New York City
Charter School Center

Development – foundation, fundamentals and best practice – an overview

January 16, 2018
INTRODUCTION

Agenda in Brief

• Housekeeping
• Introductions
• It all begins with the mission
• Fundraising requires a strong board that knows its role and lives up to its responsibilities
• Fundraising – critical elements
• Wrap up
Your mission is your north star

- Tell us a story of a time when you knew that was fulfilling its mission.
- Or, tell us why this matters to you.
- Your story should capture the essence of the mission and why it matters.
- But even if you are telling us about why it matters to you, make the story about the mission, about accomplishments.
THE ROLE OF THE BOARD
WHY DO YOU HAVE A SEAT AT THE TABLE?
What is the job?

“Boards exist to assure that through the work of the charitable organization, someone’s dream of a better life might come true.”

M. Kent Stroman, The Intentional Board
The role of the board
Responsibilities

1. Determine mission and purpose
2. Select the chief executive
3. Support and evaluate the chief executive
4. Ensure effective planning
5. Monitor and strengthen programs and service
6. Ensure adequate financial resources
7. Protect assets and provide financial oversight
8. Build a competent board
9. Ensure legal and ethical integrity
10. Enhance the organizations public standing

Thanks to BoardSurce
They excel at providing three critical functions

• Oversight,
• Insight,
• Foresight.

Tamara Patton
THE ROLE OF THE BOARD
GOVERNANCE
I love the Governance Function and so should you!

Great boards are built, they don’t come about by accident. I like to think of it as akin to making a hire. Is this the right person for the right job at the right time?

✓ Assess what you have
✓ Assess what you need
✓ Do a board evaluation
✓ Consider diversity – what does that mean for your organization?
✓ Be totally transparent about expectations
✓ Make sure there is a give and get expectation
✓ Make sure you have terms and term limits
✓ Meet with each board member once a year
  thank you
  future goals
  giving and getting
THE ROLE OF THE BOARD
FUNDRAISING
Fundraising – Who gives?

Source, Giving USA Foundation, 2016
In 2016, INDIVIDUAL DONORS drove the rise in philanthropic giving. And for only the sixth time in 40 years, all nine major philanthropy subsectors realized giving increases.

$390.05 billion

Where did the generosity come from?*

- **Giving by Individuals**
  - $281.86 billion
  - Increased 3.9 percent (2.6 percent when inflation-adjusted) over 2015

- **Giving by Foundations**
  - $59.23 billion
  - Was 3.5 percent (2.2 percent when inflation-adjusted) over 2015

- **Giving by Bequest**
  - $30.36 billion
  - Declined 9.0 percent (10.1 percent when inflation-adjusted) over 2015

- **Giving by Corporations**
  - $18.85 billion
  - Increased 3.5 percent (2.3 percent when inflation-adjusted) over 2015

*All figures on this infographic are reported in current dollars unless otherwise noted.

The single largest contributor to the growth in total giving was an increase of $10.53 billion in GIVING BY INDIVIDUALS—offsetting declines from bequest giving.

Where are all of the charitable dollars going? (as a percentage of the total)

- **Religion**
  - 32%
  - $122.94 billion

- **Education**
  - 15%
  - $59.77 billion

- **Human Services**
  - 12%
  - $46.80 billion

- **To Foundations**
  - 10%
  - $40.56 billion

- **Health**
  - 8%
  - $33.14 billion

- **Public-Society Benefit**
  - 8%
  - $29.89 billion

- **Arts, Culture, and Humanities**
  - 5%
  - $18.21 billion

- **International Affairs**
  - 6%
  - $22.03 billion

- **Environment/Animals**
  - 3%
  - $11.05 billion

- **To Individuals**
  - 2%
  - $7.12 billion

Giving USA Foundation, The Giving Institute, and the Indiana University Lilly Family School of Philanthropy are pleased to continue their partnership in providing the most comprehensive, longest-running, and most rigorously researched resource on U.S. charitable giving. Giving USA: The Annual Report on Philanthropy. It is a privilege to report on Americans’ generosity and related historical trends on U.S. charitable giving.

Ambassadorship and Networking – the bedrock of fundraising

Why is ambassadorship essential?
• You are offering people the opportunity to come closer
• All fundraising flows from this.

Best ways to talk about your schools

1. Features vs. Benefits (Impact)
   Thanks to Andy Robinson and Andrea Kihlstedt

2. Stories, Facts, Impact – find them, learn them, use them, keep collecting them.
Ambassadorship and Networking

Networking/Ambassadorship sometimes leads to the same anxieties as asking does.
  What will they ask of me in return
  Am I a compelling enough ambassador
  Will they be offended
  What else?

Remember – the worst case scenario is that it doesn’t work. Just let it go. Not everyone will be galvanized by your cause but with good practice you will learn quickly how to tell and I believe you will be pleasantly surprised at the number of people who will be interested. Even if it only results in a conversation, you have planted a seed.
It's ALL about your IMPACT!
Convey your VISION, MISSION, PURPOSE... CLEARLY, CONCISELY, COMPELLINGLY...

YOU GET MORE MONEY!!!

MORE, GREATER IMPACT

MORE MONEY EQUALS

Thanks to Tom Suddes, The Impact Group
FUNDRAISING

THE STEPS
Planning
Smart Goals – always use these for development
No magical thinking!!!!

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<th>Achievable</th>
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- What do you want to accomplish?
- How will you know? What will the data be?
- Is it within your power? You must look at your history, not just need.
- Does it align with and advance your mission?
- What is the timeline for the end goal and the steps along the way?
Raising money—
Yes you can

Parts of Raising Money

With thanks and apologies for the non-scientific rendering to Andrea Kihlstedt and Andy Robinson
Parts of a major gift meeting

The prospect is identified and the research is done. You know how they give, how much they give and you have a sense of why you might be a fit.

Getting the meeting

1. Be clear why you are calling or emailing—remember the ATM metaphor? Never, never lie. Are you coming to ask for a gift or advice?
2. Think carefully about where and when
How to ask for a major gift

First, prepare open-ended questions to ask your donor.

- We would love to learn a little about you and what issues are important to you, would you be willing to share that with us?
- What has guided your philanthropy?
- What do you know about xxx?
- We are so pleased that you agreed to meet with us, what questions can we answer?

Thanks to Gail Perry, Fired Up Fundraising.
How to ask for a major gift

How to phrase the ask

The gift range. What will happen if you ask for a gift between 5 and 10 thousand?

So, let’s try this.

Thanks to Amy Eisenstein
In the meeting

• Get your donor to talk about themselves and their giving before the ask – this is critical

• Psych yourself up – Empathy, Energy and Enthusiasm (Jerry Panas)

• *Make it a conversation* but try not to talk more than 25% and never more than 50%

• Make it all about the impact – “Donors give to the magic of an idea” – Jerry Panas

• The more specific the better – your ask directly effects impact on your children.
Here is a big one that most people forget!

Be prepared for their answer! After all, what are the possibilities?

You need to know what comes next for each. Think about it in advance.
Let’s Practice.
Retention- Why do you care?

• You have less than 2% chance of a gift from a brand new donor who doesn’t know you. (The cold call)

• You’ve got a 20-40% chance of a gift from a lapsed donor, and

• You have 60-70% chance of another gift or an upgraded gift from an active donor.
Retention – It is tough! It is critical! And we are, as a sector doing a lousy job at it.

Donor retention is, at the very least, as important as donor acquisition and it is less expensive. Thanks to Bloomerang for this slide.

**AVERAGE**  
46%

**FIRST-TIME**  
23%

**REPEAT**  
60%

**MONTHLY**  
90%
Thanks to Bloomerang for this slide
Retention - How do we do it?

It’s all about Stewardship

I WILL ALWAYS KEEP IN MIND THAT DONORS, NOT MONEY, ARE AT THE CENTER OF MY WORK.
Things that a charity wants to tell a donor:
- About our mission
- What our values are
- Why we need your money
- Why we think you should support us
- Our new approach
- How we believe
- Why we think we’re different
- How great we are
- We’ve been in the news

How we helped solve a problem:
- We’re on Facebook/Twitter

Things that a donor wants to hear from a charity:
- What you achieved with my money
- Why I made the right decision to support you
- That you value me
- That you think I’m special
- You’ll ask how I want you to communicate with me
- That you know why I give and what I care about
- That you’ve remembered what I’ve done and what I’ve said
I am blessed to work in a very generous field, with many kind, smart, fun people dedicated to making the “3rd sector” stronger. Here are a few of my favorites for fundraising but there are many more. Some are quoted in this session, many have free resources and run webinars that are well worth the price of admission. For a few there are annual passes. I hope one or two are just right for you. Who do you follow?

Board Source
Network for Good,
Bloomerang,
Tim Kachuriak,
Pamela Grow,
Gail Perry,
Andrea Kihlstedt,
Andy Robinson,
Julia Campbell,
Kivi Leroux Miller,

Boardsource.org
networkforgood.com
Bloomerang.co
nextafter.com
pamelagrow.com
GailPerry.com
capitalcampaignmasters.com
trainyourboard.com
jcsocialmarketing.com
nonprofitmarketingguide.com

And again, I thank them for their ideas and generosity and apologize if I have misquoted or messed up the attribution.
Next Steps - Implementation

Next Week

Next Month

Next Quarter
Thank you!