

Community Ventures



The Essential Moves of Winning Fundraising

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Be the Best Board Member You Can



Presented by: Kim Klein

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Kim Klein is the founder of the *Grassroots Fundraising Journal* and the author of *Fundraising for Social Change* (now in its sixth edition.) Her latest book, **Reliable Fundraising in Unreliable Times**, winner of the 2010 McAdam Book Award, discusses how to survive and even thrive in the current economy.

Kim is a member of the Building Movement Project and leads workshops on the need for fair and just tax policy.

Why is a board a logical way to govern a nonprofit?

Follow the money:





Tax Exemption and Boards

A 501(c)3 is given a number of tax exemptions and is allowed to offer tax relief to donors.

The IRS has to make sure that these advantages are not misused.

Who can be in charge of that for each of the 1.7 million nonprofits that operate in the USA today?

Fiduciary Responsibility

- Has to be at least three people
- These people cannot have a financial incentive to make any decision
- These people have to operate at arms length from the organization
- These people make sure that the public is actually served by this “public” charity

**These people are called
“The Board of Directors.”**



Every Board Member Should be Able To:

1. State a one sentence, easy to remember mission or vision statement
2. Name three important accomplishments from the previous year
3. Name three goals for the current year
4. Know the total budget and some budget detail
5. Talk about how the organization raises \$.

Every Board Member Should:

Make his or her own gift

- Gift should be significant to that person
- Only the total giving should be known by the whole board
- Needs to be a regular time to make the gift

Participate in fundraising in **SOME WAY**

- People have different talents, desires, time availability, connections and social skills

How well is your board doing?



Return to Basics

If the board is to help raise money,
they must understand some basic
principles
of fundraising.



Most People Give Away Money

In every country where fundraising and philanthropy have been studied, most people give away money.

USA 7 out of 10 adults, Canada 8 out of 10, Brazil, 7 out of 10, Holland 9 out of 10, etc.

People are going to give away their money. They will give it to your organization or another one.

People Give When They are Asked

And they don't give when they are not asked.

Donors are more likely to remember how they were asked than the name of the organization or the cause to which they donated.



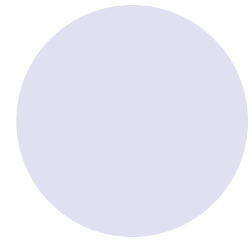
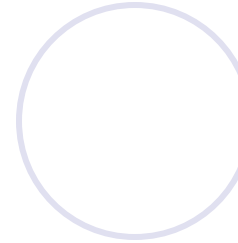
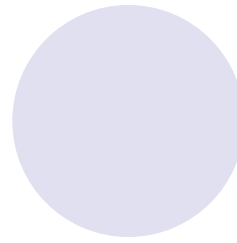
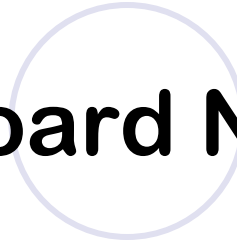
Most Money Comes from People

Most donations and half of all money comes from families with incomes of \$90,000 or less.

This is most people.



Every Board Needs:



A way for every board member to participate.

Some people:

- will ask for money and some won't
- love events, and some don't
- enjoy working alone, others in teams
- prefer approaching strangers
- prefer working with institutions

Who are you?

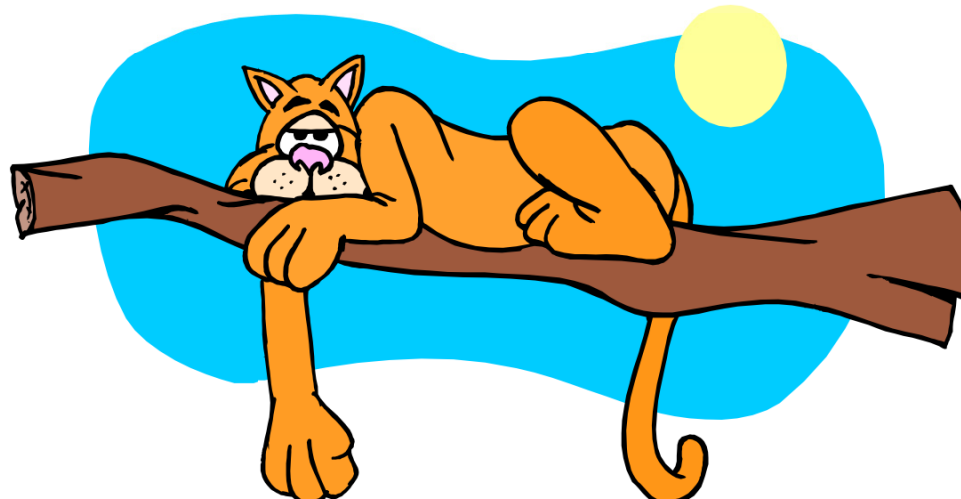
Is your board balanced amongst all the styles?

Every Board Needs:

Consequence for actions:

STOP:

- Rewarding work with requests for more work;
- Rewarding doing nothing with nothing



A Champion



Someone on the board takes on the task of keeping everyone's enthusiasm up:

- Talking to board members privately
- Heaping praise and appreciation on those who do their work
- Ensuring that no one does too much or too little
- Keep people focused on mission

Foundation for Success

Accountability

Requires:

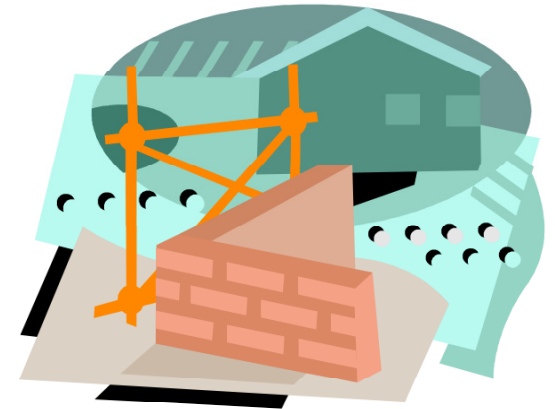
Honesty (wrapped in kindness)

Praise for work well done

Commitments clearly understood by all parties

Sanctions for work not done

Recognizing that many good people are not suited to being Board members and no good board member is always a good board member



Every Board Member Has A Plan

I, Betty Lou Board Member, will:

- Give \$1000 before November 1.
- Help raise \$5000 by hosting a house party at my house in May.
 - GOAL: 20 new donors @ \$100-250 each
- Work on annual general meeting.

I prefer not to:

Participate in the phone-a-thon

I will not:

Come to the auction—sick of those!

Personal solicitation will always be the most effective strategy

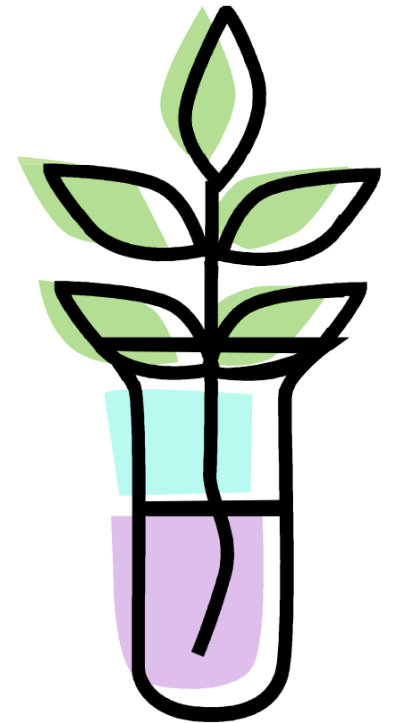


Three Tips For Successful Asking

1. Success is asking

Fundraising is a volume business. You have to ask way more people than the number of donors you need.

Tip: Create a visual, such as a thermometer, which shows # of asks completed



Three Tips, Cont.

2. Be OK with NO

People say no. Their “no” has nothing to do with you. People say no because:

- ❖ They have too much else on their minds
- ❖ They have given already to someone else
- ❖ They don't have the money

Three Tips, cont.



3. Believe in your cause

What you believe in must be bigger than what you are afraid of.

Why are you doing this?

Who or what will be better off?

What beauty or knowledge will be created?

What profound social problem will be addressed?

Pick an image of your work and lead with that.

Who is a Prospect?



Ability: gives away money, has a source of income

Belief: interested in your organization or similar cause, shares your values, finds your objectives compelling, has given to very similar ideas or programs

Contact: someone in your organization knows this person, prospect respects people in your group, prospect identifies with your group

Approaching the Prospect

Send a letter or e-mail



Follow up with a phone call



When appropriate, request a meeting



Identify the problem before solving it



Perhaps the problem is:

- The organization is funder driven
- The executive director does not wish to share power
- The organization is conflict averse
- The board has several nay-sayers
- Some board members prefer to do all the work

What's Next?

What do I/we need to:

Think about?

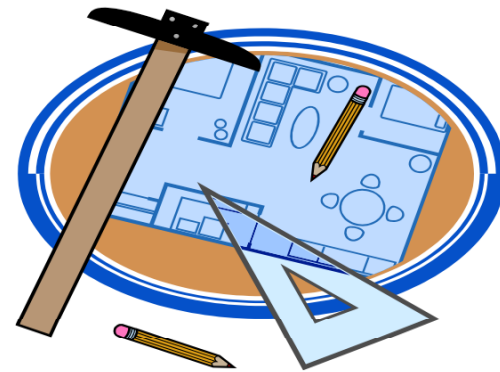
Experiment with?

Read or study?

Who do I/we:

Need to talk with?

Invite to be part of our organization?



Helpful Resources from Kim Klein

Magazine and e-newsletter

Grassroots Fundraising Journal

www.grassrootsfundraising.org

Books by Kim Klein

Reliable Fundraising in Unreliable Times

Fundraising for Social Change

Other recommended books:

Working Across Generations by Robby Rodriquez, Frances Kunreuther and Helen Kim

Accidental Fundraiser by Stephanie Roth and Mimi Ho

Order from www.josseybass.com or your local bookstore