A Foundation for Fundraising

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Learning Objectives

1. The fundamental components of resource development
2. Nonprofit revenue sources
3. Assessing organizational capacity for fundraising
4. Developing a fundraising plan
Fundamental Components of Resource Development

• WHAT IS THE DIFFERENCE BETWEEN RESOURCE DEVELOPMENT AND FUNDRAISING?

• THREE PILLARS OF RESOURCE DEVELOPMENT
  • People
  • Money
  • Image
Three Pillars of Resource Development

- Participation
- Support
- Understanding

Financial Stability:
Self Sufficient Organization
Able to Address Community Needs

People
Money
Image

Resource Development

High Quality Services in Support of the Mission
Nonprofit Revenue Sources

- Revenue Sources for Nonprofit Organizations
- Charitable Giving Statistics
- Charitable Giving by Category
Revenue Sources for Nonprofit Organizations, 2013

- Fees for Services and Goods from Private Sources: 47.5%
- Fees for Services and Goods from Government Sources: 24.5%
- Private Contributions: 13.3%
- Government Grants: 8.0%
- Investment Income: 4.8%
- Other Income: 1.9%

Source: Nonprofit Sector in Brief 2015, The Urban Institute
Charitable Giving Statistics in 2015

Breakout of Private Contributions

- Individuals: 13.3%
- Corporations
- Bequests
- Foundations

Source: National Philanthropic Trust
Charitable Giving by Category in 2015

Source: National Philanthropic Trust
Assessing Organizational Capacity for Fundraising

- BOARD OF DIRECTORS
- STAFF
- VOLUNTEERS
## Assessment of Organizational Capacity for Fundraising

<table>
<thead>
<tr>
<th>Self-Assessment Questions</th>
<th>Benchmarks</th>
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<tbody>
<tr>
<td>Do we have a clear purpose for the use funds?</td>
<td>• Commitment to mission</td>
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<tr>
<td>Do we have the capacity to deliver programs in support of our mission?</td>
<td>• Capable staff/volunteers</td>
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<td>Do we have the capacity to implement new fundraising strategies?</td>
<td>• High functioning board</td>
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<td>Do we have a history of financial support from various entities?</td>
<td>• Track record</td>
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<td>Do we have a favorable image in the community?</td>
<td>• Positive image</td>
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<td></td>
<td>• Effective marketing</td>
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Developing a Fundraising Plan

1. **COMPLETE OR REVIEW AN ORGANIZATIONAL SWOT ANALYSIS**
2. **DEVELOP A CASE STATEMENT FOR FUNDING**
3. **ESTABLISH FUNDRAISING GOALS**
4. **DEVELOP AN ACTION PLAN AND TIMELINE**
5. **IMPLEMENT THE FUNDRAISING PLAN**
6. **EVALUATE YOUR EFFORTS**
Why Develop a Fundraising Plan?

Your organization doesn’t undertake housing development without the necessary funding in place. You use a sources and uses budget to ensure your development projects will be successful.

A fundraising plan can serve a similar function for your organization.
1. Organizational SWOT Analysis

- Identify **Strengths**, **Weaknesses**, **Opportunities**, and **Threats**
- Seek to identify why your results are **Strengths**, **Weaknesses**, **Opportunities**, or **Threats**
- Conduct an internal assessment of staff as it relates to fundraising
- The board of directors should also conduct a self-assessment as it relates to fundraising
2. Develop a Case Statement for Funding

- Written document presenting your justification for financial support
- Include facts, mission and values, programs and services, accomplishments, resources, plans for the future, and financial details
- Optional - Identifying trends and community needs
- Provides cohesive messaging for board and staff
- Serves as a tool for proposal writing, speeches, press releases
- Be succinct or develop shorter and longer versions
3. Establish Fundraising Goals

- Identify the use(s) for funds raised
- Set dollar goals
- Identify other fundraising goals, such as:
  - Long term stability
  - One-time, high dollar gifts
  - Increased community exposure and support through combined marketing, outreach, and fundraising efforts
- Identify target audience (businesses, foundations, individuals)
- Consider organizational capacity for fundraising
4. Develop an Action Plan and Timeline

- Refine and research target audiences
- Identify strategies for cultivation
- Establish a timeline
- Make assignments for staff, board, and volunteers
- Establish a management plan
- Develop any policies related to the fundraising activity(s)
## 5. Implement the Fundraising Plan

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<tr>
<th>ACTIVITY</th>
<th>SPECIAL EVENT - $25,000 GOAL</th>
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<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td>Unrestricted income, build community support and donor list</td>
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<tr>
<td><strong>Target Audience</strong></td>
<td>Mailing list, community residents, and local businesses</td>
</tr>
<tr>
<td><strong>Cultivation Strategies</strong></td>
<td>Registration, ticket sales, onsite purchases, auction items</td>
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| **Timeline**           | March - Planning meeting to determine theme, activities, etc.  
                          | April-July - Subcommittee meetings 
                          | April – May – Develop marketing materials, secure space, finalize date 
                          | June – Marketing begins 
                          | September – Hold event, begin follow-up efforts, evaluation |
| **Assignments**        | Chairperson – Fundraising committee chair  
                          | Louisa – Staff coordination  
                          | Maria – Secure event space, activities, food, etc.  
                          | Fred and Rolf – PR and marketing materials and outreach  
                          | Fundraising Committee – Secure auction items and prizes |
| **Management Plan**    | Monthly report to staff coordinator and fundraising committee  
                          | Periodic subcommittee meetings |
6. Evaluate Your Efforts

- Identify successes and failures
- Identify things to improve or do differently
- Amend policies, as needed
- Survey staff, board, and volunteers
Materials from today’s webinar and the recording will be available on HAC’s website.

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