



Most Things You'd Like to Know about Fundraising

Part I: What is Fundraising?
Where Does the Money Come From?
Where Does it Go?



Housekeeping

- We are recording this!
- Please mute your mic and stay muted unless you would like to make a comment or ask a question at the end.
- Feel free to type questions into the chat box anytime.
 - We'll address these during the Q and A at the end.
- For those joining by phone, you can mute/unmute yourself by hitting “*6.”

Power Up Your Pantry

Power Up Your Pantry is a University of Missouri program intended for food pantries and other hunger relief groups looking for ways to enhance their current operations and better meet the needs of the people they serve.

Connect with us!

Website: foodsecurity.missouri.edu/power-up/

Facebook: <https://www.facebook.com/powerupyourpantry/>



Interdisciplinary Center
for Food Security



New Chapter Coaching, LLC

Our mission is to build a better world by increasing the effectiveness of nonprofit leaders and the impact of the organization they serve.

Our core services:

- Leadership Coaching
- Strategic Planning
- Strengths-Based Team Building
- Leadership Roundtables
- Executive Transition Management
- Facilitation of Retreats & Meetings
- Organizational Capacity Building Assessments



Jessica Macy
Senior Associate

What are our objectives?



Define
fundraising and
its necessity



Determine who
does
fundraising



Identify the four
sources of
philanthropic
giving



Recognize where
philanthropic
dollars are
invested



I give because . . .



The top ten answers

... (generally) why people give

1. People feel a connection to the organization.
2. People give because they are asked.
3. People give to make a difference.
4. People give to people.
5. People give to opportunities, not needs.
6. People give to support success, not distress.
7. People give to share their good fortune.
8. People give for tax reasons.
9. People give for recognition.
10. People give to fund a personal interest.





Why people DON'T give

- They were not asked to give
- The organization's mission was not compelling
- Solicitation is infrequent or poorly communicated
- They never feel wanted or needed
- They receive no direct, personalized appeal
- They don't see how their gift would make a difference – IMPACT
- They gave an unacknowledged gift in the past
- The timing wasn't right

POP QUIZ



What percent of households give to charity?

- A. 17%
- B. 33%
- C. 81%
- D. 67%

Defining fundraising



the raising of assets and resources
from various sources for the
support of an organization or a
specific project.

- *The Association of Fundraising Professionals Fundraising Dictionary Online*



Why do we **HAVE TO** fundraise?

Fundraising is **NECESSARY**. It ensures that you have resources to:

- deliver your mission
 - hire capable leadership and retain employees
 - increase your impact of the programs and service to people you serve
 - serve more people in need
- create sustainable future
 - build internal capacity (computer, facilities)
 - create long-term relationships with donors



What do you need to do fundraising?

1. A reason – the mission
2. *A person – the asker*

*Adapted from New Chapter Coaching Strategic Partner
Jaime Freidrichs*

POP QUIZ



If the board is an activist or working board, they should not be expected to raise money.

A. TRUE

B. FALSE

THINK

Fundraising

IT'S EVERYONE'S JOB



Who is the person?

Fundraising is a ***combined effort*** between:

- The executive director and development director if applicable.
- All board members and development committee if applicable.



Who is the person?

The board is ultimately responsible for the life and well being of the organization, including income.

Where does the money come from?

For the first time ever, charitable giving exceeded the \$400 billion mark in 2017, spurred by growth from all four sources of giving.

\$410.02 billion

Where did the generosity come from?*

Giving by Individuals ↑ 5.2% **70%**
\$286.65 billion

increased 5.2 percent (3.0 percent when inflation-adjusted) over 2016

Giving by Foundations ↑ 6.0% **16%**
\$66.90 billion

increased 6.0 percent (3.8 percent when inflation-adjusted) over 2016

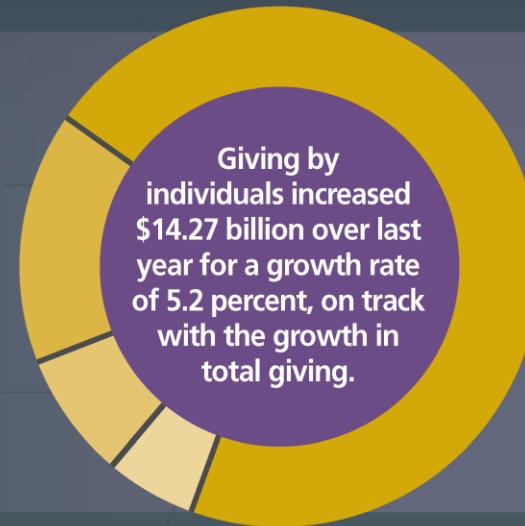
Giving by Bequest ↑ 2.3% **9%**
\$35.70 billion

increased 2.3 percent (0.2 percent when inflation-adjusted) over 2016

Giving by Corporations ↑ 8.0% **5%**
\$20.77 billion

increased 8.0 percent (5.7 percent when inflation-adjusted) over 2016

Contributions by source
(by percentage of the total)



Giving by individuals increased \$14.27 billion over last year for a growth rate of 5.2 percent, on track with the growth in total giving.

Visit www.GivingUSA.org to learn more and to order your copy of *Giving USA 2018: The Annual Report on Philanthropy for the Year 2017*.



Four sources of giving

- 1. Individuals**
- 2. Foundations**
- 3. Corporations**
- 4. Bequests**

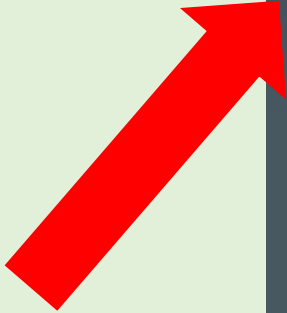
Is there anything missing or would you add something?

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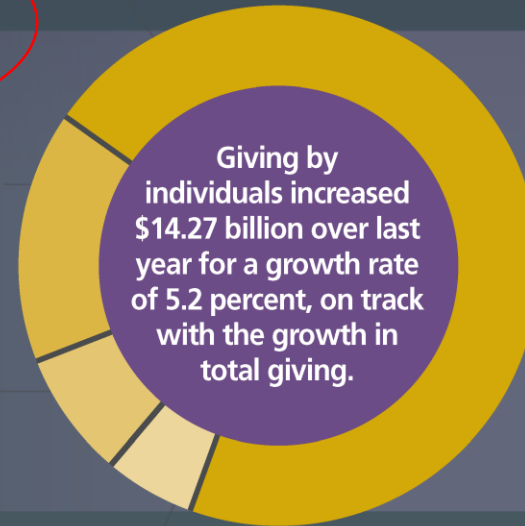
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How do individuals give?

- Fees for users of services
- Face-to-face solicitation
- Telephone solicitation
- Direct mail
- Text to give
- In-kind solicitations
- Bequests
- Planned giving
- Online giving
 - Electronic Funds Transfer
- Special events
- Workplace campaigns
- Social media
- Stock gifts
- Matching gifts
- Giving clubs

Facts about web donors

- Average gift is 5 times that of direct mail
- Responsive in direct mail as well
- Many times new to an organization
- Easy to set up a Paypal account and add a donation button to your website!





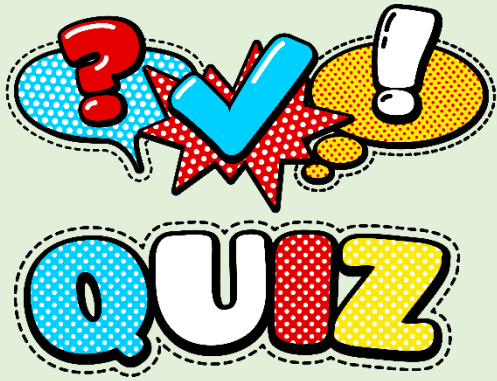
Facts about web donors

Eighty-one percent (81%) of households contributed when asked.

In each of the six surveys, respondents who were asked to give by someone they knew well were twice as likely to contribute if they were asked than if they were not.

http://www.independentsector.org/GandV/s_impo.htm

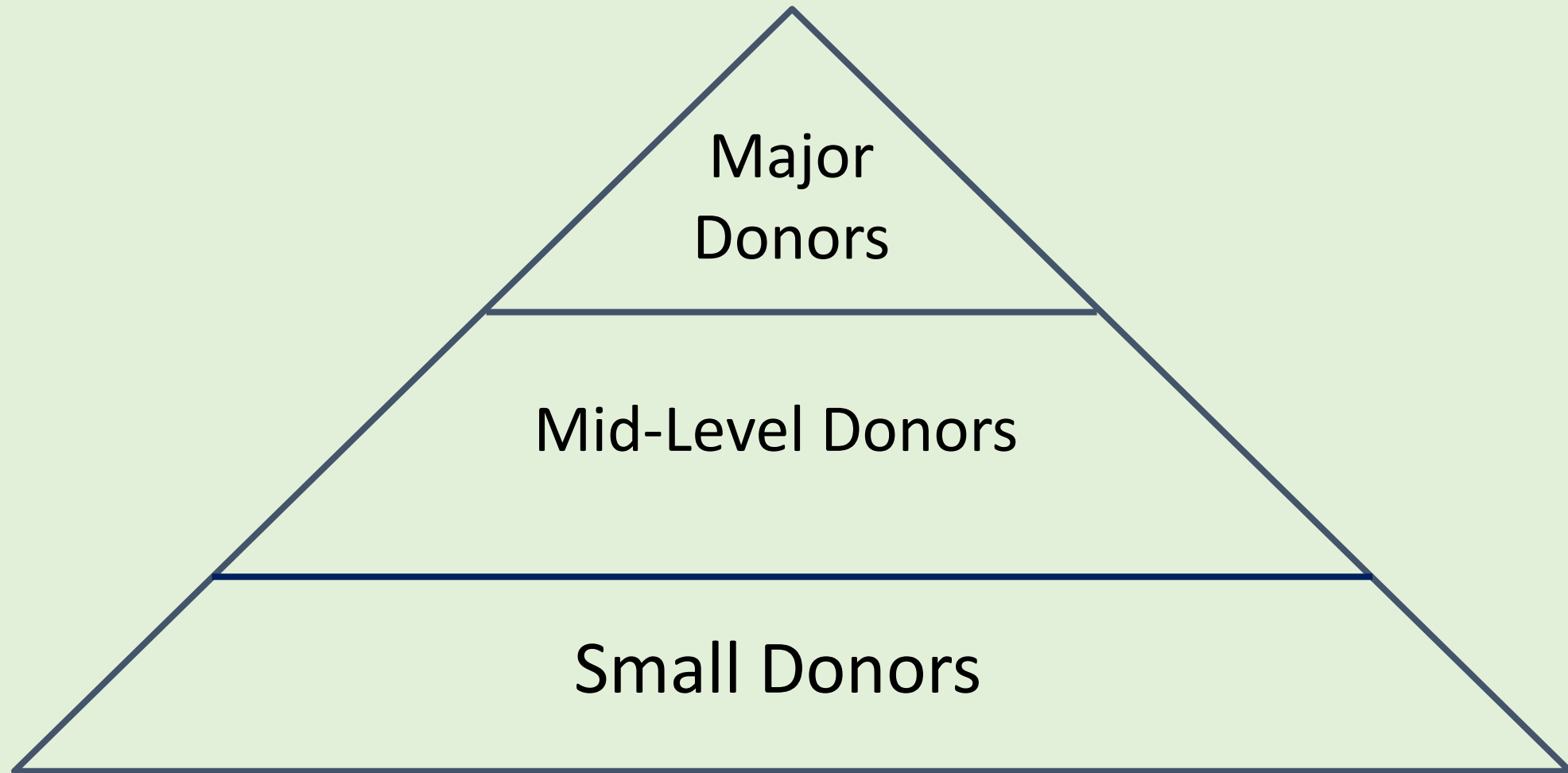
POP QUIZ



How much is a lot of money?

- A. \$500
- B. \$5,000
- C. \$10,000
- D. More than \$10,000
- E. Any amount is a lot

Individual Donor Pyramid



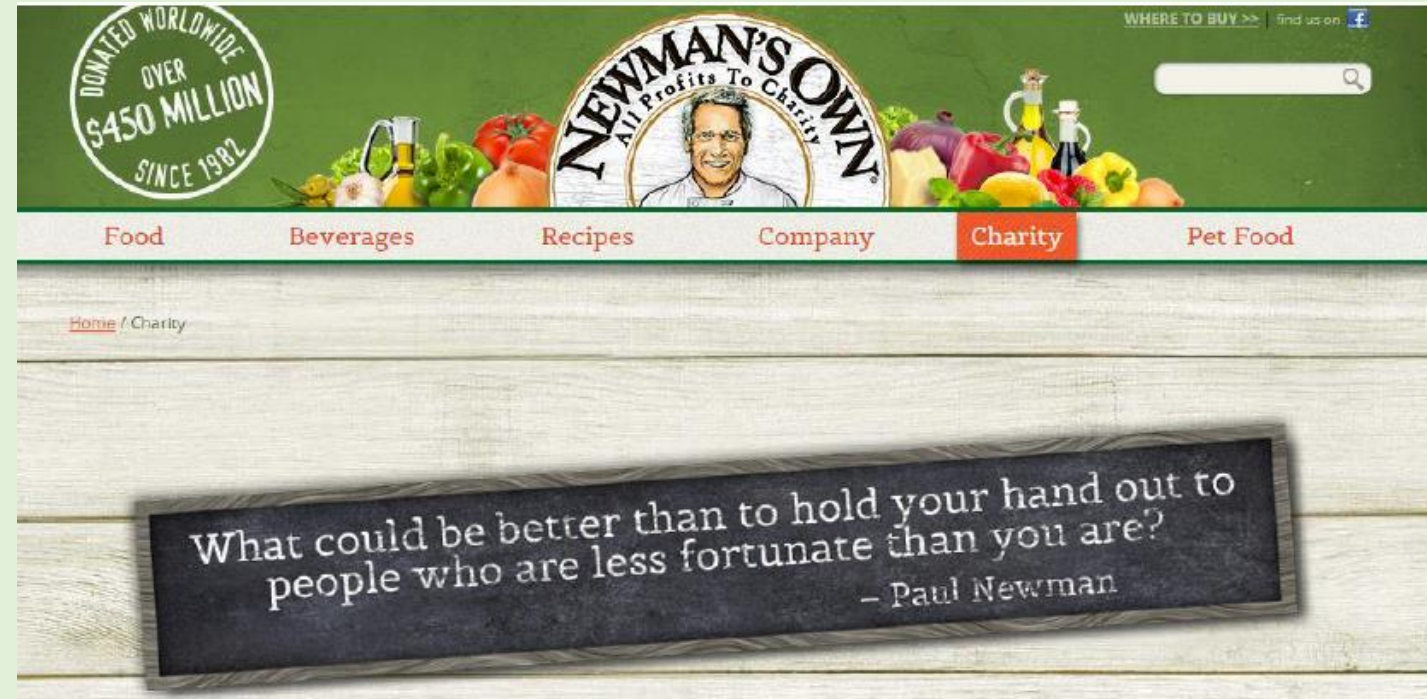


Foundations -- 16%

- Only requires to pay out 5% of funds
- Usually grant application based
- Heavy on programmatic funding

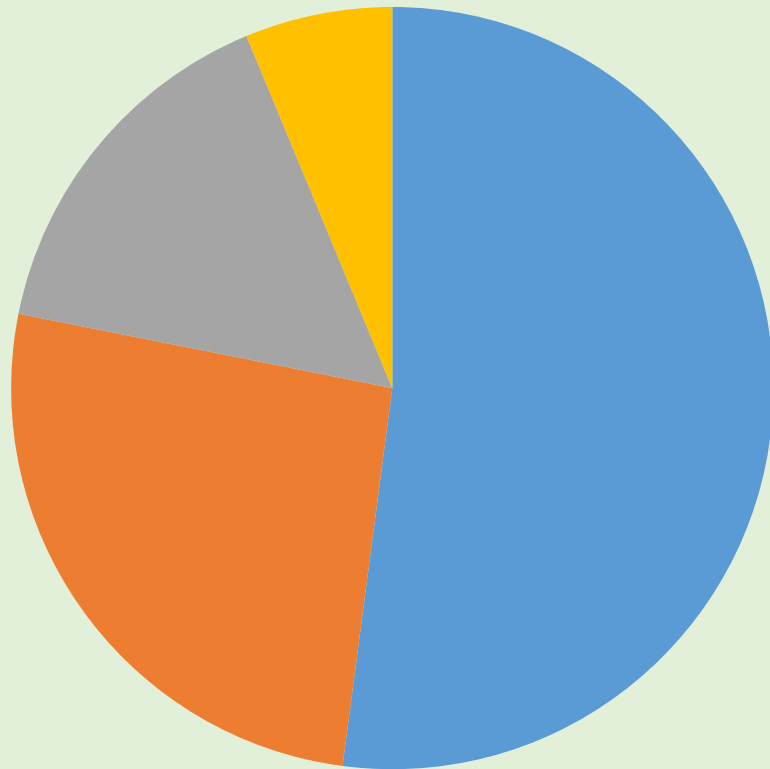
Corporations -- 5%

- Outright cash (corporate budget)
- In-kind donations
- Marketing co-ventures
- Company foundations



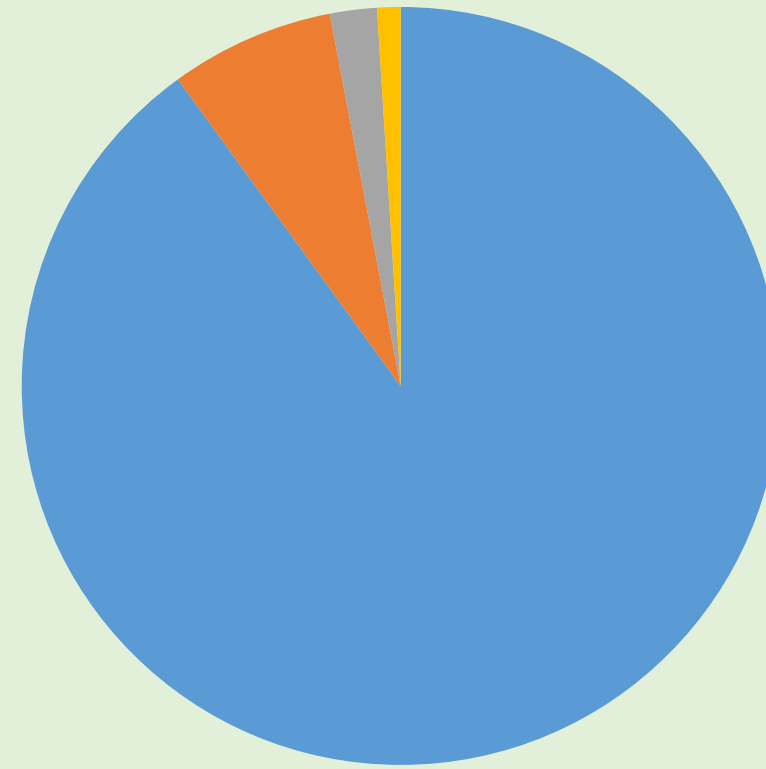
What does your pie look like?

Org A



- Individuals
- Grants
- Govt
- Other

Org B



- Govt
- Individuals
- Grants
- Other

| Source | Last Year's Income | % | Last Year's Expense | % | Curent Year Income | % | Current Year Expense | % |
|--|-----------------------|----------------|------------------------|----------------|-----------------------|---|-------------------------|---|
| Individuals - Total | | | | | | | | |
| Amount | \$10,000.00 | 50.00% | \$1,545.00 | 17.08% | | | | |
| Amount from Direct Mail | \$500.00 | 2.50% | \$500.00 | 5.53% | | | | |
| Amount from Events | \$5,000.00 | 25.00% | \$1,000.00 | 11.06% | | | | |
| Amount From Online | \$200.00 | 1.00% | \$45.00 | 0.50% | | | | |
| Major Gifts (\$500 and up) | \$1,500.00 | 7.50% | \$0.00 | 0.00% | | | | |
| Misc. or Other | \$2,800.00 | 14.00% | \$0.00 | 0.00% | | | | |
| Bequests - Total Amount | \$0.00 | 0.00% | \$0.00 | 0.00% | | | | |
| Governemnt Funding - Total Amount | \$0.00 | | \$0.00 | 0.00% | | | | |
| Corporations - Total Amount | \$2,500.00 | 12.50% | \$0.00 | 0.00% | | | | |
| Foundations - Total Amount | \$7,500.00 | 37.50% | \$7,500.00 | 82.92% | | | | |
| Grant - for cooler | \$5,000.00 | 25.00% | \$5,000.00 | 55.28% | | | | |
| Grant - for produce | \$2,500.00 | 12.50% | \$2,500.00 | 27.64% | | | | |
| TOTAL | \$20,000.00 | 100.00% | \$9,045.00 | 100.00% | | | | |

Where does the money go?



Pop Quiz

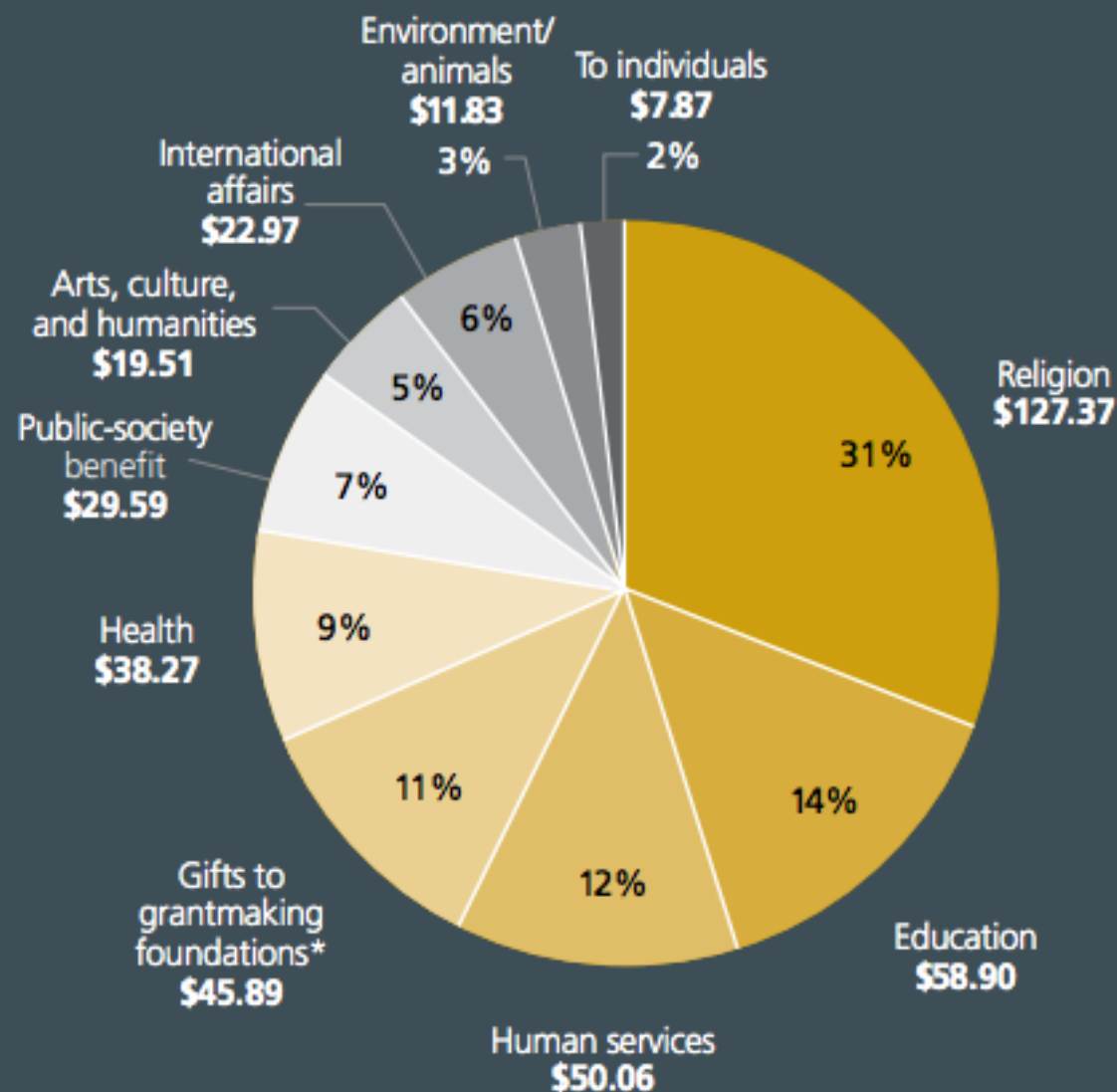


What are the top two categories for charitable giving?

- A. Educational
- B. Arts
- C. Human services
- D. Religious
- E. Health-related
- F. Environmental

2017 contributions: \$410.02 billion by type of recipient organization

(in billions of dollars—all figures are rounded)



* Estimate developed jointly by the Foundation Center and Giving USA



Question

Does anything surprise you about that graphic?

Fundraising secrets of success

To succeed in fundraising, you must:

1. Know the mission of the organization
2. Know what you are asking for
3. Know why you are asking
4. AND ... but there is more to asking than you think! STAY TUNED ...



**In the next webinar
you will learn about
the donor cycle and
how to build an ask!**



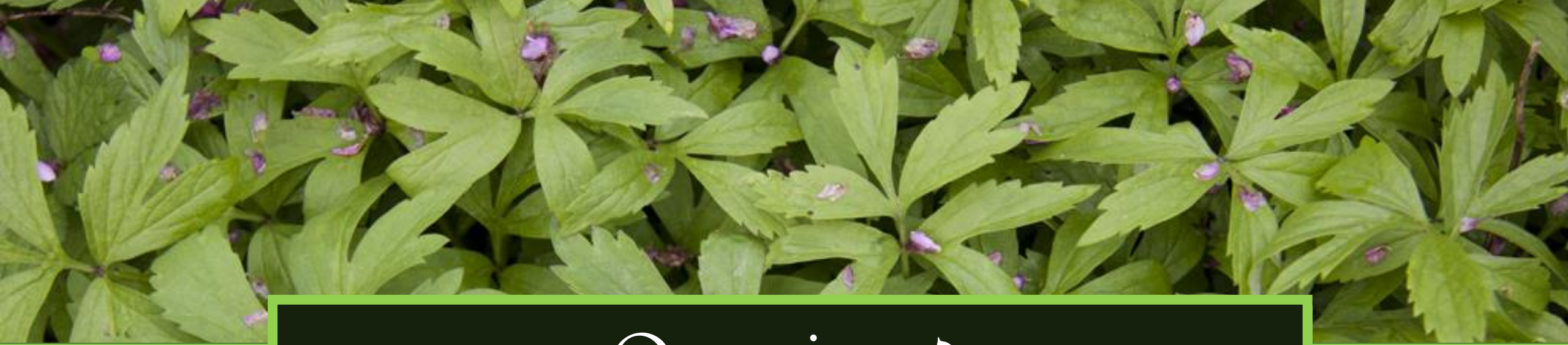
Never forget ...

**Fundraising is not about money;
it is about giving people
the chance to change the world.**



Resources

- Giving USA 2018
- Independent Sector
- Foundation Center
- Grant Space
- Association of Fund Raising Professionals
- Board Source
- Council for Nonprofits



Questions?



Next in the series...

- Wednesday, January 30: There Is A Method To The Madness – The Donor Cycle
- Wednesday, February 13: Fighting The Fear – How To Ask And Make A Donor Visit
- Wednesday, February 27: The Power Of Words – How To Craft A Good Fund Raising Letter And Thank You Letters
- Wednesday, March 13: It Takes More Than One Person - How To Engage Board And Other Volunteers In Fund Raising and How to Effectively Track Donors

Thank you for joining us!

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CONTACT US FOR QUESTIONS OR INPUT. WE APPRECIATE THE FEEDBACK!

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Interdisciplinary Center
for Food Security