person, you should wait to ask for a contribution. Through this building process, you will also be able to find out information that will help you determine how much to ask for and for what purpose.

Are you Ready to do a Direct Solicitation?

	YES	NO
Can you identify about 20 people who are potential large donors?		
Do you have connections with them?		
Do you have the manpower through staff and volunteers to invest the time to cultivate the relationships?		
Is everyone adequately trained to do this?		
Are the volunteers willing to ask for large contributions when the time comes?		
Do you have a strong case for why someone should give a substantial gift?		
Do you have the infrastructure to track the cultivation process?		
Do you have the infrastructure to track donations adequately?		

Special Events

There are several things to keep in mind when considering conducting a special event. They tend to be labor intensive, requiring a strong group of volunteers to be successful. They also often need a few years to really begin to generate significant operating revenues for your organization. However, special events also give you the opportunity to generate more than income. Properly planned and executed, a special event can improve public relations substantially. Not only can it increase general public awareness of NAMI, it can create a positive image of your specific NAMI organization, expand your group of "friends", strengthen credibility, and improve community relations.

Special events take many different forms, limited only by your imagination, but for the most part, it should be fun. Those attending must leave the event with a positive feeling about your organization, which they are much more likely to do if they enjoyed themselves at your event. Below are some more common types of events used by not-for-profit organizations.

Dinners	Speakers
Awards Banquets	Seminars
Dances	Golf Outings
Concerts	Festivals
Sporting Events	Raffles
Casino Nights	Races
Auctions	Bingo
AND of course, NAMIWALKS	

Often a few of these are combined into one event, such as a dinner, dance and auction. But again, the key is to make it fun. You are probably competing with several other not-for-profit organizations doing the same or similar things. Yours needs to stand out. In recent years, many have had good success by adding things such as a couple of dance instructors to teach salsa dancing at the beginning of a dance. Others may do one around Halloween and make it a costume ball. What works, however is dependent on your community and who may be invited to the event. Whatever you ultimately decide upon, make sure that it matches the image you want the public to have of you.

There are four basic reasons that a special event fails:

- The cost is too high
- The price of attending is too low
- An inadequate number of "admission" tickets were sold
- Your expectations were too high

Some of these can be overcome with the work of dedicated volunteers. Always attempt to get as much donated as possible. If you are holding an event at a hotel, check to see what you can and cannot bring in yourself; some will work with you on this, others stand absolutely firm on their providing everything and their regular rate.

Recruit corporate sponsors to underwrite all or part of the event. Give them as much publicity as you can in return.

If your event has a program, sell ad space in it.

NAMIWalks for the Mind of America

NAMIWalks provides states and affiliates one of the best opportunities to raise totally unrestricted funds for their organization's operations, with the following additional goals:

- Raise awareness about mental illness
- Increase community education and reach out to new families and individuals living with mental illness
- Support local NAMI affiliates
- Build a larger NAMI community

Be aware that you will need to submit an application for approval approximately one year in advance of holding a NAMIWalk. If you are considering doing so there are several things you can do to prepare. First review and understand the core components and timeline for the program and ensure you have the following minimum requirements in place:

- Approval and commitment of your board
- Your 501(c)(3) nonprofit designation
- An annual budget
- A strategic and/or activity plan identifying how the funds generated will be used
- A substantial volunteer base

There are also a few key questions to consider. Will this event be 100 percent volunteer-driven or will you hire and/or contract for the key position of Walk Manager? If you feel the need to bring on a staff person to assist in coordinating and managing your WALK, you should consider where the funds for this will come from and begin raising them in advance if this is necessary.

As with any special event this requires a significant amount of time, energy, and resources to be successful. Volunteers will be needed to help manage the Walk, assist in securing sponsorship commitments (cash and in-kind), organizing teams, volunteering on Walk Day, etc. Bringing volunteers together allows you the opportunity to outreach within your community in more significant ways in addition to building relationships with walkers, sponsors, donors, etc. These individuals need not be limited to NAMI members only. In fact, going outside of the NAMI family for this purpose helps to broaden your reach in terms of walkers, sponsors as well as PR and marketing about your organization

If there is a NAMIWalk site close to your community, it is recommended that you participate as a working Walk Committee member and follow-through on all elements that are required to have a successful outcome. This will better enable you to see what is involved and required to host a NAMIWalk..

If you are interested in further information, please contact Warren Karmol, NAMIWalks Director at wkarmol@nami.org.

Other Considerations

Always collect the names and contact information for everyone attending any NAMI function. Send thank you notes and include everyone on your mailing list. Everyone who attended your events should begin receiving your newsletter regularly and any direct mail solicitations you do.

Remember, when hosting an event, only the amount in excess of the actual costs are deductible for attendees. So, if you charge $100 per ticket to a dinner and dance, but it cost you $40 per person to put this event on, then only $60 of the ticket price is tax deductible.

Are you ready to do a Special Event?

	YES	NO
Do you have enough staff and volunteers to do the event?		
Do you have the right contacts?		
Is there adequate time to fully plan and organize it?		
Is your income goal realistic for the event?		
Do you have the money you may need to pay for things up front?		
Does the event match the season?		

What other events are planned that might compete with yours?

____

Who is your target audience?

____

Grant Proposals

Building relationships with the people in grant making organizations is as important for grants as it is for other fundraising methods. While we would like to believe that a good idea presented in a well written proposal is all that is necessary, the truth is that this accounts for about 40 percent of successfully obtaining a grant. Roughly 10 percent is based on marketing, which includes the relationship building, and a full 50 percent of the decision is centered on administration. Administration refers to your ability to show that your organization has the infrastructure and wherewithal to properly implement, manage, and evaluate the project so that the funds provided you are utilized well.

There are several things to keep in mind as you begin the process of obtaining grants for your organization. First and foremost do not apply for funds to do things that are not within your mission and strategic plan. Going after funds just because they are available will ultimately result in mission creep—the loss of organizational focus.

Seek out grantors whose mission and purpose align with yours. In doing this, however, do not limit yourself by assuming only those that list mental health as a priority are the only options available. There are foundations that fund grassroots advocacy, organizational capacity building, membership development, technology enhancement, etc., and do not limit themselves to doing this just in the field of mental illness. Therefore, when looking for potential grantors broaden the search to include descriptions of the types of things for which you are seeking funding.

If seeking a larger amount, most foundations like to see that you are asking others besides just them to help fund the project. Many also look more favorably at requests that are collaborative efforts among two or more organizations.

Research

To find a list of foundations in your area, the best place to start is on the Web at Foundationcenter.org. Without a paid subscription, you can obtain a list of foundations, but you will need to look each of them up individually to determine their relevance for you. You will also be able to view their most recent IRS Form 990 which will provide you a listing of grantees and a statement of purpose. With a paid subscription, or by purchasing directories, you can search in other ways such as priority areas. One caution about purchasing directories—you must make sure to double check all information because of the time delay in their publication. Foundation 990's may also be looked up on guidestar.org, if you know the name of the foundation you are seeking information about. However, again, with a subscription, you have additional functionality to look up foundations by geographic area served, priorities, etc. If you do not have Web access, your local library will have foundation directories for you to use.

Once you have narrowed down the list, you will need to visit each of their websites to research them further to find out the following information:

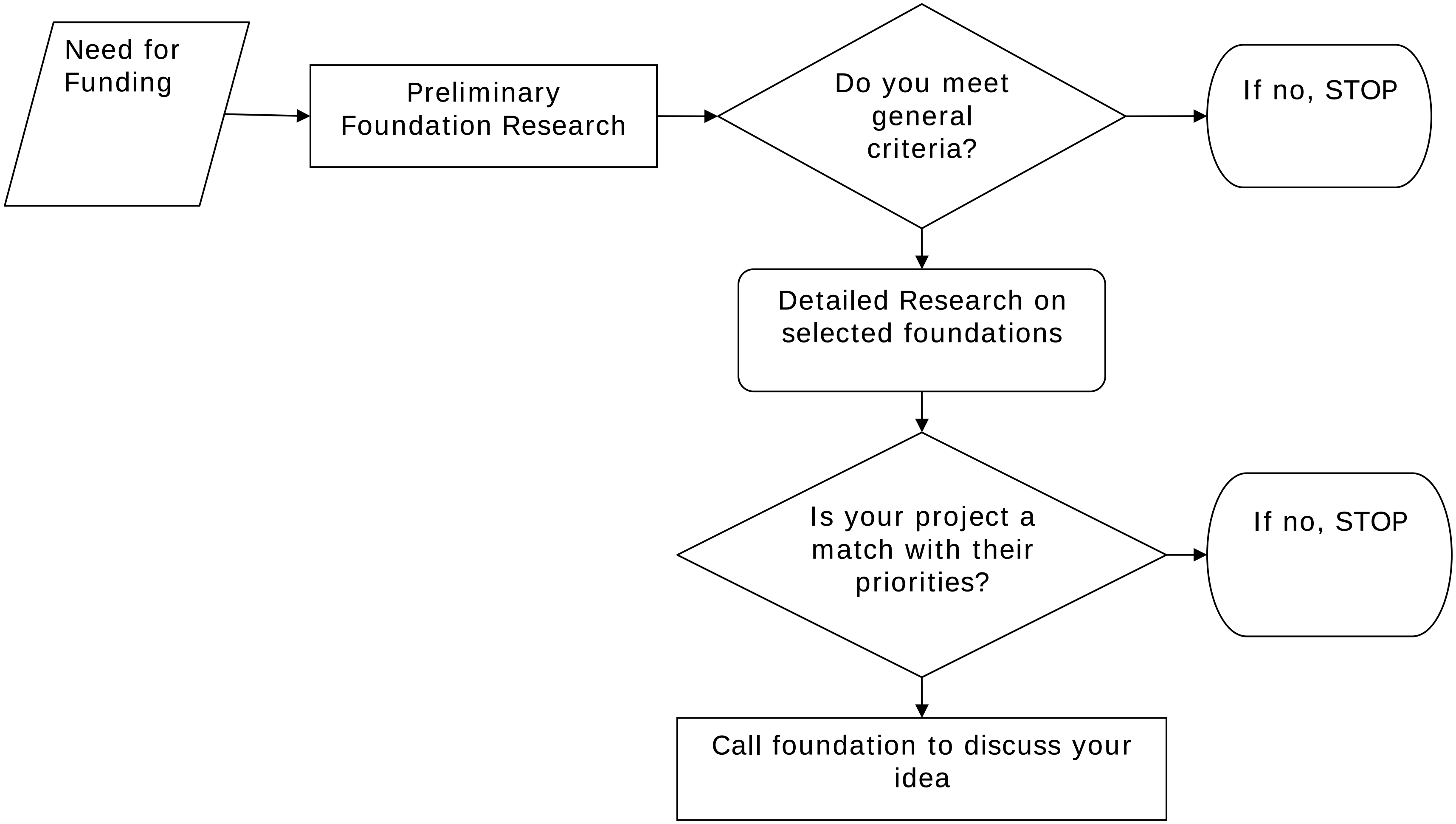
- What is their mission and purpose
- What are their priority areas for funding
- What is their philosophical approach to making grants
- What are their values (frequently they provide a value statement)
- Who else have they given to recently
- How much did they give
- What was it for
- Who is on their board
- Who are the staff members
- What is their application process and are their deadlines
- Review their application forms

Once you have done this and find that your mission and their funding priorities match, the next step is to call them. Do not skip this step! It is the one most often overlooked, despite being one of the most important parts of the process. Explain to them what community need you have identified and what you would like to do in response, then ask for their feedback on your idea. Listen carefully to what they say—they may be giving you big hints as to how to get your idea funded by them. If they have not said so, ask if your idea is something they would be willing to consider funding. If they say no, ask them about what kinds of things they are interested in funding. You may have something else currently or in the future that fits. Consider asking for a meeting just to tell them more about your organization (marketing). Although it is difficult to make the time, it is even better if you can do this before you have something you would like funded.

If they say yes, ask any questions you may have about their application process at that point.

Be aware that more and more often foundation websites indicate they do not accept unsolicited proposals. Do not let this scare you. It is through making these phone calls that you receive the invitation to submit your request.

How to Research a Foundation



The Application

Read and follow the application instructions very carefully. As unimportant as something may seem, the Foundation has included it in the instructions for a reason and expects you to follow directions precisely. Not doing so can result in your application not even receiving consideration.

Although the phrasing may change slightly, most grant applications required basically the same information. But, if you do not understand what information the foundation is requesting in a particular section, by all means, call them and ask.

In addition to a cover letter, you will generally be asked for the following:

- Cover Sheet
- Organizational History and Philosophy
- Executive Summary
- Need Statement
- Program Plan/Description
- Goals & Objectives
- Program Accountability/Management
- Budget

Organizational History & Philosophy

This is usually limited to about one-half page and gives the reader a sense of your organization—how long you have been in business, what your mission is, what you have accomplished in the past.

Executive Summary:

- One page only
- Description of program/project
- Need
- Target Population
- Goals
- Services
- Program/project duration
- Amount Requested

Although this is early in the application packet, it is usually best to actually write it last.

Need

- What is the need (supported by facts) that you are addressing
- Who do you plan to serve and why

Need refers to what need you have observed in the community, not the need of your organization for funding. You will want to cite documentation of this issue. For example, if you want to fund outreach for the F2F Program in African American Communities, using census data and other studies you will be able to say that despite your community being 25 percent African American, only 3 percent of those participating in the F2F classes over the past five years are African American. Since presumably the level of participation of any minority group should be equal to their percentage of the population, this supports the need for outreach.

Then you need to again provide data to support who you plan to target and why. Is it all of the African American community or certain segments of it? Why? There is likely some research available indicating why what you want to do is important.

Program Plan/Description

Describe what you intend to do and how you intend to do it in detail. Discuss any partnerships or collaborations with other organizations.

- Describe research about your model
- Who else is doing this (Different from B(3))
- Describe participant involvement in planning
- Describe service delivery in detail
- Describe anticipated challenges
- Describe staff qualifications or development
- Describe how your request relates to the foundation's mission, core values and strategies

Goals & Objectives

- What is it that you hope to achieve
- What measureable objectives have you established

Establish measurable goals and objectives using the logic model. Since goals are not directly measurable, provide a description and the justification of how your measurable indicators relate to your goals.

Additionally, provide information on how you will utilize your findings.

Program Accountability/Management

In this section, the foundation is looking for information to show them that your organization has the capacity to implement and manage this project effectively. Some will even request you attach the resumes of key staff people. This is not limited to program operations. however. It also refers to finances and overall organizational management.

You will also need to describe where this fits within the organization's structure, what the staffing patterns for the program will be, what type of oversight there will be, etc. Additionally, a typical question within this section is how will you sustain the program beyond this funding if approved.

Budget

Often, each foundation will provide the budget form within the application that they expect you to utilize. Sometimes this is for your entire organization's budget with the project broken out, and other times they will only ask for the project budget. In either case, be accurate. This includes being complete and including all program costs. (This is addressed earlier in this toolkit)   Providing the budget also includes a narrative to accompany the numbers which describes what has been included in the line item and how you determined the amounts.

In addition to these or similar sections, you will be asked for a copy of your tax exempt status, a list of your board of directors, financial reports, at a minimum, and possibly for other documentation such as letters of support.

Letters in Lieu of Grant Applications

Some smaller foundations may not have a grant application per se. Instead, they may state that you should send a letter of request. In preparing this, you should still include all of the above information in less detail in a letter format.

Government Grants

While the applications will be quite similar, there may be differences in the processes. First, you generally will be responding to an RFP (request for proposal.) These usually indicate a service or activity the entity is seeking, so instead of assessing whether your idea meets their priority, you are likely assessing whether what they want is something that is within your mission and strategic plan and you are either already doing, or have the capacity to do.

Additionally, they may or may not be able to discuss it with you. Often there will be a public question period where you can submit your questions in writing, and they will be answered in writing and published for anyone to read. This is done to prevent the appearance of any favoritism.

Send the Application

- Send it as instructed (or e-mail)
- Wait patiently!
- Contact the foundation ONLY if 10 days to 2 weeks have passed since the decision date and you have not heard anything**.**

Appendices

Articles
Checklists
Templates
Sample Letters

Articles

Klein, Kim
1996 Fifty Three Ways for Board Members to Raise $1000, Grassroots Fundraising Journal

Male, Richard
Elements of a Fundraising Plan

http://www.richardmale.com/articleelementsofafundraisingplan.htm

Ten Rules of e-Philanthropy
http://www.ccfbest.org/fundraising/ephilanthropy.htm

Fundraising Pitfalls
http://www.ccfbest.org/fundraising/pitfalls.htm

Elements of a Fundraising Plan

The National Resource Center

Every organization, no matter its size, needs a fundraising plan to guide and support its efforts. Here you'll find advice for designing a workable plan for your organization.

INTRODUCTION: The purpose of the fundraising plan is to have a planning document that clearly spells out the overall fundraising picture of the organization. In most plans, the agency takes a historical look at the past three years and seeks to project probable funding sources three years into the future. In the introduction to the fundraising plan, the agency articulates the overall goals for the plan (such as we want to diversify our funding strategy, want to increase our controllable income, want to form strategic partnerships, want to broaden out from over reliance on government funding) listing the key elements within this document.

BACKGROUND : In this section we cover the historical background and impact of the organization. The key sections should include: • History and historical impact (accomplishments) of the agency • Mission statement and current programs with one sentence description of each program

CASE STATEMENT : The case statement is a clear, concise, compelling one page statement spelling out the reasons a donor would want to make a contribution or grant to your organization. Within the context of the plan, this statement should pull together some of the above information and should reflect the passion of the organization

DEMOGRAPHIC INFORMATION - EXTERNAL ANALYSIS - This section should encompass the external environment that is creating a need for the organization. In this section include: • Economic and social indicators - for example poverty, educational, housing, health care; cultural and digital divide issues, etc • Political climate - What are the political factors that are working either for or against the organization? What is happening in Washington and your state that may support or derail our efforts to raise funds for our constituency and agency?

SWOT ANALYSIS - A SWOT (S trengths, W eaknesses, O pportunities T Threats) assessment provides a quick overview of the organizational dynamics, identifies strengths and opportunities from which to build, identifies weaknesses and potential threats, and helps to determine if the threats identified are real and controllable or uncontrollable. If the threats

are uncontrollable, such as the general economy or the weather, understand them, but do not spend much time acting on what is out of your control. The Strengths and Weaknesses are **INTERNAL** to the organization and the Opportunities and Threats are **EXTERNAL**. Try to do the SWOT with a combined group of the staff and some key board members. After you list the SWOT on a flip-chart be sure to analyze what it means for the organization.

ORGANIZATIONAL DEVELOPMENT/DYNAMICS - In this section the agency wants to analyze the strengths and weaknesses of the **board of directors**, especially as it pertains to its capabilities to raise funds.

• Is the board an active or passive body of people?
• Are their people who are positioned to open up funding doors?
• Does the board have a history of raising funds?
• Is it motivated to raise funds?
• Is there strong leadership on the board?
• What about the president of the board, is she/he a strong leader?

In many cases with grassroots organizations, the board was not designed as a fundraising board. Therefore, the development of a resource development committee that has strength, influence and contacts should be organized to help implement the plan. In this section we discuss the role of the CEO**/Executive Director** plays in the fundraising process.
• Is the Executive Director the founder?
• Is she/he a charismatic or a passive leader?
• Does she/he have a strong influence on the board of directors?
• Does she/he have good contacts in the corporate, foundation, religious, and governmental communities?
• Can these contacts be used to open doors to raise new money?
What can do done to increase board and staff involvement in the fund development process?
Is there a need for retreat or board training?
Do new board members need to be recruited who bring in new skills, and contacts?
Do we need to strengthen our fundraising committee on the board?

FUNDING HISTORY - Gives a historical sense of where the money has come from to support the organization. Try to break down this analysis by funding sources and years? What percent of money historically has come from government funding, private foundations, corporations, donors (individuals), earned income, religious, planned giving (if any), special events, United Way, etc. Have these percentages been increasing or decreasing during the past three years. You may want to break down the revenue by program areas since much of the pubic and foundation funding will be restricted to specific programs.

FUNDING OPPORTUNITIES - This is where the agency looks at funding opportunities initially for the next 12 months and into the future. Most agencies break down their funding needs into four areas:
• Programs and projects

• Administrative
• Equipment
• Capital (if you are raising money for building, expansion, or major renovations)

For each one of the areas it is important to establish **funding goals** (dollar amounts needed) for each of the areas and to write a one-page summary sheet of each of the above funding goals that include:
• Description of the funding need
• Goals and objectives of the funding need
• Impact to the community AND to the organization
• Dollar amount needed

This section is one of the longest sections in the plan because most agencies have multiple programs that need funding. In addition administrative, equipment needs and perhaps capital campaign requirements are detailed.

THE FUNDING STRATEGY - This is where the agency analyzes the primary funding sources identified by our research and includes the strategic approaches to them. Be aware that researching potential funding sources is an ongoing task that requires regular contact with the people in the community; reading the newspapers daily, regular follow-up with the funders to assure that confidence in the organization is strong and future funding opportunities are known. Remember that much of

fundraising is relationship driven so the more visible the organization is in the community through board and staff contacts the greater the possibility of receiving money. Also make sure you integrate **marketing materials** (brochures, newsletters, e-mail letters, etc) with a consistent brand image that is woven together with effective **public relations** efforts such as:
• Regular letters to the editor from board members and Executive Director
• Radio talk show interviews
• Public service announcements and press releases
• Periodic meetings with newspaper editorial boards
• Media coverage on all major news and special events
• Television interviews on public service shows
Keying into national news stories with the local angle

In the Funding Strategy section take each individual funding category and write a few paragraphs about what is the funding strategy for each category. Such as:

CORPORATIONS - Corporations in our community are funding non-profit organizations that will give them visibility and an opportunity to get in front of people to assist in their marketing efforts. Do the following to identify new companies: inventory our board, volunteers and community contacts and use these people as door openers, identify the top 50 companies in our community and read about them in business publications, internet research, newspapers; identify the appropriate person to set up the appointment. You are determining whether the "image" of the company fits into the mission and credibility of our organization. After this is done, we want to approach: Wells Fargo Bank, AT&T, JC Penney Company, Mead Paper Company, etc. For each company we want to list who will make the approach, what is our strategy, and what we are going to ask the company for?

FOUNDATIONS - In the same way as above the agency needs to research the new funding sources starting with community foundations, family foundations, and philanthropic trusts. Start off in the local community, and then broaden the search to statewide and national foundations. Use all research materials available and develop the strategic approach - target a range of 8-12 new foundations during the next year

GOVERNMENT - If you have already received government funding, stay on top of existing government programs and remember that much of the public funds are being decided on the state and local level. Make sure you are pro-active on the strategic approaches for public funding and you know your mayors, representatives, and senators.

RELIGIOUS COMMUNITY - If your program areas fit into the religious communities' agenda such as human services, homelessness, advocacy and social change, environmental justice, etc, develop a strategic approach to each church or temple, Use your volunteers and staff who are members of the religious institutions to make the introductions. Remember, even if you are not approaching the religious institutions for money, they are GREAT places to meet people.

DONORS - Ninety percent of all philanthropic dollars come from individuals. What is our strategy for developing and/or expanding our numbers and quality of donors? Are we going to use a direct mail strategy to reach new donors? Can we identify new donors through our planned special events?

What is our approach?

Elements of a Fundraising Plan
Page 4

SPECIAL EVENTS - Do we already have special events?
Are we planning new ones? What are the goals of the special event- i.e. it is public relations, making money, to increase our mailing list?
How can we obtain corporate underwriting/sponsorships to assure the event is profitable?
What are the revenue projections? What are the costs?

What are the anticipated profits?
How can we leverage these events to raise new money?

EARNED INCOME - Do we have an earned-income strategy for the organization?
Are there any services that we can market to our constituency or the community that can generate revenue?
Can we market any services to corporations that they will underwrite or contract with our agency to provide?
Are there products that we can market to our members that can save them money?
If any of the above looks feasible, form a committee of people (including a few successful entrepreneurs) and strategize ideas and develop a business plan.

MEMBERSHIP - Does the agency have any provisions for a membership?
If not, do we want to consider developing a membership category?
What is our marketing and public relations strategy for maintaining our existing membership and increasing our membership by 10 percent during the next year?

STRUCTURE OF THE FUNDRAISING STRATEGY - The implementation of the above elements of a fundraising plan takes an organizational commitment. Strategies and key leadership come from selected board members and the executive director. My suggestion is to form a board committee to review this document and at the monthly board meetings have the head of the fundraising committee report back to the board on the progress made, changes, etc. For each one of the above funding sources, it is important to develop tracking sheets to make sure that the results are analyzed and the appropriate changes are implemented. For each funding category the following may be desirable: • Specific strategy with timelines for accomplishments and for what each particular person is responsible • For each specific funding sources (Proctor and Gamble, Wells Fargo Bank, First Presbyterian Church) input on the computer data base or write on a 3"X5" card: funding source, address, phone number, contact person, date contact made, results of the contact, follow-up. Take the information and develop a 12 month fundraising calendar with the funding sources on the left hand of the chart and the months on top and list when organization is planning and conducting the special event, when the direct mail will be "dropped" when are we approaching key corporations, when is the RFP due, etc. Then for each one of the funding categories, such as FOUNDATIONS - break down for each specific funding sources when during the year, the approaches will be made to the Rose Community Foundation, Kellogg Foundation, Ford, etc.

Fifty Three Ways for Board Members to Raise $1000

by Kim Klein

All good fundraising plans have one thing in common: they show a diverse number of sources for their income. The board of directors plays a crucial role in selecting, implementing, and evaluating fundraising strategies. In addition to other ways that board members may participate in fundraising, they individually commit to raising and giving a certain amount of money, or commit to working by themselves on specific strategies with no financial goal attached.

It is a good idea for board members doing fundraising on their own to write up their plans. This “contract” allows staff to know when they might be called on to help, ensures that events don’t happen on the same day or the same donors aren’t solicited by several board members, and also helps to remind board members of their commitments.

In order for this method to work, the organization or the board fundraising committee should think of many specific ways board members could actually raise money by themselves. The fifty-three ways suggested below are not an exhaustive list, nor will they all work for every group. Few board members could use all fifty-three ways, but almost any board member should be able to use two or three of them.

All of these methods have been used by different volunteers in a wide variety of organizations. Some methods are much more popular then others. Some depend on access to certain resources. Presenting board members with fifty-three ways that would work for your organization helps counter the excuse, “I would help but I just don’t know what to do.” Having each board member write out a plan, with goals and a time-line, also gives them a sense that if they do their best with this plan, they will have helped significantly. Many board members feel that fundraising is never ending, and that no amount of effort is enough. “Whatever I do, I could have done more and probably should have,” they say. This feeling of inadequacy leads to high turnover, burnout, and resentment in boards. Specific fundraising contracts can help avoid that result.

Following the description of the fifty-three ways board members can raise funds, there is a suggested format for a contract and examples of some completed contracts.

1 Give it yourself. This is the easiest way for those who are able, although if you are able to give this much money you should be helping to raise much more than $1000.

2 List all your friends who are interested in your organization or similar organizations. Decide how much you want to ask each one for. If you are not sure of an amount, use a range. Write to them on your own stationery, include a brochure from the organization and a return envelope. Phone those people who don’t respond in two weeks. Some people will need 10 friends to give $100, and some people need 50 friends to give $20. Most people will need a combination of gifts of $100, $50 and $25.

3 Give part of the $1000. Then ask your friends to join you in giving $50, $100, or whatever amount you gave. This is most effective because you are not asking them to do anything you haven’t done.

4 Set up a challenge campaign. Challenge gifts can be quite small. Tell people you’ll give $5 for every $25 they give, or will match every $50 gift up to ten gifts. For added suspense, make this challenge during a fundraising event. You or the host can announce, “We now have the Dave Buck-stretch Challenge. For the next five minutes, Dave will give $5 for every new member that joins Worthy Cause.”

5. 5. If your organization has several grassroots fundraising strategies in place, use them all:

Sell 100 raffle tickets (@$2) $200
Give $200 . . . .$200
Sell 10 tickets to the annual event (@ $25) . . $250
Buy two gift memberships (@ $25). . . . .$ 50
Get 12 friends to join (@ $25) $300

6. Help with your organization’s phone-a-thon. Bring the names of people you think

would like to join and call until you have raised $1000. Or trade names with someone in the organization and call their friends until you have reached $1000. This is particularly effective for people who are shy about asking their own friends for money but are not afraid to ask people they don't know.

7. Acquire mailing lists for your organization. If you belong to another group, perhaps you can set up an exchange, or perhaps you have access to a list of members of some other group. You can ask all your friends to give you the names of 10 to 15 people they think would like to join. You would need to recruit about 25 members at an average gift of $40. Depending on how "hot" your list is, you might need as few as 200 names (to do a bulk mailing) or as many as 15003000 (if you expect a 1–2 percent response). You would have to have a greater response if you wanted the mailing to pay for its costs and also generate $1000.

8. Give the organization something they need that is worth $1000, such as a new computer, filing cabinets, couch, software program, etc.

9. Pledge $28 a month, and get two others to do likewise.

10. Teach a seminar on a topic you know: fundraising, knitting, organic gardening, organizing, proposal writing, environmental impact reports, gourmet cooking, dog grooming, starting your own business. Charge $50-75 per person, with a goal of 15 to 20 people. Either absorb the cost of promotion, or have enough participants to cover it.

11. Give some or a lot of things to your organization's garage sale, making sure they are worth $1000, and then help to sell them all.

12. With four or five friends, have a spaghetti dinner at a temple, church or union hall or other big room with a large kitchen. Charge $10 per person and feed more than 100 people. You can charge extra for wine or garlic bread, or for dessert.

13. Have a fancy dinner at your home or a regular dinner at someone's fancy home. Serve unusual or gourmet food, or have special entertainment. Charge $40 or more per person, and have 25 or more guests.

14. Get three friends to help you have a progressive dinner. Start at one person's home for cocktails and hors d'oeuvres, progress to the next person's house for soup or salad, the next person's for the main course, and the last person's for dessert. Either charge by the course or for the whole package. To make it extra special (and much more expensive), get a limousine for the evening that carries guests from house to house, or have live music at each site.

15. Host a house party. Do not charge admission and invite as many people as you can. During the party, give a short talk about your organization and ask everyone to consider a gift of $25, $50, $100 or more (depending on the crowd). Either pass out envelopes and ask people to give then, or after the party contact everyone individually who came and ask for a major gift. Indicate that you have given and, if appropriate, how

much you have given.

16. Get your gambling friends together. Charge a $5 entrance fee and have a poker evening, asking that every “pot” be split with the organization. Individuals win and so does the organization. You can charge extra for refreshments, or include one or two glasses of something with the price of admission. (Watch the laws in your community on this one. In some communities it is illegal to gamble, even in your own home.)

17. Do one fundraising event every other month. This might look like:
Poker Party. $200
Fancy dinner (8 people × $50). $400
Sell 50 raffle tickets @$2. . . . . $100
Book sale $200
Recycle newspapers $100

18. Solicit small businesses, churches, synagogues or service clubs for $1000. If you are active in a church or you own your own business and are involved in business organizations or service clubs, this can be very effective. You can often raise $200-$1000 with a simple proposal and oral presentation.

19. Take a part-time job in addition to your present work and give everything you earn up to $1000.

20. Ask five to ten people to save all their change for three to five months. You save yours. Count it at the end of the prescribed time and use one of the other methods to raise the rest. (You may not need to.)

21. Ask two to five friends to help you put on a bake sale, book sale, or garage sale. You and your friends bake the goodies or get the books or the other stuff required for the sale, staff it and clean up afterwards. This is an excellent way to get people involved in fundraising without ever actually asking them for money.

22. For the fairly rich: give your organization $13,000 as an interest-free loan for a year. They invest it, earn 8 percent, and at the end of the year, they give your $10,000 back.

23. Sell your organization’s materials, buttons, T-shirts, bumper stickers, or whatever else they have for sale. Also, help distribute these to bookstores or novelty shops.

24. The Farming Out Method: Entice five friends to sell 100 raffle tickets at $2 each, or invite ten friends to raise $100 however they like. Share this list of suggestions with them. Give them a nice dinner at the successful end of their efforts (or a bottle of good wine, or a weekend away).

25. Get a famous or popular person to do a special event. Watch the costs on this, or you may lose money.

26. Invite people to your birthday party and ask that in lieu of gifts they give money to your organization.

27. Conduct a volunteer canvas. For one evening, you and a group of friends take literature to all the neighborhoods around you and ask for money at the door. Be sure to comply with city and county ordinances.

28. Lead or get someone to lead a nature walk, an architectural tour, a historic tour, a sailing trip, a rafting trip, or a horseback ride. Charge $15-$25 per person, or charge $35 and provide lunch. Advertise the event in the newspaper to draw in people from outside your organization.

29. Start a pyramid dinner, or a chain dinner. Invite 12 people and charge $12 each. Get two people of the twelve you invited to invite 12 people each at $12, and two people from each of those two dinners to have 12 people at $12, and so on. Here's the income:

Your dinner $12 × 12	$144
From your dinner $12 × (12 + 12) .	$288
From those dinners$12 × (12 + 12 + 12 + 12)	$576
From those dinners $12 × (12 × 8) etc.	

Twelve is used in this example because it worked very well for the Nuclear Freeze Campaign in California, which was Proposition 12. In many communities, most of the income for the campaign was generated by 12 × 12 dinners.

30. Collect cans for recycling. Ask all your friends to save their cans and bottles for you and turn them in to a buy-back recycling center.

31. Sell your frequent flyer miles to friends or donate them to the organization for a raffle. Watch the rules of the airline on this, but some airlines let you give away miles, and you may be able to sell your miles as long as you don't go through a mileage broker.

32. If you live in a nice house or own a getaway cottage in a beautiful place or an expensive city, rent it out for a week or a weekend two or three times during the year and give the proceeds to your organization. Or rent a room in your home for much less than the cost of a hotel room to people needing a place to stay while they are on business in your city. You may even make a new friend in the process.

33. Organize a service raffle. Get four people (one can be you) to donate a simple but valuable service that many people could use and sell raffle tickets for $10-$20 each. Keep the price a little high so you don't have to sell so many and so that the buyers have a higher chance of winning. Services can include childcare for a weekend or for any weekend night two weekends in a row; one day of housecleaning; yard work; house painting (interior or exterior), etc. Sell the tickets to neighbors, work mates and to other board members. Encourage people to buy several by offering discounts for multiple purchases, such as one for $10, 2 for $20, but 3 for $25, 4 for $35, 5 for $40. If you are really bold or live in a more affluent area, or have few friends, sell the tickets for $50 each. A full day of housecleaning for $50 is a real bargain, and buyers have a high chance of winning with fewer tickets sold.

34. Offer to do something your friends and family have been nagging you to do anyway and attach a price to it. For example, quit smoking on the condition that your friends donate to your group, or get your friends to pay a certain amount for every day you don't smoke for up to 30 days. Agree to match their gifts at the end of thirty days if you didn't smoke and to give them their money back if you did. (This method could be applied to other healthy behaviors, such as exercising or not eating sugar.)

35. Find out what items your group needs and try to get them donated. This is good for people who really hate to ask for money but who don't mind asking for things that cost money. Items that one can sometimes get donated include computers, office paper and other office supplies, office furniture (second-hand from banks and corporations as they redecorate), fax machines, adding machines, food, even cars.

36. If you or someone you know owns a small business that has regular customers who receive a catalog or announcements of sales, write them an appeal letter for the organization. Your letter can say something like, "You are one of my best customers. As such, I let you know about sales coming up and good things happening in my store. Today, I want to tell you about another good thing—what I do when I am not minding the store." Then go on to describe the group and ask for a donation.

37. Similar to #36, post this letter on your Web site. Link to the organization's Web site and ask people to donate.

38. If the organization doesn't have a Web site or doesn't keep their Web site up, ask all your techie friends to donate $100 each and hire a Web Master.

39. Give it yourself. (This is so good I have to say it twice.)

40. Strategy with a long-deferred payoff (we hope): leave the group a bequest.

41. With similar hopes as above, get friends to include the group in their wills.

42. Ask friends who belong to service clubs, sororities, antique collecting groups, support groups, bridge clubs, etc. to discuss your organization in their group and pass the hat for donations. A once-a-year sweep of even small groups can yield $100 from each.

43. For the church-going: ask if your organization can be a "second collection." The church passes the plate for its own collection and then you or someone from your organization gives a brief talk (or sometimes the whole sermon) about your group and the plate is passed again; the proceeds go to your group.

44. A variation on the above is to organize a "second collection Sunday" and get as many churches as you can to take up a second collection for your organization on the same Sunday. Someone from your group will need to be at each service and give a brief talk. Second collection Sundays can be very lucrative: the Catholic Campaign for Human Development collects as much as $20 million on one Sunday in all the participating

Catholic churches in the United States.

45. If, as a child, you collected something avidly that you now store in a basement, consider selling it. Coins and stamps are particularly valuable and have usually increased in value over the years. But your collection of rocks, toy ships or rockets, arrowheads, or dolls can also be valuable. When you donate the income from the sale, you can deduct that amount from your taxes—an added bonus of this strategy, since you probably paid little or nothing for the items in the collection.

46. Have a sidewalk sale or garage sale for your whole neighborhood or building. Go around to your neighbors and tell them you will take their stuff outside and sit with it all day to sell it if they will donate half or all of the proceeds to your group. Since this is stuff people want to be rid of anyway, it is a good deal for them. In one apartment building with ten units participating in donating stuff, an organization netted $3,000 in one day. Three people from the organization helped with the selling. With a few high-ticket items, such as a washer/dryer or some nice lamps, you can make good money.

47. If you have an artistic bent, offer to design greeting cards to specification for organizations or individuals for a fee. If you are good at calligraphy, sell your skills to schools for graduation announcements, friends for classy but low-cost wedding invitations, or just fun certificates such as “World’s Greatest Dad” for Father’s Day or “Outstanding Friend.” Create unique Halloween costumes or masks. Donate the proceeds from your artistry.

48. Create a take-off on the “adopt-a-highway” technique by naming budget items of your group as available for adoption. You could develop a flyer that reads, “The following items have been found near death from negligence and abuse. Won’t you help? $25 per month will ensure that our computer is maintained. $100 per month will release our photocopy machine from toiling with no toner and a dying motor. (We can lease a new one.)”

49. An idea for people who live in border towns: Get permission to place a large container in stores or even at the airports of towns near national borders. Have a sign that asks people (in several languages) to throw in any coins or paper money they have not exchanged. Many times people leaving Canada or Mexico don’t have time to exchange all their money or cannot exchange their loose change. Multiply this times hundreds of shoppers or travelers and you can make a lot of money. UNICEF does this in many European airports.

50. Hold an “I’m Not Afraid” Auction. You can do this with just a few friends or hundreds of people if you have enough items to auction. You survey a few people (and use your own common sense) about what things need to be done in their home or office that they are afraid of or would really rather not do. This is different from a service auction— there has to be an element of dread in the activity. For example, some people cannot wash their windows because their apartment is too high or the second story of their house is too high and they suffer from vertigo. If you are not afraid of heights, you

can sell your window-washing service (bring a sturdy ladder). This goes for drain cleaning, minor roof repairs, antenna fixing, etc. Or, if you are unafraid of cockroaches or spiders, you can offer to clean out that dark corner or garage or basement for a small fee. Snakes can be found in gardens and woodsheds, but maybe that doesn't bother you. The problem doesn't need to be as serious as phobia. How about allergies to dust, pollen, weeds? If you don't have them, you can mow, sweep, clean for a fee. By marketing it as an "I'm Not Afraid" Auction, you also have the option for people to name something they need done to a group of volunteers, and then have a volunteer say, "I'm not afraid to do that." In that case, you will need a set fee for service.

51. Similar to the suggestion above is the "Details Auction." This is for all your friends whose desks are overflowing with papers or who can't get their receipts in order to give to the tax preparer or who complain they can never find anything. If you are a well-organized person, offer to clean up their desk, get their Rolodex in order, file their papers, etc. If you like to shop, sell that to people who don't and do their holiday shopping for them, or buy birthday, baby shower or niece/nephew presents for them. Anything that people feel they cannot control is the organized person's fundraising dream come true.

52. Find out which of your friends (perhaps this is true for you also) work in corporations with matching gift programs. Then ask them to donate and get their gift matched for your organization, and ask them to ask their co-workers to donate and get their gifts matched.

53. Think of a store or service related to your organization or where a lot of your members shop. Ask the store to donate a percentage of profits for a certain day or week, or even forever. You can also explore this with mail-order firms. Then you advertise widely to friends, family and members that Joe's Florist will give 2 percent of each sale during Valentine's weekend to anyone identifying themselves with your group.

As you can see, almost all of these strategies involve asking for money and giving money yourself. These are the basic premises of fundraising—you must ask, you must give. Everything after that involves creativity, imagination and a sense of fun.

Samples of Fundraising Commitments by Board Members or Other Volunteers

Sample agreement form to be filled out by volunteers:

I, ______________________________,
will help Effective Organization raise $ __________.

My Gift: $ ________ .
Indicate how payment of this gift is to be made. (i.e. by pledging monthly or quarterly, or one lump sum, etc.)

I will also:

1. ______________________________
   Goal: $ __________ .
   Staff help needed: __________________.
   Date of event: __________.
   Date to begin planning event: ____________.
2. ______________________________
   Goal: $ __________ .
   Staff help needed: __________________.
   Date of event: __________.
   Date to begin planning event: ____________.

I am interested in more training in fundraising. __ YES __ NO

You may contact me for other fundraising efforts. __ YES __ NO

Example 1

I, Matthew Cornwall, will help Community Organizing Project to raise $250.

My gift: $5/month = $60

I will also:

1. Ask four friends to pledge $5/month. I hope at least 2 will say yes, which makes $120. No help needed.
2. I will sell $70 worth of raffle tickets. (If any of my friends win the cash prize, I will ask them to donate half of it.) No help needed. I will ask my friends by May, and sell the raffle tickets before the drawing. You can also ask me to help with other events if you need me.

Signed: ______________________________.

Example 2

I, Jane Mahoney, will help the Women's Rights Organization raise $1000 in the next calendar year.

My gift: $250, paid in one lump sum in January.

I will also:

1. Organize and teach a seminar on organic gardening. I plan to have 20 people come at $25 each. I will pay for advertising.

   Goal: $500

   Planning: I will need some help finding a free room for the seminar, but no other staff help is needed.

   Date of seminar: March 15.

   Date to begin planning: Jan. 15.

2. I will contribute my couch to the garage sale. It is worth $100, but I will sell it for $50. I will buy a classified ad in the city newspaper telling people where to come to look at it. I will also help at the sale.

   Goal: $50

   Date: Whenever the garage sale is.

   Planning: I need the staff to tell me the date of the sale a month in advance so I can get the ad in the paper.

3. I will work on the phone-a-thon. I will bring the names of 25 people and call them myself that evening, and will call anyone else I have time for.

   Goal: 20 people actually joining @ $15 = $300

   Date: June 15

   Planning: No staff help needed for my participation in the phone-a-thon.

Note: I plan to go $100 over my $1,000 goal, so that in case something goes wrong I will still make my goal.

Signed: ______________________________.

Example 3

I, Carol Benson, will help the Advocacy and Action Task Force to raise at least $500.

My gift: $50 paid in one lump, as soon as I can.

I will also:

1. Solicit a new computer for our office. I will work on this until March.
2. If that fails, I will solicit a fax machine. (I know some people in the office supply business so I think I might succeed.) I will work on that until May. No staff help needed, I don't think, but if there is, I'll give plenty of notice.
3. If the above two fail, I will have a barbecue at my house on the Fourth of July. At least thirty people will come and pay $10. Goal: $250 (I will take $50 out for my expenses.) Staff help needed to send out invitations and prepare food.
4. I will get two other board members to help me do a big bake sale at Suburban Shopping Center. We will get all the baked goods donated and be there all day Sunday, June 14.

   Goal: $200 (maybe more)

Maybe I'll do the last two anyway even if the first one or two are successful. Don't plan on it, though, and don't ask me to do anything else unless you are truly desperate.

Signed: ______________________________.

Kim Klein is co-publisher of the Grassroots Fundraising Journal

Ten Rules of e-Philanthropy

If the events of September 11th proved anything, it is that fundraising via the Internet has come of age. Witness the incredible success of online fundraising by many of the nation's top relief agencies.

Now, nonprofits across America are saying not if they will adopt an online fundraising presence, but how fast they can tap into this new technology in ways that meet an agency's needs but stay within their budget constraints. Here are **the Ten Rules of ePhilanthropy that Every Nonprofit Should Know.**

1. Don't become invisible.

If you build it, they won't just come. Building an online brand is just as important and just as difficult as building an off-line brand.

2. It takes "know how" and vision.

Your organization's Web site is a marketing and fundraising tool, **not a technology tool.** Fundraisers and marketers need to be driving the content, not the Web developer.

3. It's all about the donor.

Put the Donor First! Know your contributors, let them get to know you.

4. Keep savvy donors; stay fresh & current.

Make online giving enjoyable and easy. Give the donor options. Use the latest technology. Show your donor how their funds are being used.

5. Integrate into e-philanthropy everything you do.

Your Web site alone will do nothing. Every activity should invite constituents to support your work. Actively engage your potential supports and then ask for support.

6. Don't trade your mission for a shopping mall.

Many nonprofit Web sites fail to emphasize mission, instead turning themselves into online shopping malls, without even knowing why.

7. Ethics, privacy and security are not buzzwords.

Many donors are just now deciding to make their first online contribution. They will expect that your organization maintains the highest standards of ethics, privacy and security.

8. It takes the Internet to build a community.

Many nonprofits (particularly smaller ones) lack the resources to communicate effectively. The Internet offers the opportunity to cost effectively build a community of supporters.

9. Success online means being targeted.

The Web Site alone is not enough. You must target your audience and drive their attention to the wealth of information and services offered by your Web Site. Permission must be sought before you begin direct communication via the Internet.

10. e-Philanthropy is more than just e-money .

e-Philanthropy is a tool to be used in your fundraising strategy. **It should not** be viewed as quick money. There are no short cuts to building effective relationships. But the Internet will enhance your efforts.

Copied from Nation Resource Center website

Fundraising Pitfalls

Mistakes in fundraising can be very costly – particularly for smaller organizations pressed by tight budgets and ever-increasing needs. Here are 12 pitfalls to avoid.

1. **Being reluctant to ask for donations.** If you are not asking for gifts, you are probably receiving far less than your potential. *Source: Adapted From: Are You Making Fundraising Mistakes? by Bill J. Harrison*
2. **Failing to do your homework.** Many charitable organizations fail to adequately research their potential donors; for example, income levels, past giving history, and personal interests. *Source: Adapted From: Are You Making Fundraising Mistakes? by Bill J. Harrison*
3. **Failing to inform, educate, and motivate donors.** An uninformed, uneducated, and unmotivated donor is one who will probably not make future gifts. *Source: Adapted From: Are You Making Fundraising Mistakes? by Bill J. Harrison*
4. **Failing to seek fundraising assistance.** Fundraising information is available through the library, workshops, seminars, and competent consultants. *Source: Adapted From: Are You Making Fundraising Mistakes? by Bill J. Harrison*
5. **Having board members in name only.** All board members must be involved in the fundraising process, whether it is asking for gifts, opening doors, or identifying potential donors. *Source: Adapted From: Are You Making Fundraising Mistakes? by Bill J. Harrison*
6. **Having board members who do not give.** All board members should be asked to make a monetary contribution in accordance with their abilities to give. *Source: Adapted From: Are You Making Fundraising Mistakes? by Bill J. Harrison*
7. **Having no written fundraising goals.** To achieve success in fundraising, written goals that can be accomplished, changed, or modified are imperative to success. *Source: Adapted From: Are You Making Fundraising Mistakes? by Bill J. Harrison*
8. **Keeping inadequate records.** Not-for-profits must keep accurate records on income and expenses as well as pledges, donor files, prospect lists, and in-kind gifts. *Source: Adapted From: Are You Making Fundraising Mistakes? by Bill J. Harriso*
9. **Not giving top priority to individual donors.** Individuals are responsible for more than 80 percent of all gifts, while foundations and corporations combined give less than 20 percent of all gifts in the U.S.; although more time and overhead are spent in asking individuals for donations, it often pays off in the end. *Source: Adapted From: Are You Making Fundraising Mistakes? by Bill J. Harrison*
10. **Not holding people to the commitment they made.** Follow up with people on what they said they would do. Chances are this will remind people of their commitments and assure that they will honor them. *Source: Joel J. Orosz, Dorothy A. Johnson Center for Philanthropy and Nonprofit Leadership*
11. **Planning insufficiently.** Don't wait until there is a problem with your fundraising program, but instead, conduct periodic reviews of your fundraising needs, programs, and capabilities. *Source: Adapted From: 18 Common Fundraising Mistakes.and How to Avoid Them by Nora McClintock*

12. **Thinking you can conduct major funding efforts or a capital fund drive without experienced help.** If you don't have fundraising experience, attend fundraising training, hire experienced development staff, or search for a consultant.

Source: Joel J. Orosz, Dorothy A. Johnson Center for Philanthropy and Nonprofit Leadership

CHECKLISTS

Board Member Fundraising Checklist
http://www.axi.ca/tca/mar2003/toolshed_1.shtml

Born, Paul
2005 Friendraising: Raising Funds, Finding Friends to Realize Bold Community Visions Workbook Are You Ready to Ask Worksheet. Tamarack

Board Member Fundraising Checklist

There are many ways in board members can help raise money for the organization. This is a checklist which can be used to assess current involvement in fundraising, and which can help board members realize other ways to contribute to fundraising efforts.

General

____ 1. I understand the plans and the program for fundraising.

____ 2. I fully understand and endorse the case for why someone should contribute.

____ 3. I make an annual contribution which is meaningful according to my own definition of that word. I make my contribution without having to be asked more than once.

Prospect Development

____ 4. I give the names and addresses of individuals and businesses to be added to the mailing list.

____ 5. I assist staff in identifying and evaluating prospects, individuals, corporations, and foundations.

Cultivation and Acknowledgement

____ 6. I help to cultivate major donor prospects.

____ 7. I make introductions for others to make a solicitation visit.

____ 8. I write personal notes on follow-up and acknowledgement letters.

Direct Mail

____ 9. I write personal notes on annual appeal letters.

____ 10. I assist with solicitation and other mailings.

Special Events

____ 11. I assist at special events (greeting, bartending, etc.)

____ 12. I host special events at my home.

____ 13. I serve on special event planning committees.

Solicitation Visits

____ 14. I accompany others on solicitation visits.

____ 15. I am prepared to make a solicitation myself.

Jack Hornor Consulting specializes in ethical, donor-centered fundraising advice. Jack's services include helping plan and develop programs for annual giving; working with boards of directors; and cultivating, soliciting and stewarding major donors. Contact Jack at (413) 584-5403 or Jack@JackHornor.com.

***The Tool Shed** is the place to find the right tool for the right job...and the tools are designed to work in associations and other* not-for-profit *organizations.*

ARE YOU READY TO ASK WORKSHEET

Are you ready? Before you solicit you need to ensure that you remember the key principles and satisfy the checklist. Consider a donor you are feeling is most ready for an "ask." Are you ready to make the ask? Check the box if you can answer "Yes" to the following:

- We have a documented trail of visits and encounters that moved the prospect through the cultivation process.
- We have shared our information (Case) and it generated visible and expressed interest.
- We have found a way for them to become involved in our agency or campaign and they have given us the clear signal that they wish to invest.
- We know the answers to these key questions:
  - Do you like and support our Vision and our Project?
  - Is now an appropriate time to ask for your support?
  - Do we have your support to present you with a proposal at the leadership giving level?
  - We have set a date to come present our proposal to you?

If you are ready, what are your next steps? If you are not ready what must you do to get ready?

Next Steps:

____

____

Need to do to get ready:

____

____

Writing a Solicitation Script: Using the outline below and the knowledge you have obtained from the presentation write a solicitation script on a *separate piece of paper*. Try to use a real person you might talk to.

Name of Prospect: Date:

1. Opening Conversation
2. Formal Beginning
3. Justification and Matching
4. Review of the Vision
5. Presenting the case customized to their interests
6. Solicit Questions
7. Wrap up
8. The role of the non-presenter.

Created by the Tamarack Institute for Community Engagement

Templates

Born, Paul

2005 Friendraising: Raising Funds, Finding Friends to Realize Bold Community Visions Workbook. Tamarack Institute for Community Engagement

Fundraising Readiness Assessment
Case Statement Worksheet
Prospect Worksheet
Gift Table

Wyman, Ken

1993 Face to Face::How to Get BIGGER Donations from Very Generous People. Voluntary Action Directorate Multiculturalism and Citizenship Canada Department of Canadian Heritage

The Webbing Exercise

Fundraising Readiness Assessment			
Precondition	**Check if you meet the condition**	**Scale of 1-10 (1= not yet started and 10= completely ready)**	**To Do**
record of excellence			
transformational vision			
compelling case for support			
Leadership			
Prospects			
Campaign Plan			
Cultivation process			
Solicitation plan			
Stewardship plan			

Created by Tamarack Institute of Community Engagement

CASE STATEMENT WORKSHEET

The Key Questions: Answer the following key questions for a prospective donor in preparation for writing your case for support:

What is your track record of performance? (Why should I have confidence in you?)

What are your urgent and compelling needs? (Why do you need more/my money?)

Who will benefit from my gift and how? (What impact will I have through my gift?)

How will I know you will actually deliver what you are promising? (How will you demonstrate the delivery of the benefits you say I will leverage?)

How can I be involved beyond giving money?

From Tamarack Institute for Community Engagement

PROSPECT WORKSHEET

Identify Prospects: For each of the categories below, brainstorm to come up with the names of 3-5 people or organizations you would like to support your cause.

Within your organization:
1. ________________________ 3. ________________________ 5. ________________________
2. ________________________ 4. ________________________

Within your partners:
1. ________________________ 3. ________________________ 5. ________________________
2. ________________________ 4. ________________________

Previous Donors:
1. ________________________ 3. ________________________ 5. ________________________
2. ________________________ 4. ________________________

Generous people within your sphere of influence:
1. ________________________ 3. ________________________ 5. ________________________
2. ________________________ 4. ________________________

Generous people outside your sphere of influence
1. ________________________ 3. ________________________ 5. ________________________
2. ________________________ 4. ________________________

Developing a gift table: How many gifts and prospects will you need to meet your goal? You need three “good” prospects for each gift.

# of Gifts	Size of Gift ($)	Gift total ($)	Running total ($)	# Of prospects

Adapted from Tamarack Institute of Community Engagement

The Webbing Exercise

The following process, *The Webbing Exercise*, was developed by Ken Wyman and Associates, Inc. Its purpose is to reveal the hidden network of contacts and connections in an organization: “the people you know that you didn't know you knew.” Board members, volunteers, staff and administration, each have their own lives away from your organization and they all know lots of people — more people, in fact, than they ever thought they knew. By holding a Webbing Exercise, you can discover who they know.

This session gives everyone a chance to delve into themselves for the names of people they've come in contact with over the years. They may start off thinking they know no one, but names will occur to them during the course of the exercise that will seem `obvious' in hindsight. People they knew long ago or in circumstances completely unrelated to your organization may now be in a position to help, whether as donors or as future volunteers or board members.

Preparing for The Webbing Exercise

Who should be invited to a Webbing Exercise?
Select a group of people who care about your organization. You might include present and past board members, volunteers, staff, participants and people from other nonprofits who are sympathetic. Ten to fifteen people is ideal. Fewer, and you may lose the `critical mass' to generate excitement; more, and it can become too big to handle.

How should they be asked?
When deciding whom to invite to a Webbing Exercise, think about who in your organization should ask that person to participate. People always respond best to being asked to help when they are asked by the `right' person. Contact prospective participants in person or by phone. Invite them to get together (formally or informally) for two to three hours on an evening or a weekend. Tell them you want them to take part in a fun exercise to help them recall people who might be able to play a role with your organization. Offer a `reward' of light refreshments (or a sit-down dinner, if appropriate).

How should they prepare?
Ask participants to look for possible prospects in advance. This is more than just thinking about names. Encourage them to go through their personal address books, their database or the rotating card file from their office. They might check old school yearbooks, membership lists in the congregation where they worship, club membership rosters, and so on. It would be helpful if they could bring these items with them to the Webbing Exercise. As new ideas are generated, they may want to refer to these sources. Their notes listing names will do, however.

Where should a Webbing Exercise be held?
The venue should be familiar and appropriate to your organization and the people you're inviting to take part. In most cases, it could be done on-site in your group's meeting room (if you have one). You may want to go to another location:

• if you don't have a big enough space; or
• for the convenience (and status) of your invited guests.

You may be able to get some space free or at low cost from a community centre, house of worship, service club, corporation with a boardroom, union hall, restaurant or hotel.

What is the right set-up for the room?
Sitting at tables is better than a relaxed living room arrangement or rows of chairs. It makes it easier to take notes and interact, while setting a business-like style. If convenient, start with a U-shaped grouping of tables and chairs. Ideally, you want to be able to break your group into `working pairs' during the course of the Webbing Exercise. Once you change to working in pairs, people can simply turn their chairs so that they are facing each other. Predetermine who would pair up well, and arrange seating for them. Match people for their ability to spark ideas in each other, or their similar social or business worlds.

Who should lead a Webbing Exercise?
It's better to have two people as leaders than one. This leaves each free to concentrate on a distinctive role. The facilitator actively leads the session, explaining how the exercise is done, and keeping the participants involved. This person may need to suggest examples, solve problems, and add energy. You may need to hire a consultant experienced with networking to perform this important task. The recorder tracks all the information that is generated. In a large or energetic group, two or more recorders may be needed to keep up. The recorders write down the name of every potential donor suggested, and the person who made the suggestion. Note any other information, too, such as a corporate connection, or a useful piece of personal information mentioned in passing. (Examples include, “His mother had a successful kidney transplant”, “Her daughter went to our day care”, “He always considered himself an actor when he was in school.”) Later, the recorder will type this neatly, check spellings, and distribute copies to all participants. Use flipcharts to capture the information during the Webbing Exercise, so everyone in the room can see the names and refer to the notes. Chalkboards or whiteboards are not as good because they can get too full, and then key information may be erased. It's also harder to use them when typing notes.

What supplies are needed?
Provide participants with:

- A pen or pencil (perhaps donated, with the supplier's logo on it)
- Work sheets for recording suggested names and linkages
- A personal Webbing form to be filled out before leaving (see samples at the end of this section)
- A surface to write on (table, desk, clipboard, notepad)
- Refreshments (during a break in the proceedings)
- Memory joggers:
    - donor or membership lists from your group
    - phone books (white and Yellow Pages, perhaps including some from other communities)

- *Who's Who*, *The Directory of Directors* and other listings of prominent people
- concert programs, annual reports and other documents from nonprofits which list their donors (it is preferable to get them from organizations like yours, but this is not essential)
- a random list of well known people from all circles.

Provide the facilitator with flipcharts and marking pens. You should also make up small signs or flyers identifying areas where names of people can be found, such as Friends, Neighbors, Place of Worship, Service Clubs, Professions, Associates, Businesses, etc. (see the list at the end of this section).

Provide the recorder with the materials to record suggested names and the names of the persons who suggested them in an orderly manner. This is usually done on flipcharts, in group sessions.

How to Spin the Web
The facilitator should introduce her/himself and the recorder, as well as any other participants who should be known to the group. If the facilitator is from outside the organization, he or she should be introduced by someone appropriate.
With a small number of people, have everybody introduce themselves to the whole group. With a larger group, have them introduce themselves to the person on both their right and their left. Have them identify their connection to your organization and their `other' life, *ie*, job, clubs. If everybody already knows each other, have them reveal a new fact about their personal connections, such as where they grew up, went to school, or previously worked. Keep introductions short, but remember that they are important to the interaction. The facilitator then explains the purpose of the evening and the format.

Using Preliminary Exercises to Build the Group's Openness
If the group is not ready for comfortable communication, the facilitator can lead an opening warm-up exercise. This is optional. Be careful that warm-up exercises don't take too long or distract people from the main activity.

Ice-breaking exercises include:
Celebration: Ask people to complete this phrase: "One of the wonderful things about our group which might make someone want to donate is…"
Ask the participants to speak their thoughts out loud. This will stimulate others and loosen up everyone for the next stage of the process. Be sure to record the best comments and most interesting thoughts for possible use in a future document, such as a Case for Support.

Connections: Ask people to identify themselves based on common connections. For example, you might group them based on length of involvement in the organization (perhaps arrayed as less than a year, 1 to 3 years, 3 to 5 years, 5 to 10 years, longer than 10 years), or on people's outside interests (particular sports, types of art or music, hobbies). Keep it relevant to your organization. Don't risk sensitive subjects, at least not at first. Ask people to physically move into groups, in different parts of the room. When people are in their groups, they should introduce themselves to others and share relevant information.

Stimulating Ideas by Suggesting Possible Connections
Once everyone is ready to proceed, the facilitator should ask the group to come up with the names of people they know who might be able to contribute to the organization, as either a donor or a volunteer (preferably both). Use a list of categories (such as the ones at the end of this section) to spark ideas. You may wish to add new categories or remove some to make this fit your unique situation. Remind everyone to name people with whom they have direct connections, not just names that participants have heard in the news. It may also be necessary to remind people to focus on individuals who could give — not corporations, foundations or other institutions. Ask people to note their connections out loud, to spark ideas in others. Remind everyone to write down any names that occur. Don't trust anyone's memory. Call out the first category, and ask if that suggests any possible donors. Move on to the next.

If most people have thought of one or two names after the first category, move directly to the working pairs. If people need more help, the facilitator should take the group through more categories. The list of categories at the end of this section is designed to spark connections in the minds of the people doing the Webbing Exercise. You may find it helpful to print each category separately on its own sheet of paper or cardboard. This will help keep people's attention focused on that category. Print in letters large enough to be read easily across the room.

Working in Pairs
Ask people to arrange their seating into working pairs. Give the duos approximately half an hour to work together drawing out each other's connections/ contacts. Each person records the other person's suggested names on the working forms provided. Encourage them to stimulate their memories with the categories listed at the end of this section. Ask them to share the 30 minutes equally if possible. Call for roles to switch at 15 minutes. The facilitator should move around the room helping those duos who are not doing as well as the others. At the conclusion of the half-hour, have a break before resuming the group session.

Group Webbing
After the break, ask participants to share the names the working pairs have identified. The recorder(s) track both the suggested names and the name of the suggester (for future followup) on the flipcharts so it's easy to preserve the notes. In addition, track the nature and extent of the actual link. Is the prospect one of the volunteer's closest friends, or have they barely met? If more than one person suggests the same name, note both suggesters. Ask which one knows the prospect better. Should they go together? Encourage people to interrupt by calling out any additional names they may recall as the process continues. Tell them not to wait politely, or it might be forgotten. Make sure, however, that a few people don't dominate, shutting out valuable contributions from quieter people. If not enough quality names are coming forward, offer additional memory aids, such as

phone books or a random list of prominent individuals. These may spark ideas. For example, scanning the listings for accountants, doctors or dentists (and so on) may reveal potential donors. Lateral thinking may draw connections from seemingly unrelated ideas.

The Hook-and-Ladder Squad

If the group has few direct connections with prospective major donors, they may be able to build them indirectly. This is called the Hook-and-Ladder Squad because it looks first for a hook — why might someone be interested? — and then builds a ladder up to them. The connections may be remote at first, but often one person knows another who knows a third. Ask who has the best reputation for generosity in your community? Who is known to give to other causes? Do you know anyone who knows them? Ask if anyone knows a self-employed accountant who might be supportive of your work. Research shows self-employed accountants to be the most generous single professional group. They "give a higher percentage (of their income) than any of medical doctors, dentists or lawyers although the average income of accountants is lower than that in any of the three other professions mentioned." Ask if anyone knows a farmer. "Farmers, with an average income just under the national average of all taxpayers, averaged 1.83 percent (of their income given to charities) compared with a national average of 0.66 percent," according to the same report. By comparison, "employees of business, who had an average income of $25,167, very close to the national average, gave an average of only 0.44 percent compared with the national average donation percentage of 0.66 percent." Ask if anyone knows someone in the insurance business. Every person in the room should raise a hand. If not, ask how many have insurance. Ask if any feel their insurance agents could give, volunteer, or lead to other prospects. Ask if anyone knows a banker. Again, every one should put up a hand. If not ask "How many of you have bank accounts, mortgages or loans? Now, how many know a banker?" Could their bankers be helpful? Ask if anyone knows someone in the auto industry or the gasoline and oil industry. How many own cars and buy gas? Do they know the name of the person who owns the service station they use most often? Could they strike up a conversation next time they fill up? Who sold them their cars? Do they know anyone who is a bit more influential in this industry because they own a fleet (even a small one) of cars, taxis, or trucks? HINT: In small communities, consider the city works department as a lead. Do they know anyone in the restaurant and hospitality industry? If not, could they get to know the person who owns or manages some of the nearby fast-food franchises, taverns or hotels? Could their doctor, dentist, pharmacist, lawyer or accountant help them meet others? Where do they work now? Where did they work previously? Could they help make a connection to people in the company, its customers, suppliers, owners, employees, union members and so on? Who are the richest people in town? They may not be millionaires — just richer than others. Do you know anyone who knows them? Caution: just because someone is rich does not mean they give to charity. Still, if you have contacts with wealthy people, you should note them. Be careful that this Hook-and-Ladder Squad exercise doesn't sidetrack the discussion. Remember to stay focused on major individual prospects. It's easy to start slipping into talk of businesses, foundations and other institutional donors. While that information may be valuable, the grant applications and other techniques required to succeed with them are different, and are a subject for another book.

Identifying Each Person's Five Best Prospects

Before the time runs out, ask if they can each identify at least five people they personally feel best about approaching. Then ask the group as a whole to identify the five overall top-priority people for follow-up. Remind them not to make contacts yet. Further research is required, as well as a training session on how to ask.

Wrapping Up

Collect everyone's Webbing Exercise forms. Promise to circulate a copy of the notes from the session to everyone for corrections and amendments. Ask for an evaluation of the session. Then thank everyone, and remind them how valuable this list will be.

Follow-Up

As soon as possible, type up the notes for the evening. Capture as much information as possible, including the connections between the suggesters and the people suggested. This list will be used in the prospect research phase, which comes up soon. Record all names, both suggested names and suggester names. Record them with the surnames first, so that a computer can sort them alphabetically. Track the links to your contacts as well as the names stimulated by your Webbing. Send everyone a note of thanks for participating and encourage them to continue to feed in names that come to mind after the actual session. Consider the results of the Webbing Exercise to be an important resource, and make sure it is used. The next step is to compile the list of the prospects' names. If you have enough for now, you can skip the next step.

Forms for The Webbing Exercise

The following pages provide several forms that you may find useful in running your own Webbing Exercise. Ask people to fill them out in the group. Don't mail them out and ask people to fill them in and send them back. Without the group stimulus, people at home may have trouble coming up with the connections. They also may not get around to it. For the same reasons, don't have people take them home and mail them back to you later. They may never do it, despite good intentions.

The Webbing Exercise

Key Questions Reveal Connections

To jog your memory, here are some categories of people you know who might be potential donors. This isn't a complete list — just a memory aid. Fill in names in as many of these categories as possible. Look for one or more names in each group. Write the names down — don't trust your memory! Say them out loud — you might spark an idea for someone else!

Categories of Potential Donors (to Spark Ideas)
Participants may have met prospective donors through…
Accountants
Self-Employed
Medicine
Association Members
Neighbors
Automotive Industry Oil and Gas
Banks
Older People
Beverage Industry
People You Met:
Big Companies
Clients or Customers
Politicians
Companies I know
Pharmaceuticals
Places of Worship
Printing
Clubs (e.g. Women, Arts, Health)
Professions
Colleagues
Publishing
Community Leaders
Real Estate
Doctors
Religious People
Dentists
Retailers
Donors to This Group Seniors
Donors to Other Groups Service Clubs
Employers (Past/Present)
School Friends
Entertainment Industry

Social Circles
Family Sports
Farmers Suppliers
Food Distributors/Producers
Foundations
This nonprofit
Friends
Hospitality Industry
Textiles
Insurance
Transport
Land Developers
Trust Companies
Law
Unions
Local Businesses University-Educated
Media
Volunteers

The Webbing Exercise Possible Prospects
C O N F I D E N T I A L

Your Name:
I/my spouse/kids/parents/siblings/in-laws/friends know someone who might donate generously who…

Type of Contact Name(s)
- [ ] is a millionaire*
- [ ] earns $50,000 a year or more
- [ ] is very generous to charity
- [ ] bought nonprofit tickets from me/us
- [ ] was supported by me/us in a fundraising "thon"
- [ ] asked me/us to donate to a nonprofit (and I/we did)
- [ ] is very religious
- [ ] belongs to associations or social, sport or service clubs
- [ ] is an active volunteer
- [ ] went to university with me/us/family/ friends
- [ ] went to school (any level) with me/us /family/friends
- [ ] lives (or used to live) near me/us
- [ ] works with or near me/us
- [ ] is a business customer
- [ ] is a supplier
- [ ] exchanges baby-sitting
- [ ] car pool
- [ ] had a meal with me/us
- [ ] play sports with me/us
- [ ] go on vacation with or near to me/us
- [ ] is a friend
- [ ] did a favor for someone
- [ ] received a favor from me/us
- [ ] I/we met (on a plane, at a party, in a meeting, shopping)
- [ ] is an accountant
- [ ] is a doctor
- [ ] is a dentist
- [ ] is a farmer
- [ ] is a lawyer
- [ ] is a real estate agent
- [ ] is a pharmacist
- [ ] is a restaurateur
- [ ] owns a business
- [ ] is a corporate executive
- [ ] is a retired owner, executive or manager
- [ ] is new in our community
- [ ] Others:

The Webbing Exercise Information Form
C O N F I D E N T I A L

Use this form to jog your mind about potential contacts. This helps us find out where there are connections. Please share information about yourself, also. As opportunities emerge, this will make it possible to match you with prospects based on interests, work, clubs, school, and even religion and politics. Because some of this information is personal, we pledge to abide by the following rules of confidentiality and privacy.

1. No one you name will be contacted without your knowledge and permission.
2. No names or information will be shared outside this group, either with other nonprofit groups or with businesses.
3. No lists of prospects will be distributed inside this group, beyond those who need to know. This will only include selected members of the Fundraising Task Force, the relevant staff person, and the consultant (if appropriate).
4. No information about you will be shared with anyone who does not need to know. This will include only selected members of the Fundraising Task Force and the relevant staff person. If you still do not wish to include certain information, please skip that question, but complete the rest of the form. If you wish to share information, but only under additional conditions, please let us know.

Thank you for your cooperation!

Your name:
Experience
Have you ever helped any nonprofit group get a gift of over $500? ☐Yes ☐No If yes, please describe:

Contacts:

Please list five or more people, companies or organizations you think can afford to make a large gift to your organization. These could be new ideas, or names from the master prospect list.

People I/someone could ask

Comments about who they are or what would interest them:

How much to ask for:

Community Groups and Clubs

To what community groups, service clubs or social clubs do you belong?
☐This is confidential information which I am not prepared to reveal now.
☐ I don't belong to any.
☐ I belong to:
Club/Group Years Active Connection?

School
What schools/universities did you attend? What years? Are you active in their alumni associations?
School Years Active Connection?

Work
Where do you work now? Where have you worked in the past, and in what years?
Workplace Years Job Title

Business Connections
Are you, your spouse, family or friends connected to any corporations or other organizations, particularly those that support nonprofit groups? Which ones? How are you connected?
☐ No connections.
☐This is confidential information which I am not prepared to reveal now.
☐ I have the following connections:

Religion
Are you religious? Do you belong to a particular congregation? Which one? (This may be useful if we need to match prospects with people of the same religion, denomination or place of worship.)
☐ This is confidential information which I am not prepared to reveal now.
☐Not religious.
☐My religion is:
☐I worship at:
☐Other religious connections (spouse, family, etc.):

Politics
Are you active in politics? (This may be useful if we need to match prospects with people of thesame politics.)
☐ This is confidential information which I am not prepared to reveal now.
☐Not politically active.
☐ My political involvement(s):
Which levels?

☐ National
☐ State
☐ Local

Additional Comments:

Thank you for this information. It will be kept confidential.

Sample Letters

Abdersholden, Sue
NAMI Minnesota

July 10, 2006

Dear Friend of NAMI:

Transforming the mental health system. That's a phrase that is being kicked around a lot on the state and national level. But what does it mean? What impact will it have on my life or your life? Will it ever happen?

Transformation is really about a dream. A dream where mental illnesses are treated just like other illnesses. A dream where recovery is possible because there are services and supports available. A dream where children with a mental illness are successful and accepted in schools. A dream where adults with a mental illness have stable affordable housing and a job. Our dreams are important.

Dreams are the seeds of change. Nothing ever grows without a seed, and nothing ever changes without a dream.
Debby Boone

NAMI is working hard to make your dreams come true. We take the dreams and grow a movement around them. During the past year, NAMI didn't just dream about ending stigma, we took steps to educate people about mental illness by producing two videos, putting up billboards and contacting reporters. We didn't just dream about having family members being involved in the care of their loved one, we passed legislation to make clear it that families are important members of the recovery team. We didn't just dream that people had the information they need to face this illness, we provided classes and support groups around the state.

We are dreamers…and doers. We know that "***the true meaning of life is to plant trees under whose shade you do not expect to sit***." Our dreams lead our work, if not for our families today, then for those families who will be affected by mental illness in the future.

Making dreams a reality takes resources. NAMI needs your help to plant those seeds of change, to transform the mental health system. Twice a year we appeal to our members to make a gift in addition to their membership fees. Your gift will help us dream and act – act on the criminal justice system, the long wait times in emergency rooms, the lack of community services and the need for information and support. Please send a donation to NAMI today – any gift large or small – will help. Thank you.

Sincerely,

Eileen Stack — Sue Abderholden
President — Executive Director

P.S. Please respond today! Help make our dreams come true.

I haven't a clue as to how my story will end. But that's all right.
When you set out on a journey and night covers the road, you don't conclude that the road has vanished. And how else could we discover the stars?
Unknown

June 28, 2007

Dear ,

Do you remember when you first found out that you or a loved one had a mental illness? I remember feeling scared and alone. Even with the written information that was provided to me, I felt as if I was wandering by myself without a map or navigational instruments.

Once I found NAMI I knew that I did not need to travel the journey alone. Together, we are on our journey. Whether it's through a support group, a class or a kind and helpful voice on the other end of the phone, through NAMI you have someone to travel on this journey with you.

Together we are reducing stigma. NAMI has worked with editorial boards, radio and television stations and reporters to inform the public on mental health issues. Ads, billboards and the NAMI videos continue to remind people that mental illnesses are biological brain disorders and are treatable.

Together we are transforming the mental health system. During the election season NAMI educated its members and candidates. NAMI collaborated with other organizations to pass one of the largest investments in Minnesota's mental health system. NAMI members testified, called legislators and came to the capitol. It was easy to spot a NAMI member wearing a button that read "the time to invest in mental health is now!" And we were successful. Over $37 million dollars – in new funding – was passed, thus greatly increasing access to mental health services.

Together we are providing people with hope on their journey. Every day someone volunteers in the NAMI office, giving their time and energy to help others. Every week there is a support group or a class taking place, providing people with valuable information and hope for recovery. Every day information is mailed out or downloaded from the NAMI website reassuring people that recovery is possible.

We are writing today to ask that you support NAMI on its own journey. During the upcoming months NAMI is seeking to expand its services throughout the state, to reach out to even more people. NAMI is also seeking to broaden its reach to people from different cultures, to the elderly and to our returning veterans and their families. Please give generously to NAMI's summer appeal. We are together on this journey and have many miles in front of us before our story will end.

Sincerely,

Sue Abderholden
Executive Director

P.S. Raise awareness about mental illness by supporting the NAMIWALK on September 29th as a walker, donor or sponsor. Go to www.nami.org and click on NAMIWALKS and Minnesota.

July 3, 2005

Dear ,

Touching hearts. Healing minds. Connecting people. That's what NAMI-MN does. NAMI knows that the stigma surrounding mental illness isolates children and adults whose lives have been touched by mental illness, leaving them alone, without hope.

Touching hearts. When people call the NAMI office for information, attend an education class or join a support group their hearts are touched by the comforting words of understanding, hope and encouragement. Through learning about mental illness, the services available, and how to cope – people are given hope. Hope fuels our hearts. Deb, one of the thousands of people who contact the NAMI office every year wrote to say "thank you so much for responding to our call for help…you have touched my heart."

Healing minds. Recovery is possible; but treatment and services must be available and affordable. NAMI informs people of evidence based practices and new research. NAMI brings information to people about the service system and where to go. Advocating at the legislature, through the Mental Health Action Group and to the various state departments NAMI seeks increased funding for services that work and to create a seamless understandable system for both children and adults.

Connecting people. After attending NAMI's new one education class for family members that was held in northern Minnesota, a woman approached the teacher and said "thank you - I thought I was the only one." Breaking the isolation by bringing people together is powerful. People support each other, share information, find understanding and instill hope in each other. NAMI connects people through its classes, groups, conferences and other activities.

Touching hearts. Healing minds. Connecting people. This is what NAMI is about. We need your support to continue to do this. Twice a year we ask our members and supporters to donate to NAMI in addition to your membership dues. This support enables NAMI to provide education, support and advocacy. Last year you donated $___ to the summer appeal. Please consider increasing your gift to $___.

Thank you for your support and for all you do to carry out NAMI's mission.

Sincerely,

Cathleen O'Leary
President

Sue Abderholden
Executive Director