

Part 1:  
JUMPstarting Your Program



# Marketing and *Fundraising*

## Module 6

Time: 2 hours  
Limit: 25 participants

# Introduction

## Session Goals

Participants will explore strategies for diversifying their funding base. By the end of the workshop, they should:

- Know how to develop a long-range fundraising plan
- Have begun to develop a plan for a fundraising event or annual campaign
- Understand the importance of consistently marketing their program
- Have begun to write a “case statement” that can be adapted for each of their fundraising efforts

## The Basics

1. Diversify your funding base. It is the single most important strategy for ensuring the stability of your organization.
2. Develop a comprehensive fundraising plan. Then phase in new fundraising efforts gradually, so you are not always operating in a crisis mode.
3. Create visibility for your program: market it consistently. When you approach potential donors, you will be at an advantage if they already have a positive awareness of your program.

## Agenda

- 1. Diversifying Your Funding Sources** (20 minutes)  
Participants identify the extent to which their current funding base is diversified.
- 2. Developing a Long-Range Fundraising Plan** (20 minutes)  
Participants explore key elements of developing a more diverse funding base.
- 3. Attracting Individual Donors** (35 minutes)  
Small groups develop plans for a fundraising event or an annual campaign.
- 4. Creating Visibility** (10 minutes)  
Participants generate ideas for marketing their programs.
- 5. Writing a Case Statement** (30 minutes)  
Small groups identify key “selling points” of their programs.
- 6. Now What?** (5 minutes)  
Participants revisit the goals of this session.

## Connections to Other Training Sessions

Some of the information and strategies referred to in this session are covered more fully in these JUMP trainings:

- “Targeted Mentor Recruiting”
- “Forming and Maintaining Partnerships”
- “Measuring Outcomes”

If members of your training group have already attended any of those sessions, you may want to draw on information they have learned there. If they have not yet attended those sessions, you will want to, where appropriate, encourage them to attend in order to reinforce and add to the information that is covered during this training on “Marketing and Fundraising.”

## Preparation

1. Read the handouts. They contain much of the information you need for leading this session. Be prepared to give brief overviews of the two reading selections: Handout #6, “From the *Guide to Research on Funding*,” and Handout #7, “From the *Short Course in Proposal Writing*.”
2. Visit the Web sites listed on Handout #8, “Resources for Marketing and Fundraising,” so you are prepared to describe to participants the kinds of information they can find there. It is important to emphasize during this session that the Internet is an essential resource for accessing information about fundraising opportunities.
3. Review the three curriculum modules, listed on the previous page, that include information and strategies relevant to “Marketing and Fundraising.”
4. Prepare a set of handouts for each training session participant. (Copy the handout materials onto paper with three-hole punches so participants can keep them in a binder.)
5. Prepare transparencies of the two overheads.
6. Copy the goals of the session onto a flipchart. On a separate sheet of flipchart paper, copy the agenda.



## Materials

### Overheads

- Overhead #1: Sources of Funding
- Overhead #2: Diversify Your Funding Base



### Handouts

- Session Goals and Basics
- Agenda
- Handout #1: Developing a Long-Range Fundraising Plan
- Handout #2: Guidelines for Group Work
- Handout #3: Attracting Individual Donors: Conducting a Fundraising Campaign
- Handout #4: Holding a Fundraiser: Developing a Plan
- Handout #5: Why Should Anyone Give You Money?
- Handout #6: Reading Selection: From the *Guide to Research on Funding*
- Handout #7: Reading Selection: From the *Short Course in Proposal Writing*
- Handout #8: Resources for Marketing and Fundraising

### You Will Need To Supply

Flipcharts, easels, markers, and masking tape  
Index cards  
An overhead projector

# Activities

## 1. Diversifying Your Funding Sources

*Participants identify the extent to which their current funding base is diversified.*

- Introduce yourself to the group. Make sure each participant has an index card. (You can place cards on the tables before the session begins.)

Tell participants each to list on an index card their mentoring program's sources of funding. Allow a minute or two for them to do this.

Then display Overhead #1, "Sources of Funding." Briefly explain the overhead.



*The two pie charts describe the funding of two different mentoring programs. They illustrate what percentage of each program's total funding comes from each of five kinds of funding sources. One program is almost completely dependent on a single source of funding, while the other has a balance among types of funding.*

Ask participants to look at the lists of their program's funding sources they have just written on index cards. Then they should visualize what a pie chart of their program's funding sources would look like. Where would it fall on the range between the pie charts of Program 1 (almost single-source funding) and Program 2 (diverse and balanced funding)?

Have each participant introduce herself or himself and briefly describe where his or her program's funding pie chart would fall on that range.

- Note that this training session is intended to help programs develop plans and strategies for building a diverse base of funding.

Using the flipchart you have prepared, describe the goals of this training session. Then briefly review the agenda.

- Check to be sure each person has the handouts for this session. Briefly review the table of contents on the cover page of the handouts. Explain that you will be using some of the handouts during this session, and that all of them are intended to be resources that participants can use in their programs.



*In particular, the two long handouts—Handout #6, “From the Guide to Research on Funding,” and Handout #7, “From the Short Course in Proposal Writing”—are there as resources for participants to read on their own after the session. Both include material developed by the Foundation Center, an independent non-profit clearinghouse that collects, organizes, analyzes, and disseminates information on foundations.*

Refer participants to page 1 of the handouts, “Session Goals and Basics.”

Review the three “basics” listed there. This session will explore those basics more fully.

## 2. Developing a Long-Range Fundraising Plan

*Participants explore key elements of developing a more diverse funding base.*

- Explain that you want to do a quick “scan” to identify how many of the participants currently access which categories of funding.

Have participants return to the sources of funding they listed on index cards during the previous activity. Ask for a volunteer to list her or his program’s sources of funding. Record those sources on the flipchart.

*On the flipchart, you want to develop a “generic” list of **kinds** of sources. These might include, for example, individual donations, special events, federal funding (particularly the JUMP grant), other government funding, private or community foundation grants, corporate support, United Way.*

Have other participants add any additional items from their index cards to the list. Record those items on the flipchart.

Check with the group to be sure the list is complete and that no items overlap. (For example, there may be two items on the list that could both be characterized as “special events.”)

Then read each item on the list. As you do, ask how many people in the room currently receive any funding for their program through that category of sources. Record the number next to each item on the flipchart.



Briefly review the findings from this “scan” with the group. (The findings may also help you identify where to place your emphases during other parts of this training session—particularly if there is a potentially important funding source, such as an annual campaign to raise money from individual donors, that very few people in the group are currently using.)

- Refer participants to Handout #1, “Developing a Long-Range Fundraising Plan.” Allow a few minutes for everyone to read it.

Briefly review the bulleted items on the first page of the handout. Ask if there are other “points to keep in mind” that people want to add.

- Have participants look at the first chart included in the handout, “Planning for Diversified Funding: Setting Goals.” Have them use the list they generated earlier in this activity to add items under “other” on the “Source of Income” column in the chart.

Lead them through an example of how to use the chart to set goals for developing a more diverse funding base.

To start the example, ask for a volunteer to describe his or her program’s current budget and sources of income, or create a realistic example based on participants’ earlier descriptions of what their current funding pie charts would look like and what their current sources of funding are.

*A number of the programs are likely to be heavily dependent on their JUMP grant, which is not going to last forever. Thus, you might want to use that situation as an example: If a program is currently 90 percent supported by a government grant that includes two more years of funding, what goals can you set now so you will have a more gradual, less crisis-ridden transition into other sources of funding?*

As you work through the example, take advantage of opportunities to point out additional resources included in the materials for this training session: information on how to identify potential funders (Handout #6, “From the *Guide to Research on Funding*); tips for writing an effective proposal (Handout #7, “From the *Short Course in Proposal Writing*”); and many excellent Web sites for accessing information about government grants, private and community foundations, and corporate funders (Handout #8, “Resources for Marketing and Fundraising.”)





### 3. Attracting Individual Donors

*Small groups develop plans for a fundraising event or an annual campaign.*



- Display Overhead #2, “Diversify Your Funding Base.”

Tell participants they are going to meet in small groups to develop plans for either conducting an annual campaign that solicits individual donations *or* holding a special event. (These are the first two items in the “Source of Income” column in the chart included in Handout #1, which they have just been discussing.)



Refer participants to Handout #2, “Guidelines for Group Work,” which describes the process for their small-group meeting. Briefly review it with them.

Explain that they should choose which fundraising approach—the annual campaign or the special event—they want to work on.

- Organize participants into small groups of 4 to 6 people, based on their choice of whether they want to focus on planning an annual campaign or a fundraising event. (You might end up with three groups for one of the fundraising approaches and only one group for the other—or even with all the small groups working on the same fundraising approach. That is not a problem.)



Make sure participants understand whether their small group will be working with Handout #3, “Attracting Individual Donors: Conducting a Fundraising Campaign,” or Handout #4, “Holding a Fundraiser: Developing a Plan.”

Tell them that each small group will be giving a brief (about 3 minutes) presentation to the whole group at the end of this activity.

Make sure each group has a flipchart, easel, and markers.

Allow about 25 minutes for the small groups to complete their work. (Give a “5-minute warning” after 20 minutes so the groups know they have to begin to wrap-up.)

- Have each of the small groups that worked on planning an annual campaign give its presentation to the whole group. After all the presentations, have the whole group give feedback and ask questions. They should especially consider differences in the plans and strategies the separate small groups have devised.

Then have each of the small groups that worked on planning a special event give its presentation. Repeat the feedback process.

#### 4. Creating Visibility

*Participants generate ideas for marketing their programs.*

- Explain that you want to pause for a minute in the discussion of fundraising strategies to talk about the idea of visibility.

Note that holding a well-publicized, successful special event is one good way to create visibility for your program.

Have participants brainstorm a list of other things they could do to create visibility for their programs. Record their responses on the flipchart.

*Responses might include: being involved in highly visible service projects; having t-shirts with the program name that youth wear while they are doing service projects; writing press releases that describe positive outcomes of the program; having youth in the program design and sell notecards; participating in community fairs.*

Review the list, asking if participants want to expand on any of the items or add additional ones. (What, for example, can they learn from the ways that corporations market their products?)

- Lead a brief discussion that emphasizes the importance of making a program visible in the community—of marketing the program. It is an important strategy for generating funding.

*As an example, you can mention City Year, a service program that began in Boston in 1988. One of the hallmarks of City Year was that its members (primarily young people ages 18 to 25) started each morning by doing group calisthenics in a public square in Boston, all wearing the City Year red jacket with the program's name and logo. The calisthenics gave the group immediate visibility. People wanted to know who they were and what they did. For years, almost every news article written about City Year began with a description of the morning calisthenics and the red jackets. The program also attracted President Clinton's notice and became a model for AmeriCorps. City Year now has programs in 10 sites around the nation—and its strategies for being visible, for marketing itself, have played an important role in its success.*

## 5. Writing a Case Statement

*Small groups identify key “selling points” of their programs.*

- Note that creating visibility for a program primarily concerns creating a positive *image*. It gets people (potential individual donors and corporate and foundation funders) to recognize the program—and that is an important step toward having them pay attention. It makes them receptive: people are more likely to give you the opportunity to describe the substance of your program if they already have a positive awareness of it.

But how can you then convince those people about the *substance* of your program? With all the competition for funding, how do you “sell” people on supporting your program? How do you make your program stand out in a pile of grant applications or a stack of fundraising letters?



- Refer participants to Handout #5, “Why Should Anyone Give You Money?” Allow them a minute to skim it. Then briefly review its major points.
- Tell participants you want them to work in small groups to begin to develop a “case statement” for their programs.

Organize them into small groups of 4 to 6 people.

Each small group should:

1. Select a leader and a recorder/reporter, who will report out later to the full group of participants.
2. Choose the program of one of the small-group members to focus on.
3. Use the handout as a guide for writing a page or two of “talking points” about that program. (Be sure they understand what “talking points” are: the key ideas and information they want to convey in a conversation with a potential donor or funder.)

Make sure each small group has a flipchart, easel, markers, and masking tape.

Allow 20 minutes for the small groups to complete their work. (Give a “5-minute warning” after 15 minutes so the groups know they have to begin to wrap-up.)

**As options:** If you do not have enough time for small-group work, develop the “talking points” as a full-group activity. Have one of the participants volunteer to have her or his program be the example that you base the discussion around. Be sure to record the “talking points” on the flipchart as participants develop them.

As another option, you could organize participants into pairs to write their “talking points.” If you use this option, you could ask for 2 or 3 people to report to the whole group on their “talking points” at the end of this activity.

- Have one of the small groups report out to the whole group on the “talking points” it has developed.

After the presentation, allow time for feedback so participants can discuss how effectively the presentation “sells” the program, ask questions, and offer additional ideas.

As time allows, have additional small groups make presentations and receive feedback.

## 6. Now What?

*Participants revisit the goals of this session.*

- Tie together the activities from this training workshop by reviewing the goals, written on the flipchart, that you presented at the beginning of the session.
- Note that there are many useful resources available for help in fundraising. (Materials in the handout packet should serve as one such resource.) Refer the group to Handout #8, “Resources for Marketing and Fundraising,” and briefly review it.

Note that three other JUMP training sessions cover issues connected to marketing and fundraising, and the handouts for those sessions include relevant materials. “Targeted Mentor Recruiting” includes information on “getting out the message” about your program; “Forming and Maintaining Partnerships” discusses strategies for approaching corporations; and “Measuring Outcomes” includes information on using outcomes findings to promote your program.





# Sources of Funding

## Program 1: Percentages

## Program 2: Percentages



**Diversify your  
funding base.**

**Carefully integrate  
new fundraising  
strategies.**



## ***Handouts***

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# Marketing and

# *Fundraising*



## ***Session Goals***

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- To know how to develop a long-range fundraising plan
- To begin to develop a plan for a fundraising event or annual campaign
- To understand the importance of consistently marketing your program
- To begin to write a “case statement” that can be adapted for each of your fundraising efforts

### ***The Basics***

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1. Diversify your funding base. It is the single most important strategy for ensuring the stability of your organization.
2. Develop a comprehensive fundraising plan. Then phase in new fundraising efforts gradually, so you are not always operating in a crisis mode.
3. Create visibility for your program: market it consistently. When you approach potential donors, you will be at an advantage if they already have a positive awareness of your program.





# Agenda

## 1. Diversifying Your Funding Sources

Notes: \_\_\_\_\_  
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## 2. Developing a Long-Range Fundraising Plan

Notes: \_\_\_\_\_  
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## 3. Attracting Individual Donors

Notes: \_\_\_\_\_  
\_\_\_\_\_  
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## 4. Creating Visibility

Notes: \_\_\_\_\_  
\_\_\_\_\_  
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## 5. Writing a Case Statement

Notes: \_\_\_\_\_  
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## 6. Now What?

Notes: \_\_\_\_\_  
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## *Developing a Long-Range Fundraising Plan*

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### ***The Need to Diversify***

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The biggest mistake that small nonprofit agencies make is to become too dependent on a single source of funding. When that source cuts back or dries up, agencies have to scramble to generate new funding. Programming is compromised—or ended. If more than 30 percent of your budget is dependent upon one source of funding, you should think seriously about diversifying your funding base.

This does not mean you should give up a dependable source of revenue. But it does mean you should remember that there are at least five major categories of funding:

1. Individuals
2. Special events
3. Private foundations
4. Corporate giving
5. Government

It is important to think about funding sources within categories that you have not fully developed.

Cash-flow issues—paying for day-to-day expenses—often prevent programs from taking time to plan ahead by forcing them to focus on “quick fixes.” It requires discipline to invest time and resources in fundraising activities that may not produce income immediately while you are also raising money to meet current demands.

But keep these points in mind:

- Integrating new strategies gradually, rather than waiting for a crisis, makes it possible to “fund” change. Basically, you are using current income to invest in the future.
- Building a stable, diversified funding base will ultimately give you a little “breathing room.”
- A stable, diversified funding base is very desirable in the eyes of prospective donors, particularly foundations and corporations, who often look carefully at an organization’s financial stability before deciding whether to invest their money in it.
- Individual donors are the most underdeveloped source of income for most nonprofit agencies.

## ***Planning for Success***

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Following these steps will help you create a long-range development plan:

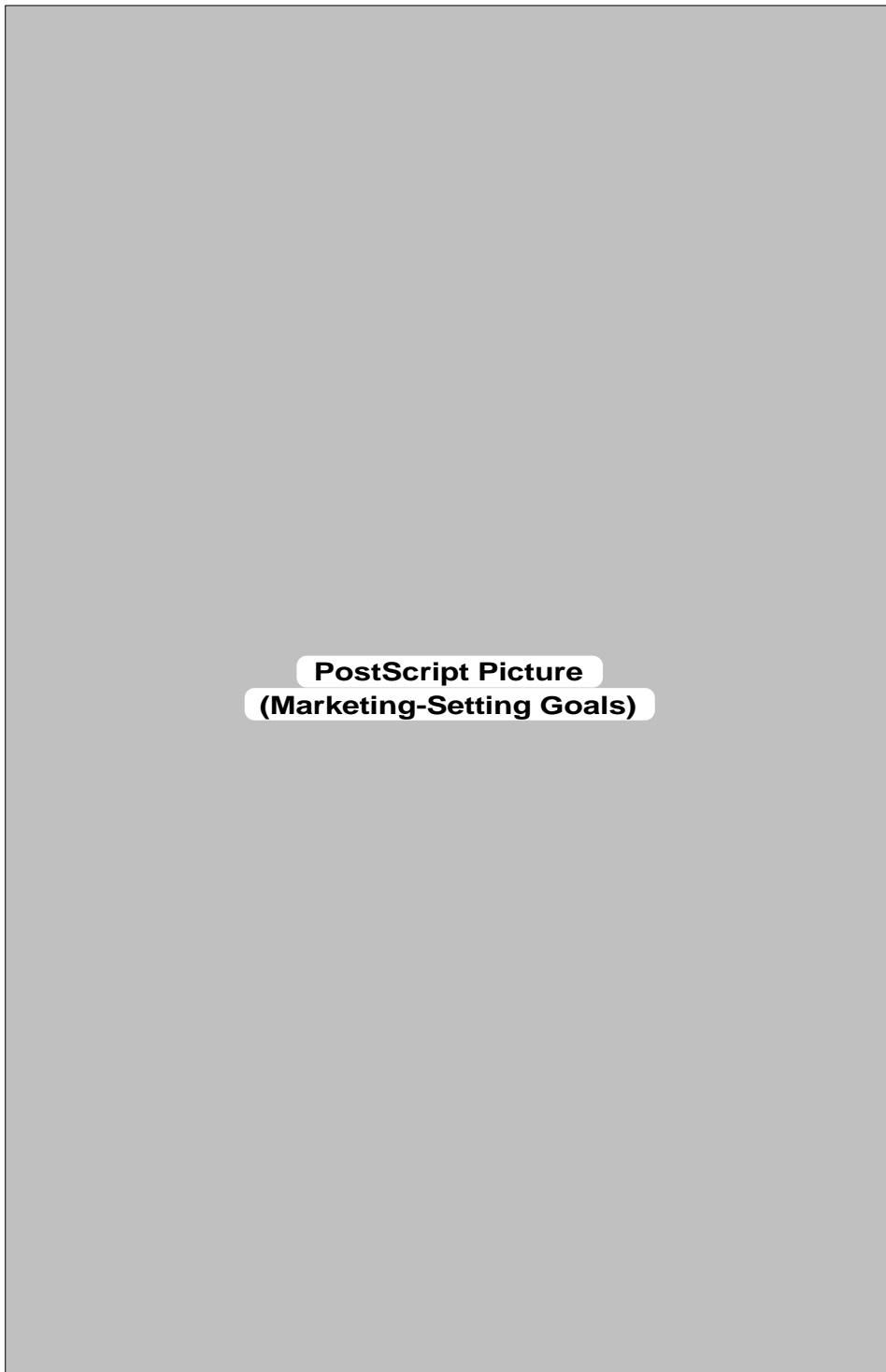
1. Get “buy-in” from your board and staff. It is essential that your board views fundraising as a major responsibility and that it is committed to diversification of funding sources.
2. Consider forming an advisory group of influential people in your community who would be willing to advise your board on long-range fundraising strategies.
3. Develop a clear picture of your current sources of funding.
4. Determine your program’s future needs.
5. Gather information on a range of potential funding sources, including individual donors, fundraising events, government grants and contracts, corporate-giving programs, and private foundations.
6. Identify which funding sources you can reasonably target.
7. Determine the extent of the resources you can “invest” in developing and implementing a long-range funding plan, including staff time, board members, and volunteers.
8. Develop a 3-to-5 year plan that is realistic yet optimistic. Establish goals that are attainable, and that your staff, board, and volunteers can feel excited about.
9. Prepare a plan with an implementation schedule.
10. Regularly monitor the plan to ensure that you are on schedule.

Use the two “Planning for Diversified Funding” charts on the following pages to help you get a snapshot of your current funding, set goals, and begin to develop a workplan for achieving those goals.

[Adapted with permission from “Planning for Diversified Funding,” in *Fundamentals: A Guide to Fundraising for Local Affiliates*. 1996. Big Brothers Big Sisters of America.]

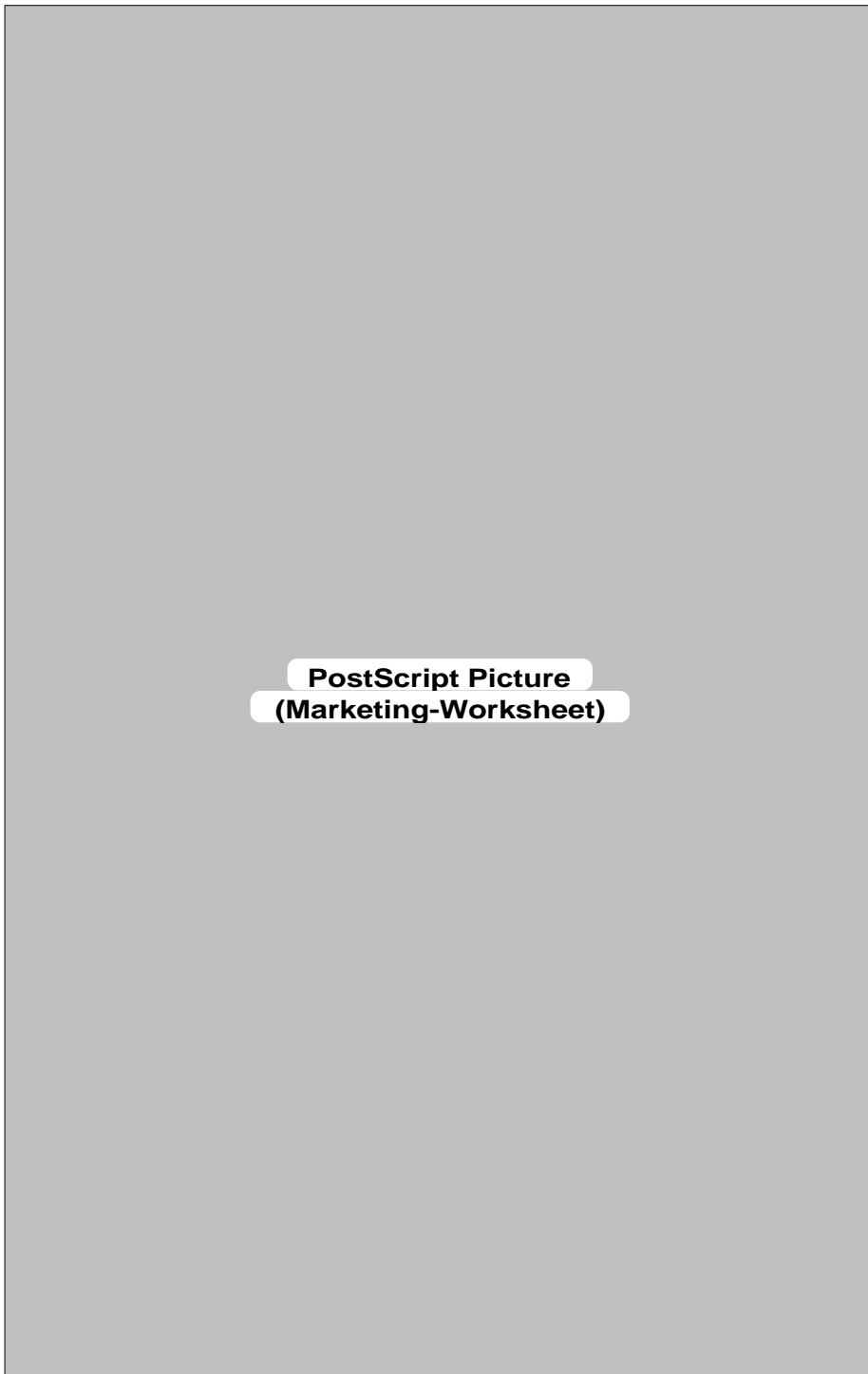
***Planning for Diversified Funding: Setting Goals***

Use this chart to help you get a clear picture of your past fundraising efforts and to set future fundraising goals. It also provides a quick snapshot of how your fundraising efforts relate to staff size and the number of children and youth your program serves.



***Planning for Diversified Funding: A Worksheet***

Which fundraising options are available to you? Who will do the work to develop these potential sources of support? How much will it cost? Use this chart to help you allocate responsibilities, set timelines, and identify costs involved in reaching your fundraising goals.





## ***Guidelines for Group Work***

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During this activity, your small group should follow this process.

1. Select a group leader and a recorder/reporter.
2. Read the handout that focuses on the fundraising strategy your group will be working with: Handout #3, “Attracting Individual Donors: Conducting a Fundraising Campaign,” or Handout #4, “Holding a Fundraiser: Developing a Plan.”

Have a brief discussion about the strategies and processes described on the handout. Discuss any experiences that members of your small group have had with developing fundraising campaigns or special events (depending on which of these your small group is focusing on). Discuss their successes and challenges.

3. Using the information on the handout, and any ideas and strategies members of the group want to add, begin to develop a plan for conducting a fundraising campaign or holding a fundraising event.

Be sure someone takes good notes because your small group will be making a brief presentation (approximately 3 minutes) about your plans to the full group at the end of this activity.

### ***A. If your small group is developing plans for a fundraising campaign, consider these questions:***

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- Decide on specific goals for the fundraising campaign (the number of people contacted, the percentage contacted who contribute, the amount of money raised, and any other goals).
- Decide on the strategies you will use to contact potential donors (mail? telephone? personal solicitation? other? a combination of some of these?).
- Identify information you may need to acquire—for example, information about tax-related or other legal issues.
- Identify potential challenges you might face in making the campaign a success. What strategies can you use to deal with these challenges?
- Begin planning the fundraising campaign. For example:
  - What are the necessary first steps?
  - What are the major tasks involved?

When will the campaign take place?

How will you develop your list of potential donors?

How should board members be involved in the campaign?

Who else needs to be involved to make the campaign a success? How will you recruit them?

What will the budget be for planning and implementing the fundraising campaign?

***B. If your small group is developing plans for a fundraising event, you can follow this process:***

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- Agree on your objectives for the event.
- Brainstorm a list of possible events that could achieve those objectives.
- Discuss the pros and cons of each possible event. Then decide on the one you are going to hold.
- Decide on specific goals for the event (the number of people attending/participating, the amount of money it will raise, and any other goals).
- Identify information you may need to acquire—for example, information about insurance or other liability issues.
- Identify potential challenges you might face in making the fundraiser a success. What strategies can you use to deal with these challenges?
- Begin planning the event. For example:
  - What are the necessary first steps?
  - What are the major tasks involved?
  - What committees will need to be formed?
  - Where will committee members be recruited from?
  - What will the budget be for planning and implementing the event?



## ***Attracting Individual Donors: Conducting a Fundraising Campaign***

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Most professional fundraisers believe that an annual campaign soliciting funds from individual donors should be an essential component of any fundraising plan. If thoughtfully planned and implemented, an annual campaign has two major benefits:

1. It provides regular infusions of cash (the short-term benefit). Most of this money will come in the form of small donations from a large number of people.
2. It establishes a base of donors (the long-term benefit). If carefully “cultivated,” at least some of these donors may ultimately contribute a major gift.

There are three major strategies for raising money from individual donors. They are:

- Personal solicitation
- Direct mail
- Telephone appeals

Because of the large number of sales and fundraising campaigns that are currently conducted over the telephone, many people tend to become annoyed at phone calls asking for donations. Thus, used alone as the only form of contact with potential donors, telephone appeals may be a less desirable strategy. The other two strategies are outlined below, but first it is useful to consider the reasons why individuals decide to contribute money.

### ***Why People Contribute***

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In a survey conducted in 1996 by the Independent Sector, people were asked, “How important is each of the following reasons to you for contributing to a charitable organization?” Respondents identified the following reasons as “very important” or “somewhat important”:

- 72.1 percent—someone I know well asked
- 60.7 percent—have volunteered at the organization
- 59.1 percent—asked by clergy
- 43.3 percent—read or heard a news story
- 38.2 percent—asked at work
- 36.2 percent—someone came to the door asking me to give



*Attracting Individual Donors: Conducting a Fundraising Campaign*  
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- 29.7 percent—asked in a telethon/radiothon
- 28.6 percent—received a letter asking me to give
- 17.1 percent—read a newspaper or magazine advertisement asking me to give
- 16.9 percent—saw a television commercial asking me to give

(Source: Independent Sector Web site < [www.indepsec.org](http://www.indepsec.org)> .)

### ***Combining Direct Mail Appeals with Personal Solicitation***

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As these reasons for giving make clear, people are far more likely to donate money to a nonprofit organization when they are asked by someone they know or they have a personal connection with the organization. Thus, mass mailings using purchased lists of names and addresses are generally not a good idea. They are expensive and promise little in the way of return—in fact, they generally have a return of under 2 percent.

Instead, consider a more personalized approach to a more limited audience. The return on your investment is likely to be much higher. While annual campaigns can become rather elaborate, you can use the following process to help you plan a straightforward initial annual giving campaign to solicit donations from individuals:

1. Decide when you want the campaign to take place. Some times of the year are likely to be more fruitful than others. From late October to mid-December is generally the best time to conduct annual campaigns. People are in a “spending mood” and are feeling generous. They are also thinking about end-of-the-year tax deductions. January and February are the worst times to conduct fundraising drives: people are paying off the debts from their holiday spending.
2. Identify prospects. This includes past donors (including anyone who has attended a fundraising event), board members, people identified by board members, past and current volunteers, and others who have expressed interest in your organization.
3. Decide if you want to suggest categories of giving: for example, \$25.00, \$35.00, \$50.00, \$100.00. One advantage of having categories is that, in future campaigns, you can say to people, “You generously contributed \$25.00 last year. Can you consider increasing your contribution this year?”

*Attracting Individual Donors: Conducting a Fundraising Campaign*  
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4. Develop a fundraising letter that can be mailed to each person on the list. Decide if you want to include other information about your program, such as a fact sheet or brochure, when you send out each letter. If so, you can keep the letter relatively short (one page). If not, you may want to make the letter as long as two pages so you can include more information.
5. Wherever possible, include a brief handwritten note on the letter. For example, if the letter is being sent to a current or former volunteer, the program director should write and sign a personal note. If the letter is going to someone identified as a prospect by a board member, that board member should write and sign a note. In addition, you can use a “mail merge” feature in your wordprocessing software to personalize every letter so that each recipient is addressed by name.
6. Include a return envelope, preferably postage paid.
7. Wherever possible, have a staff member, board member, or volunteer personally ask the prospect for a donation, along with sending a letter. (This can be done in person or by telephone.)
8. Prepare in advance the thank-you letter you will send to each donor.
9. Keep track of each donation in a master log.
10. Send the thank-you letter immediately.
11. Update your mailing list, noting donations.
12. Evaluate the results of your direct mail campaign. Identify the percentage of letters or personal requests that resulted in donations, the total amount raised, and the total cost.
13. Use the results of the evaluation to identify strengths you should build on for next year’s campaign, what you should change, and reasonable goals.
14. Be sure your donors feel connected to your organization throughout the year. Send them invitations to special events. If possible, produce a newsletter at least once during each year that updates your donors on the organization’s most recent activities and successes.



## ***Holding a Fundraiser: Developing a Plan***

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Special events should be part of your strategy for developing a balanced, diversified base of funding. When properly planned and implemented, special events can accomplish several key objectives. They can:

- Involve volunteers productively with your program
- Raise the visibility and expand the constituency of your program—leading, in turn, to opportunities for additional fundraising and volunteer recruitment
- Bring in significant amounts of money

Do not, however, try to use special events as a quick fix for cash shortages. When hurriedly planned, special events can lead to disappointing results and disillusioned volunteers; produce a disappointing return on your investment of extensive time, effort, and money; and be all-consuming, distracting staff and volunteers from program activities and other, potentially more cost-effective fundraising efforts.

### **The Planning Process**

The key to a successful event is careful planning. For a major fundraiser, it is a good idea to begin at least 12 months in advance. To develop and implement a comprehensive plan, you can follow this process:

#### ***Select the event***

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1. Decide on your primary objectives for the event. Are they:
  - To gain publicity for your program?
  - To provide an opportunity for your current constituency to feel connected to the program?
  - To enlarge your constituency?
  - To raise significant amounts of money?
2. Brainstorm ideas for potential events that are likely to meet your objectives. To be successful, it is best to be original, or to be innovative with “borrowed” ideas.

Examples of kinds of events include:

Auctions	Marathons/walk-a-thons/bike-a-thons
Raffles	Tributes to community leaders
Haunted houses	Tributes to unsung heroes
Fashion shows	Dinners
Movie screenings or theater parties	Dances
Bowling or golf tournaments	Concerts/performances

3. Ask yourself these questions:

- Will the event appeal to the constituency you are trying to attract?
- Are the logistics of the event doable?
- Do you have the “people power” to plan the event and make it a success?
- Will the cost-benefit of the event be meaningful enough to motivate volunteers to participate in its planning and implementation?
- Is it the kind of event that can be repeated in the future? If it is repeated, are there opportunities for it to grow?

### ***Develop a formal plan***

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1. Select a competent, committed person to chair the event—preferably someone with great connections in the community.
2. Develop a full description of the event—how it should look and feel. (Be sure that donor and volunteer recognition is part of the event.)
3. Set a specific goal for how much money the event should raise.
4. Select a date for the event. Consult community calendars to learn what other events are planned around that date; your own organization’s calendar; and the availability of the event site. Consider travel patterns of the people you want to attend. For example, if you plan the event for a weekend afternoon in the summer, are people likely to be away at the beach?
5. Develop a master checklist of tasks and a calendar of when they have to be completed. Organize committees to complete the tasks. Be sure each committee has clear responsibilities and timelines. Recruit committee members from within and outside your organization.

6. Expect the unexpected. Prepare for it by developing a contingency plan. For example, if it is an outdoor event, what will you do if it rains? If you are honoring a community leader, what will you do if he or she cancels at the last minute?

### ***Prepare a budget***

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1. Budget categories might include:
  - Facility rental
  - Food service
  - Decorations
  - Equipment rental
  - Entertainment
  - Publicity
  - Design and printing
  - Postage
  - Prizes and recognition items
  - Office expenses
  - Insurance
  - Miscellaneous
2. Be attentive to cost control. Set up budget controls and reporting procedures.
3. Be realistic. If this is a first-time event, it may do little more than break even. But it may be worth repeating if the response was positive and you can identify strategies for growth.
4. Try to have major costs underwritten. This is a key to maximizing profits. For example, look for business sponsorship to cover publicity and printing costs. When you approach a business to ask for sponsorship, be sure you can tell them what they will receive in return (for example, positive visibility in the community).

### ***Evaluate the outcomes of the event***

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The evaluation will serve at least three purposes. It will:

- Provide hard facts (for example, on attendance and money raised) that let you know if you made strong decisions in planning and implementing the event
- Help you determine whether you should hold the event again
- Provide a springboard for an improved event if you decide to hold it again

Keep in mind that doing an event the first time is much more time-consuming and often less profitable than a repeat performance.



## ***Why Should Anyone Give You Money?***

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How do you make your program stand out in a pile of grant applications? In a stack of fundraising letters?

There *are* good reasons why a foundation, corporation, government agency, or individual donor would want to “invest” in your program. But you have to let people know what those reasons are.

It is a good idea to write a brief paper (1 to 3 pages) that describes the needs your program is meeting, its strengths and successes, and its plans for building on those strengths. This paper can be adapted for a wide range of approaches to fundraising. You can use it as the basis of:

- An outline of “talking points” for discussions with foundation and corporation officers, in-person solicitations from individual donors, and conversations with reporters
- “Needs” statements and program descriptions for grant proposals
- Solicitation letters mailed to potential donors
- Publicity for special events
- Press releases intended to keep your program visible in the community

The time you invest in writing this “case statement” is well worth it. Use these questions as a guide to help you decide what your case statement should include and to develop your argument:

### **1. What problems in the community is your program helping to solve? Why is what you are doing important?**

Present the facts that support the need for your program. Presenting this information also helps identify you as an authority—it establishes that your organization understands the problems and, therefore, can reasonably address them.

### **2. What are your most convincing “selling points”?**

What do your staff, board, and other volunteers know about solving the problem?

What successes have you already had?

Have outcomes evaluations been conducted on your program? If so, how can you use the findings to help “sell” your program?

What are your future plans? How can your program build on its current strengths and successes?

What precisely do you need in order to sustain and build on your successes?

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**Remember:**

- Be persuasive. Why should the person you are approaching want to invest in your program?
- Be scrupulously accurate in describing the problem you are solving, your approach, and your successes. Use statistics as well as anecdotal evidence.
- Convey quiet confidence and a sense of purpose.
- At the same time, be upbeat and action-oriented. Show clearly what a donor is “buying” and the difference this investment will make in solving the particular problem your program is addressing.
- Catch the reader up in the possibilities you offer for a better community—but don’t use overstatement or make an overly emotional appeal.

People like to go with a winner, to be part of an action team that is making a difference. Your job is to convince people you are that winner, and that you have the capacity to use their donation to make a substantial difference.

**A good way to begin developing your case statement:**

Use the questions and tips on this handout as a guide to help you develop a page or two of “talking points”—information and ideas you want to be sure you get across to potential donors (including foundation or corporate officers) during conversations about your program.

The “talking points” can then be developed into a fuller case statement that you can adapt for many other fundraising purposes.



## ***Reading Selection:*** ***From the Guide to Research on Funding***

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### **Foundation Center Resources**

Researching funders that will turn out to be good prospects takes time, but the results should be well worth this investment. Be realistic in your expectations. Foundations and other grantmakers cannot meet all of your financial needs. The vast majority of the money given to nonprofit organizations is actually donated by individuals. Foundations and corporations combined currently provide approximately 12 percent of all philanthropic gifts, but their grants can make up an important part of your support.

Approaching a funder for support is a highly individualized process that should be conducted in a businesslike manner. The range of print and electronic resources now available to grantseekers is extensive. This guide targets materials that should contribute to an efficient, productive funding research effort. If visiting a Foundation Center library or Cooperating Collection is an option for you, it is a great place to begin your funding research.

### ***Foundation Center Libraries***

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The Foundation Center is not a foundation. It does not make grants; rather, it provides information. The Center operates libraries in Atlanta, Cleveland, New York, San Francisco, and Washington, D.C. All five Center libraries have staff trained to help you. Whether you are seeking \$100 or \$100,000 for your project or nonprofit organization, someone is available to answer your questions and to point you in the right direction. Information on how to use Center resources is available at the libraries and at many of the Cooperating Collections, as well as on the Center's Web site ([www.fdncenter.org](http://www.fdncenter.org)).

### ***Cooperating Collections***

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In addition to its five main libraries, the Foundation Center has a nationwide network comprised of libraries, community foundations, and nonprofit resource centers called Cooperating Collections. In over 200 locations, these collections provide a core group of Center publications for public reference and some level of instruction on how to do funding research. These libraries provide access to comprehensive information on foundations and corporate giving. Every state has at least one Cooperating Collection, and many have collections in more than one city. (Use the Foundation Center's Web site to find the location of a Cooperating Collection near you.)



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Every Cooperating Collection has the latest edition of these publications:

- *The Foundation Directory*
- *The Foundation Directory Part 2*
- *The Foundation Directory Supplement*
- *The Foundation 1000*
- *Foundation Fundamentals*
- *Foundation Giving*
- *The Foundation Grants Index*
- *The Foundation Grants Index Quarterly*
- *Guide to U.S. Foundations, Their Trustees, Officers, and Donors*
- *The Foundation Center's Guide to Proposal Writing*
- *National Directory of Corporate Giving*
- *National Directory of Grantmaking Public Charities*
- *The Foundation Center's User-Friendly Guide*
- *National Guide to Funding in...* (series of subject directories)

Many collections have additional materials, including other Center publications and those of other publishers. They may also have state funding directories, fundraising periodicals, foundation application guidelines and/or annual reports, videotapes, CD-ROMs, access to Internet resources, and IRS returns on microfiche cards for private foundations (IRS Form 990-PF) located in their own state and neighboring states.

### **Basic Approaches to Research on Funding Opportunities**

You will want to use Foundation Center and other resources to compile a list of foundations that appear most likely to support your organization or your project. Choose prospective funders by examining their descriptive profiles and recent giving histories. Foundations that have already supported projects similar to yours, those that award the type of support you seek, and/or those in your geographic area should be considered for your prospect list.

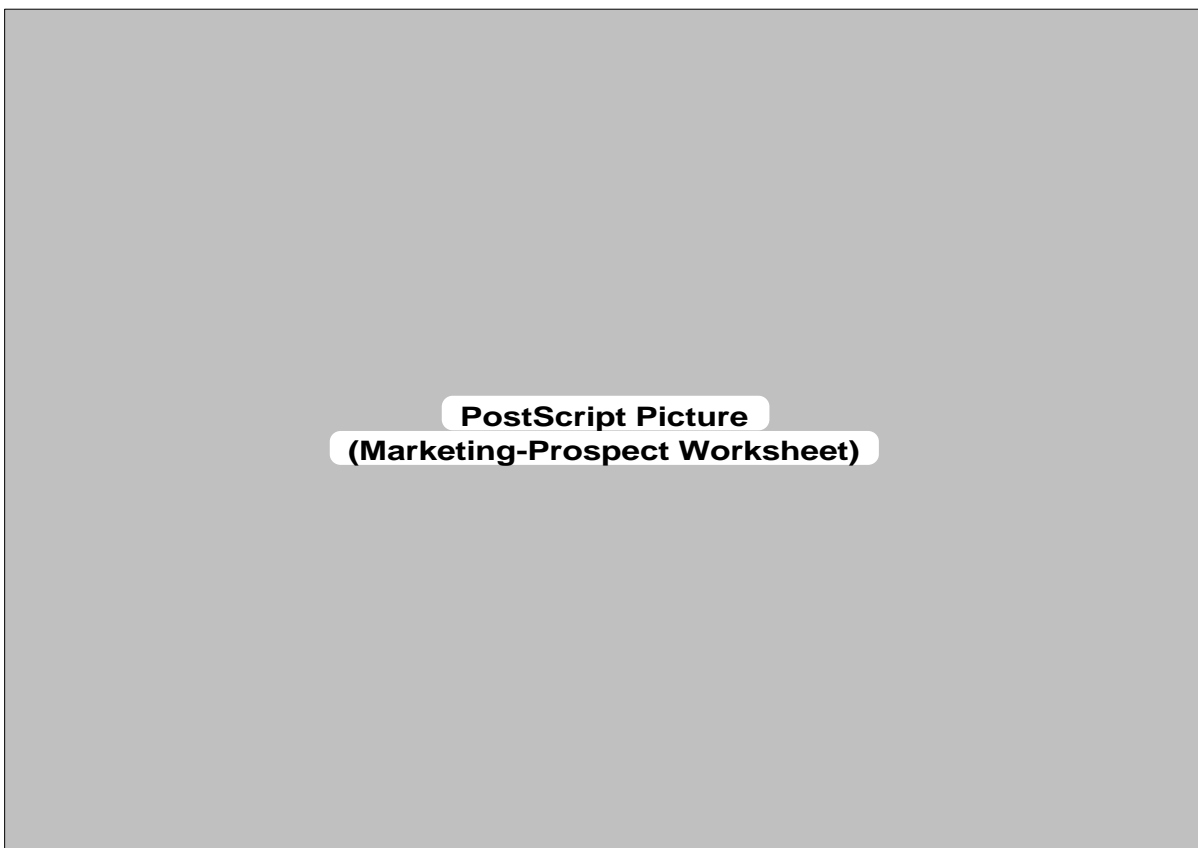
To help you match your nonprofit's needs with the interests of a potential funder, see the "Prospect Worksheet" on the next page. After you have answered the questions about your own organization, you may wish to make several copies of the worksheet and use one for each prospective funder.

The next step is to research carefully and exhaustively the funders you've identified. To research foundations' giving patterns and trends, some of the best sources are: annual reports, IRS returns (IRS Form 990-PF), published directories, and CD ROM products. Remember, research is hard work; it takes time, but it always pays off.

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## Prospect Worksheet

**Focus on funders whose priorities closely match your project.**



### 8. Application Information:

Does the funder have printed guidelines/application forms?

Initial approach requested by funder (letter of inquiry, formal proposal):

Deadline(s):

### 9. Sources of above information:

Directories and grant indexes

Annual Report (Year:            )

Foundation's Web site

Other:

### 10. Notes:

### 11. Follow-up:

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Like the individuals or companies who established them, foundations differ dramatically from each other in their giving interests. Your organization has a much better chance of securing funding if you do careful research and focus on those foundations whose funding priorities most closely match your project. The most effective results come from using the following three approaches to funding research:

- **The Subject Approach** identifies foundations that have expressed an interest in funding programs in a specific subject field.
- **The Geographic Approach** identifies foundations that fund programs in a particular city, state, or region. Although some give nationally and even internationally, most funders limit their giving to specific geographic areas.
- **The Types-of-Support Approach** can be used in conjunction with the two approaches described above. Here, using a “type of support” qualifier can help you focus on foundations that provide specific types of support, such as building funds, seed money, operating support, or endowment funds.

Most Foundation Center publications contain indexes organized to facilitate information-gathering related to each of those three approaches.

### ***Using the Subject Approach***

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There are four major types of resources that can help you examine grants or locate potential donors by subject:

#### **1. Directories of foundations**

These directories concentrate on information about the funders themselves rather than their grants. For example, *The Foundation Directory* (covering foundations with assets of \$2 million or more or total annual giving of \$200,000 or more) and *The Foundation Directory Part 2* (covering foundations with assets between \$1 million and \$2 million or total annual giving of \$50,000 to \$200,000) include in each entry the foundation’s stated funding interests, when available. An extensive subject index is included in each. *The Foundation Directory* is also available as a searchable online application at The Foundation Center’s Web site

#### **2. Specialized funding directories**

Foundations are often listed in directories that cover a particular subject field, population group, or type of support. The Foundation Center’s *National Guide to Funding in Arts and Culture*, Corporate Resource Consultants’ *National*

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*Directory of Philanthropy for Native Americans*, and Oryx Press' *Directory of Research Grants* are all examples of specialized funding directories. The Foundation Center publishes a number of directories that focus on the major funders in specific subject areas.

### **3. Indexes of recent grants**

*The Foundation Grants Index* lists grants of \$10,000 or more awarded by more than 1,000 of the largest foundations. These foundations account for more than half of all grant dollars awarded. The book is organized by broad subjects; indexes enable you to access grants by subject, recipient, and geographic area. Entries list the date, amount, and purpose of the grant. If you prefer to scan grants in a specific subject area, this information is also available in the Center's *Grant Guide* series, which consists of approximately 30 subject guides. An example is *Grants for the Physically and Mentally Disabled*.

### **4. CD-ROMs**

Much of the above information is also available in CD-ROM format, searchable by subject, as well as other criteria. CD-ROM versions of grantmaker directories focus on information about particular funders. Examples are the Foundation Center's *FC Search: The Foundation Center's Database* on CD-ROM and The Taft Group's *Prospector's Choice*. Grants databases on CD-ROM contain information about grants made and programs available for application. Examples are *The Chronicle of Philanthropy's Guide to Grants*, Oryx Press' *Grants Database*, and the Taft Group's *Grants on Disc*.

## ***Using the Geographic Approach***

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Because most grantmakers limit their giving to their own geographic area, it is advisable to find out whether a directory of funders in your city, state, or region is available. The *Guide to U.S. Foundations, Their Trustees, Officers, and Donors* includes a bibliography of state and local foundation directories issued by regional associations of grantmakers and a variety of publishers. Many of these publications are available for reference use at Center libraries and selectively at Cooperating Collections.

There are two major types of publications that can help you locate potential donors by geographic focus.

### **1. Directories of foundations**

*The Foundation Directory* and *The Foundation Directory Part 2* are arranged by state and, within each state, alphabetically by foundation name. In the geographic,

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subject, and type-of-support indexes to these directories, bold type indicates foundations that give on a regional or national basis, while regular type indicates foundations whose giving is limited to their own cities or states. In the geographic index, “see also” references lead you to foundations based in other states that also make grants in yours. The Center’s specialized directories, such as the *National Guide to Funding in Health* and the *National Directory of Grantmaking Public Charities*, have the same indexing features as *The Foundation Directory*.

To help you locate small, locally oriented foundations not listed in other reference books, the *Guide to U.S. Foundations, Their Trustees, Officers, and Donors* includes entries on approximately 40,000 grantmaking foundations and is organized by state; within each state, foundations are listed in descending order by total grant dollars awarded.

## **2. Indexes of recent grants**

*The Foundation Grants Index*, which lists grants of \$10,000 or more awarded by more than 1,000 of the largest foundations, is organized by broad subject area and, within each subject, by state. The detailed information it provides about specific grants can help you locate foundations that have made grants similar to the one you’re seeking and in your state. In addition, *The Foundation Grants Index* has an alphabetical address list of the foundations covered that describes geographic limitations of the foundations’ giving programs. Each volume in the subject-specific *Grant Guide* series is organized by state and includes geographic indexing.

Information in the above publications is also available in CD-ROM format, searchable by geographic location as well as other criteria.

### ***Using the Types-of-Support Approach***

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Though not really a full approach, using “types-of-support” criteria (for example, building funds, technical assistance, scholarship funds, seed money) in conjunction with the subject or geographic approach is a very useful way to further focus your research. Various print and CD-ROM resources index as many as 40 different types of support.

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## **Information Available from Grantmakers Themselves**

Information directly from the source is much appreciated by grantseekers. Generally this type of information tends to be more up to date than what you find in directories or database files. By studying information from the funder, you can pick up subtle clues as to what motivates the funder, along with specific hints as to preferred styles of approach and actual restrictions and limitations.

### ***Annual Reports***

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More than 1,100 foundations publish annual reports. These reports generally contain messages from the president, financial information, program descriptions and grants awarded during the prior year, application guidelines, and lists of trustees and executive and program staff.

### ***Guidelines***

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Some funders distribute sheets or pamphlets containing proposal guidelines, geographic or other limitations, and application procedures and deadlines. Printed guidelines quickly give you a sense of whether or not you might qualify for funding. Always be sure to review the most current guidelines.

### ***Newsletters***

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A small number of funders regularly issue newsletters that provide notice of new program directions, announcements of recent grants awarded, changes in board or staff, and updates on grantmaker activities. Some foundations distribute press releases when newsworthy events occur.

### ***Grants Lists***

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Some foundations report their recent grants directly to the Foundation Center in the form of separate lists.

Annual reports, printed guidelines, and newsletters may be available by contacting the funder directly. Copies of these, along with grants listings and newspaper clippings, when available, will also be found in Foundation Center library files as well as at many Cooperating Collections. In addition, a rapidly growing number of grantmakers have established Web sites. The type of information found on these sites varies, and may include annual reports, background information on the grantmaker, application guidelines, and information on the grantmaker's print publications. The Foundation Center's Web site provides links to nearly 900 grantmaker Web sites.

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## Sources of Information on Corporate Giving

Typically, corporations give to nonprofits whose programs benefit the communities where their employees live and work. They provide philanthropic support through a company-sponsored foundation, a separate corporate giving program, or both.

*The National Directory of Corporate Giving*, published by the Foundation Center, provides detailed information on company-sponsored foundations, including a financial profile, as well as extensive information on direct corporate giving programs. Other resources include:

- *Corporate Foundation Profiles*. New York: The Foundation Center.
- *Corporate Giving Directory*. Detroit: The Taft Group.
- *National Directory of Corporate Public Affairs*. Washington, D.C.: Columbia Books, Inc.

*Corporate Philanthropy Report* and *Corporate Giving Watch* are two useful periodicals for keeping up to date on corporate giving.

Cash donations are not the only type of corporate support. Ask yourself: Can the project be handled by the corporation as a business expense rather than as a grant? Would in-kind support such as the donation of equipment, use of corporate facilities, printing, design services, or access to executive expertise be helpful to my non-profit organization? And remember, when approaching corporate grantmakers, always consider the self-interest of the funder. A proposal to a corporation should emphasize how its support of your project will help it achieve its goals.

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### Components of a Proposal

A proposal generally has these six components:

1. Executive Summary (1 page): an umbrella statement of your case and summary of the entire proposal.
2. Statement of Need (about 2 pages): an explanation of why this project is necessary.
3. Project Description (about 3 pages): the nuts and bolts of how the project will be implemented.
4. Budget (about 1 page): the financial description of the project, plus explanatory notes.
5. Organization Information (about 1 page): the history and governing structure of the nonprofit; and its primary activities, audiences, and services.
6. Conclusion (about 2 paragraphs): a summary of the proposal's main points.

#### 1. *The Executive Summary*

---

This first page of the proposal is the most important section of the entire document. Here you will provide the reader with a snapshot of what is to follow. Specifically, it summarizes all of the key information and is a sales document designed to convince the reader that this project should be considered for support. Write the Executive Summary *last*, after the rest of the proposal has been written and revised. Be certain to include:

- **Problem**—a brief statement of the problem or need your agency has recognized and is prepared to address;
- **Solution**—a short description of the project, including what will take place and how many people will benefit from the program, how and where it will operate, for how long, and who will staff it;
- **Funding requirements**—an explanation of the amount of grant money required for the project and what your plans are for funding it in the future; and



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- **Organization and its expertise**—a brief statement of the name, history, purpose, and activities of your agency, emphasizing its capacity to carry out this proposal.

## **2. The Statement of Need**

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If the funder reads beyond the executive summary, you have successfully piqued his or her interest. Your next task is to build on this initial interest in your project by enabling the funder to understand the problem that the project will remedy.

The statement of need will enable the reader to learn more about the issues. It presents the facts and evidence that support the need for the project and establishes that your nonprofit understands the problems and therefore can reasonably address them. The information used to support the case can come from authorities in the field, as well as from your agency's own experience.

You want this section to be succinct, yet persuasive. Like a good debater, you must assemble all the arguments. Then present them in a logical sequence that will readily convince the reader of their importance. As you marshal your arguments, consider the following points:

**First, decide which facts or statistics best describe the problem or need.**

Be sure the data you present are relevant and accurate. There are few things more embarrassing than to have the funder tell you that your information is out of date or incorrect. Information that is too generic or broad will not help you develop a winning argument for your project. Information that does not relate to the project you are presenting will cause the funder to question the entire proposal. There also should be a balance between the information presented and the scale of the program you are proposing.

**Second, give the reader hope.**

The picture you paint should not be so grim that a solution appears hopeless. The funder will wonder whether an investment in a solution will be worthwhile. Here's an example of a solid statement of need: "Breast cancer kills. But statistics prove that regular check-ups catch most breast cancer in the early stages, reducing

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the likelihood of death. Hence, a program to encourage preventive check-ups will reduce the risk of death due to breast cancer.” Avoid overstatement and overly emotional appeals.

**Third, determine whether it is reasonable to portray the need as acute.**

You are asking the funder to pay more attention to your proposal because either the problem you address is worse than others or the solution you propose makes more sense than others. Here is an example of a balanced but weighty statement: “Drug abuse is a national problem. Each day, children all over the country die from drug overdose. In the South Bronx, the problem is worse. More children die here than any place else. It is an epidemic. Hence, our drug prevention program is needed more in the South Bronx than in any other part of the city.”

**Fourth, decide whether you can demonstrate that your program addresses the need differently or better than other projects that preceded it.**

It is often difficult to describe the need for your project without being critical of the competition. But you must be careful not to do so. Being critical of other nonprofits will not be well received by the funder. It may cause the funder to look more carefully at your own project to see why you felt you had to build your case by demeaning others. The funder may have invested in these other projects or may begin to consider them now that you have brought them to their attention.

If possible, you should make it clear that you are cognizant of, and on good terms with, others doing work in your field. Keep in mind that today’s funders are very interested in collaboration. They may even ask why you are not collaborating with those you view as key competitors. So at the least, you need to describe how your work complements, but does not duplicate, the work of others.

**Fifth, decide if you want to put your project forward as a model.**

This could expand the base of potential funders, but serving as a model works only for certain types of projects. Don’t try to make this argument if it doesn’t really fit. Funders may well expect your agency to follow through with a replication plan if you present your project as a model.

If the decision about a model is affirmative, you should document how the problem you are addressing occurs in other communities. Be sure to explain how your solution could be a solution for others as well.

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### 3. **The Project Description**

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This section of your proposal should have four subsections: 1) objectives, 2) methods, 3) staffing/administration, and 4) evaluation. Together, objectives and methods determine staffing and administrative requirements. They then become the focus of the evaluation to assess the results of the project. Taken together, the four subsections present an interlocking picture of the total project.

#### Objectives

Objectives are the desired measurable outcomes of the program. Your objectives must be tangible, specific, concrete, measurable, and achievable in a specified time period.

Grantseekers often confuse objectives with goals, which are conceptual and more abstract. For the purpose of illustration, here is the goal of a project, with a subsidiary objective:

*Goal:* Our after-school program will help children read better.

*Objective:* Our after-school remedial education program will assist 50 children in improving their reading scores by one grade level as demonstrated on standardized reading tests administered after participating in the program for six months.

The goal in this case is abstract: improving reading. The objective is much more specific: it is achievable in the short term (six months) and measurable (improving 50 children's reading scores by one grade level).

With competition for dollars so great, well-articulated objectives are increasingly critical to a proposal's success.

In reality, there are at least four types of objectives:

- **Behavioral**—A human action is anticipated.  
Example: Fifty of the 70 children participating will learn to swim.
- **Performance**—A specific time frame within which a behavior will occur, at an expected proficiency level, is expected.  
Example: Fifty of the 70 children will learn to swim within six months and will pass a basic swimming proficiency test administered by a Red Cross certified lifeguard.

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- **Process**—The manner in which something occurs is an end in itself.  
Example: We will document the teaching methods utilized, identifying those with the greatest success.
- **Product**—A tangible item results.  
Example: A manual will be created to be used in teaching swimming to this age and proficiency group in the future.

In any given proposal, you will find yourself setting forth one or more of these types of objectives, depending on the nature of your project. Be certain to present the objectives very clearly. Make sure that they do not become lost in verbiage and that they stand out on the page. You might, for example, use numbers or bullets to set off the objectives in the text. Above all, be realistic in setting objectives. Don't promise what you can't deliver. Remember, the funder will want to be told in the final report that the project actually accomplished these objectives.

### Methods

By means of the objectives, you have explained to the funder what will be achieved by the project. The methods section describes the specific activities that will take place to achieve the objectives. It might be helpful to divide the discussion of methods into the following: what, when, and why.

- **What**—This is the detailed description of the activities that will take place from the time the project begins until it is completed. The activities should result in the previously stated objectives.
- **When**—The methods section should present the order and timing of the tasks. It might make sense to provide a timetable so readers do not have to map out the sequencing for themselves.
- **Why**—You may need to defend your chosen methods, especially if they are new or unorthodox. Why will the planned work lead to the outcomes you anticipate? You can answer this question in a number of ways, including using expert testimony and examples of other projects that work.

The methods section enables the reader to visualize the implementation of the project. It should convince the reader that your agency knows what it is doing, thereby establishing its credibility.

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### Staffing/Administration

In describing the methods, you will have mentioned staffing for the project. You now need to devote a few sentences to discussing the number of staff, their qualifications, and specific assignments. Details about individual staff members involved in the project can be included either as part of this section or in the appendix, depending on the length and importance of this information.

“Staffing” may refer to volunteers or to consultants, as well as to paid staff. Most proposal writers do not develop staffing sections for projects that are primarily run by volunteers. Describing tasks that volunteers will undertake, however, can be most helpful to the proposal reader. Such information underscores the value added by the volunteers as well as the cost-effectiveness of the project.

For a project with paid staff, be certain to describe which staff will work full time and which will work part time on the project. Identify staff already employed by your nonprofit and those to be recruited specifically for the project. How will you free up the time of an already fully deployed individual?

Salary and project costs are affected by the qualifications of the staff. Delineate the practical experience you require for key staff, as well as the level of expertise and educational background. If an individual has already been selected to direct the program, summarize his or her credentials and include a brief biographical sketch in the appendix. A strong project director can help influence a grant decision.

Describe for the reader your plans for administering the project. This is especially important in a large operation, if more than one agency is collaborating on the project, or if you are using a fiscal agent. It needs to be crystal clear who is responsible for financial management, project outcomes, and reporting.

### Evaluation

An evaluation plan should be built into the project. Including an evaluation plan in your proposal indicates that you take your objectives seriously and want to know how well you have achieved them. Evaluation is also a sound management tool. Like strategic planning, it helps a nonprofit refine and improve its program. An evaluation can often be the best means for others to learn from your experience in conducting the project.

There are two types of formal evaluation. One measures the product or outcomes; the other analyzes the process. Either or both might be appropriate for

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your project. The approach you choose will depend on the nature of the project and its objectives. For either type, you will need to describe the manner in which evaluation information will be collected and how the data will be analyzed. You should present your plan for how the evaluation and its results will be reported and the audience to which it will be directed. For example, it might be used internally or be shared with the funder, or it might deserve a wider audience. A funder might even have an opinion about the scope of this dissemination.

#### **4. The Budget**

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The budget for your proposal may be as simple as a one-page statement of projected expenses. Or your proposal may require a more complex presentation, perhaps including a page on projected support and revenue, and notes explaining various expense or revenue items.

##### Expense Budget

As you prepare to assemble the budget, go back through the proposal narrative and make a list of all personnel and nonpersonnel items related to the operation of the project. Be sure that you list not only new costs that will be incurred if the project is funded but also any ongoing expenses for items that will be allocated to the project. Then get the relevant costs from the person in your agency who is responsible for keeping the books. You may need to estimate the proportions of your agency's ongoing expenses that should be charged to the project and any new costs, such as salaries for project personnel not yet hired. Put the costs you have identified next to each item on your list.

Your list of budget items and the calculations you have done to arrive at a dollar figure for each item should be summarized on worksheets. You should keep these to remind yourself how the numbers were developed. These worksheets can be useful as you continue to develop the proposal and discuss it with funders; they are also a valuable tool for monitoring the project once it is under way and for reporting after completion of the grant. (See the sample worksheet on the next page.)

With your worksheets in hand, you are ready to prepare the expense budget. For most projects, costs should be grouped into subcategories, selected to reflect the critical areas of expense. All significant costs should be broken out

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within the subcategories, but small ones can be combined on one line. You might divide your expense budget into personnel and nonpersonnel costs; your personnel subcategories might include salaries, benefits, and consultants. Subcategories under nonpersonnel costs might include travel, equipment, and printing, for example, with a dollar figure attached to each line.

**A portion of a worksheet for a year-long project might look like this:**



### Budget Narrative

A narrative portion of the budget is used to explain any unusual line items in the budget and is not always needed. If costs are straightforward and the numbers tell the story clearly, explanations are redundant.

If you decide a budget narrative is needed, you can structure it in one of two ways. You can create “Notes to the Budget,” with footnote-style numbers on the line items in the budget keyed to numbered explanations. If an extensive or more general explanation is required, you can structure the budget narrative as straight text. Remember though, the basic narrative about the project and your organization belong elsewhere in the proposal, not in the budget narrative.

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## **5. Organization Information**

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Normally, a resume of your nonprofit organization should come at the end of your proposal. Your natural inclination may be to put this information up front in the document. But it is usually better to sell the need for your project and then your agency's ability to carry it out.

It is not necessary to overwhelm the reader with facts about your organization. This information can be conveyed easily by attaching a brochure or other prepared statement. In two pages or less, tell the reader when your nonprofit came into existence; state its mission, being certain to demonstrate how the subject of the proposal fits within or extends that mission; and describe the organization's structure, programs, and special expertise.

Discuss the size of the board, how board members are recruited, and their level of participation. Give the reader a feel for the makeup of the board. (You should include the full board list in an appendix.) If your agency is composed of volunteers or has an active volunteer group, describe the functions that the volunteers perform. Provide details on the staff, including the numbers of full- and part-time staff, and their levels of expertise.

Describe the kinds of activities in which your staff engage. Describe the audience you serve, any special or unusual needs they face, and why they rely on your agency. Cite the number of people who are reached through your programs.

Tying all of the information about your nonprofit together, cite your agency's expertise, especially as it relates to the subject of your proposal.

## **6. Conclusion**

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Every proposal should have a concluding paragraph or two. This is a good place to call attention to the future, after the grant is completed. If appropriate, you should outline some of the follow-up activities that might be undertaken, to begin to prepare your funders for your next request. Alternatively, you should state how the project might carry on without further grant support.



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This section is also the place to make a final appeal for your project. Briefly reiterate what your nonprofit wants to do and why it is important. Underscore why your agency needs funding to accomplish it. Don't be afraid at this stage to use a bit of emotion to solidify your case.

### Ground Rules for Preparing a Proposal Packet

Always address your cover letter to an individual. Never start out with "Dear Sir" or "To Whom It May Concern." Verify the spelling of names, titles, and addresses. You can usually get that information over the phone. If not, consult a directory of foundations or relevant Web sites.

And keep these points in mind:

- **Be sure your proposal is readable and concise.** Use active rather than passive verbs. Do not use jargon or acronyms unless absolutely necessary; if you must use them, provide explanations. Use simple sentences; keep paragraphs short; employ headings and subheadings.
- **After you have written a draft of your proposal, read it from the point of view of your audience.** If you were the foundation officer, what questions would you have? Where are the holes in the argument? What would be difficult for you to understand? Would you be convinced that the program merits an investment of the foundation's money? Then revise your draft so that you have answered any potential questions, filled in the holes, and cleared up any possible confusion.
- **Use large (usually 12 point), easy-to-read type.** Don't use fancy bindings; use paper clips instead.
- **Number the pages.** If the proposal is longer than 10 pages (most should not be), provide a table of contents.
- **Use charts and statistics only where appropriate.** Otherwise, they will disrupt the flow of the narrative. Put footnotes on the same page as the text to which they refer, not at the end of the document.
- **Add a limited number of attachments, such as press releases, news clippings, and resumes.** Keep appendices to a minimum.

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- **Be sure to include all attachments requested by the funder.** The most commonly requested are:
  - a copy of your organization's 501(c)(3) letter from the IRS,
  - a list of your organization's trustees and their professional affiliations,
  - a copy of your organization's budget and most recent audit,
  - a brochure describing your agency.

### **What Happens Next?**

Grant review procedures vary widely, and the decision-making process can take anywhere from a few weeks to six months. During the review process, the funder may ask for additional information either directly from you or from outside consultants or professional references. Invariably, this is a difficult time for the grantseeker. You need to be patient but persistent. Some grantmakers outline their review procedures in annual reports or application guidelines. If you are unclear about the process, don't hesitate to ask.

If your hard work results in a grant, take a few moments to acknowledge the funder's support with a letter of thanks. You also need to find out whether the funder has specific forms, procedures, and deadlines for reporting the progress of your project. Clarifying your responsibilities as a grantee at the outset, particularly with respect to financial reporting, will prevent misunderstandings and more serious problems later.

Nor is rejection necessarily the end of the process. If you're unsure why your proposal was rejected, ask. Did the funder need additional information? Would they be interested in considering the proposal at a future date? Now might also be the time to begin cultivation of another prospective funder. Put them on your mailing list so that they can become further acquainted with your organization. Remember, there's always next year.

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This short course in proposal writing was excerpted from *The Foundation Center's Guide to Proposal Writing*, revised edition (New York: The Foundation Center, 1997), by Jane C. Geever and Patricia McNeill. Additional useful resources include:

Burns, Michael E. *Proposal Writer's Guide*. New Haven, CT: Development & Technical Assistance Center.

Coley, Soraya M., and Cynthia Scheinberg. *Proposal Writing*. Newburg Park, CA: Sage Publications.

Gooch, Judith Mirick. *Writing Winning Proposals*. Washington, D.C.: Council for Advancement and Support of Education.

Hall, Mary. *Getting Funded: A Complete Guide to Proposal Writing*. 3rd ed. Portland, OR: Continuing Education Publications.

Kiritz, Norton J. *Program Planning and Proposal Writing*. Expanded version. Los Angeles, CA: The Grantsmanship Center.

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## ***Resources for Marketing and Fundraising***

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### ***Print material***

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Handout #6, “From the *Guide to Research on Funding*,” includes the titles of a number of resources that will help you identify private foundations and corporate funders who might be interested in providing support for your program.

Handout #7, “From the *Short Course in Proposal Writing*,” includes a list of books that focus on writing grant proposals.

Numerous other books are available that describe everything from how to write a fundraising letter, to planning a special event, to fundraising over the Internet. A useful resource for finding books and brief descriptions of them is the “Volunteer Marketplace Catalog,” developed by the Points of Light Institute. To get a copy, call (800) 272-8306, or visit the Web site at [www.PointsofLight.org](http://www.PointsofLight.org).

An excellent source of information on public and private funding sources, as well as relevant legislative updates, is *Children & Youth Funding Report*, which is published 24 times a year. It can save you much time looking through the *Federal Register* and doing other searches to stay informed about current funding possibilities. However, it is expensive: \$289.00 for a one-year subscription. (They sometimes offer a special deal—3 free issues as an introduction, and then a one-year subscription for \$239.00 if you decide to subscribe.) Call (800) 666-6380 to order, or contact CD Publications at (301) 588-6380.

### ***Some useful Web sites***

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The Internet is a rich source of information on funding. You can get access to foundation Web sites, information on available public and private grants, news about current happenings in the foundation world, and tips and ideas to help with fundraising. The following Web sites are a good place to start your searches:

[www.clark.net/pub/pwalker](http://www.clark.net/pub/pwalker)

Nonprofit Resources Catalogue—links to hundreds of fundraising-related sites.

[www.fdncenter.org](http://www.fdncenter.org)

The Foundation Center—fundraising information and links to the sites of hundreds of grantmakers.

[www.fundsnet.com](http://www.fundsnet.com)

Fundsnet Online Services—access to hundreds of resources, including links to grantmakers and an especially useful link to community foundations and regional grantmakers, organized by state.

[www.helping.org](http://www.helping.org)

Helping People Make a Difference (a partnership between the AOL Foundation and numerous others, including America's Promise and the Benton Foundation)—an online resource designed to help people locate volunteer and giving opportunities in their communities; and a resource for nonprofits, who can register their organization and also get access to information about using the Internet for fundraising. (Be aware, however, that fundraising over the Internet is an approach that is still in its very early stages.)

[www.indepsec.org](http://www.indepsec.org)

Independent Sector (a national coalition of more than 700 voluntary organizations, foundations, and corporate-giving programs)—a range of information related to funding, including updates on federal legislation that could affect nonprofit agencies.

[www.nonprofit.gov](http://www.nonprofit.gov)

NonProfit Gateway—links to the *Federal Register* and other sources of information about federal grants; also links to federal agencies.

[www.nydic.org](http://www.nydic.org)

The National Youth Development Information Center—information about federal, state, corporate, and private foundation support for youth development organizations; many useful links, including to the *Federal Register* and to databases that allow you to locate, by subject, funding notices from all federal agencies.

[www.pnnonline.org](http://www.pnnonline.org)

Philanthropy News Network Online—a daily online news service that reports on nonprofit agencies and philanthropy.