

"I HATE ASKING FOR MONEY!!"

"I GIVE MY TIME, WHAT MORE DO THEY WANT??"

What's the money FOR, anyway??

"I didn't join this board to raise money!!"

WHAT ABOUT ALL THOSE RICH BOARD MEMBERS WE'RE SUPPOSED TO BE GETTING??

"I HATE CANNED SCRIPTS, THEY'RE SO PHONY!"

"I HATE FUNDRAISING!!"

How long the STAFFS NOT DOING THIS??

"Isn't there ANY OTHER WAY to do this??"

"Can't we just HIRE somebody to do this for us??"

"WHAT ARE WE PAYING STAFF FOR, ANYWAY??"

"Just because they PLEDGE, how do we know they'll really contribute??"

"Oh, you do it, I'm no good at asking for money!"

"I CAN'T HANDLE REJECTION..."

"HOW MUCH DO THESE PLANS COST ANYWAY??"

"I'll just make calls from home on my own timetable!"

"ME, I HATE BEING CALLED AT DINNER TIME!"

"How come nobody ever just GIVES us money??"

"No way will I ask a poor person for money!"

"Why don't we just write a proposal and get a grant??"

"I HATE PEOPLE WHO ASK FOR MONEY."

FUND RAISING PLANS

First Aid Against Fundraising Fears  
Dick Cook

CHALK '91



# **BANKS AND BORDERS CONFERENCE**

## **AGENDA FOR FIRST AID AGAINST FUNDRAISING FEARS**

### **Introductions**

What do I most fear about fundraising and what do I want to learn in this workshop?

### **Relationship of fundraising to community organizing/development**

In community organizing/development we ask people for their time.  
In fundraising we ask them for their money.

### **Analyzing the system of fundraising**

Where does money for NGOs come from and who gets it?  
What does this mean for our approaches to fundraising?

### **Look at ourselves**

How ready are we to ask people for money?

### **Look at our donors**

How ready are our donors to be asked for money?

**How do we decide which donors to ask?**

**Reasons for our fears. Asking exercise and discussion.**

### **Final Questions**

### **Final Exercise**

***May more than half of your asks be successful!!!!!!***

## COMPARISON OF COMMUNITY ORGANIZING/DEVELOPMENT AND FUNDRAISING

Dick Cook 2012

### TYPICAL ORGANIZER/DEVELOPER QUESTIONS ABOUT FUNDRAISING

1. How can I minimize the time and energy I spend fundraising, so I can maximize my time for organizing?
2. Is there a way I can fundraise and organize at the same time?
3. Does it make sense to ask our low and fixed income constituents for financial support?
4. Does it make sense to invest in training and developing our constituents as fundraisers? Or should we just hire a fundraiser to do it for us?
5. How much should we expect to spend on different approaches to fundraising?
6. What methods are best for what purposes?
7. How do we get started?

### SIMILARITIES BETWEEN COMMUNITY ORGANIZING/DEVELOPMENT AND FUNDRAISING

1. Both begin with feelings of powerlessness.
2. In both processes the constituents go through a period of self-blame. In fundraising they say, "We just aren't smart enough. We don't know any of the right people. Our folks don't have any money."
3. The task of the organizer is to move people from self-blame to analysis of the system. What is the system doing in the world of fundraising? How much money was raised by nonprofit organizations last year? Where did it come from? Who got it? What do we know about the ones that got the most? What do we know about the ones that give the most?
4. Knowing what we know, what does that mean for how our organizations have to change the ways they go about raising money, or change the systems that distribute money?
5. Select a fundraising equivalent to a winnable issue in order to encourage the leadership to take on bigger issues.  
Select a fundraiser that you know will raise money in order to encourage your leaders to continue and take on bigger fundraising goals.
6. Identify target for action.  
Who is it that you are going to ask for money?
7. Select the appropriate action designed to move the target in the desired direction.  
Describe fundraising pyramids as a way to help your organization figure out which fundraising action you want to take.
8. Engage in the action. Train the leadership. Build the organization.  
Ask! Train people to ask, including why asking is so hard and what we have to do to get over it.
9. Celebrate the success and evaluate what you've learned, including how it could have been better.
10. Move up to a bigger issue/bigger fundraising goal.

## FUNDRAISING TRENDS IN THE UNITED STATES, 2010 [2011 ltd. inf.]

### HOW MUCH MONEY IS DONATED?

In 1975, \$28.56 billion was donated to nonprofit organizations in the USA. By 1995, \$143.84 billion was donated. In 2010, \$290.89 billion was donated. In 2011, \$298.42 billion was donated.

### WHERE DO ALL THE DONATIONS COME FROM?

#### SOURCES

	Donated in 1975		Donated in 1995		Donated in 2010		Growth \$ in billions	2011	%
	\$ in billions	%	\$ in billions	%	\$ in billions	%			
Foundations	\$1.65	5.8	\$10.44	7.3	\$41.0	14.1%	\$39.35	\$41.67	14%
Corporations	\$1.15	4.0	\$7.4	5.1	\$15.3	5.3%	\$14.15	\$14.55	5%
Bequests	\$2.23	7.8	\$9.77	6.8	\$22.8	7.8%	\$20.57	\$24.41	8%
Individuals	\$23.53	82.4	\$116.23	80.8	\$211.8	72.8%	\$188.27	\$217.79	73%
<b>TOTALS</b>	<b>\$28.56</b>	<b>100</b>	<b>\$143.84</b>	<b>100</b>	<b>\$290.9</b>	<b>100%</b>	<b>\$262.34</b>	<b>\$298.42</b>	<b>100%</b>

### WHICH ORGANIZATIONS BENEFIT FROM THE DONATIONS?

	1995	2000	2005	2010	2011
Religion	44.1%	36.5%	35.5%	35%	32%
Education	12.5%	13.8%	9.7%	14%	13%
Health	8.8%	9.3%	8.8%	8%	
Human Svcs	8.1%	8.8%	7.7%	9%	12%
Arts, Culture & Humanities	6.9%	5.7%	5.6%	5%	
Gifts to Fndns	5.2%	9.7%	11%		
Advocacy and Public Policy	4.9%	5.7%	5.2%	8%	
Environment and Wildlife	2.8%	3.0%	3.1%	2%	
Intl Affairs	1.4%	1.3%	2.1%	5%	
Undesignated	5.3%	15.8%	8.6%	1%	

TOTAL REVENUE FOR NONPROFITS IN 2006      \$1 Trillion      2010 \$1.51 Trillion

TOTAL NONPROFIT CONTRIBUTION TO ECONOMY IN 2006-\$666.1 billion      2010 \$1.45 Trillion

TOTAL WAGES AND SALARIES FOR NONPROFITS IN 2006      \$489.4 billion

TOTAL PEOPLE EMPLOYED BY NONPROFITS IN 2005      12.9 million

TOTAL VOLUNTEERS FOR NONPROFITS IN 2006      61.2 million

VALUE OF VOLUNTEERS FOR NONPROFITS IN 2006      Equivalent of 7.6 million FTEs  
Or \$215.6 billion in wages

NUMBER OF NONPROFITS IN 2006      1.4 million

CONTRIBUTION TO US ECONOMY IN 2006      5% of GDP, 8.1% of wages, 9.7% of jobs

## WHAT DO WE KNOW ABOUT INDIVIDUAL DONORS?

Overall giving in 2004 was 2.4% of personal income.

Giving as a % of income tends to go down as income rises, with the poor giving the highest % of their incomes.

Giving as a % of income tends to go up with age.

Married people tend to give more than single people.

Members of organized religious groups tend to give more to non-religious charities than non-members of organized religious groups.

Volunteers tend to give more than non-volunteers.

The single most effective fundraising method is one person asking another face to face, especially if the two know each other.

[Sources: Giving and Volunteering in the United States, 1992, Independent Sector; Giving USA 1995, 2005, 2006, 2012. AAFRC Trust for Philanthropy; Chronicle of Philanthropy, June 18, 2009 quoting from Giving USA 20011. Nonprofit Almanac 2008, Published by The Urban Institute.]

## SEVEN STEPS ON THE LADDER TO FUNDRAISING READINESS

### 7. Readiness

We know what we do well. We know who supports us. We think a \_\_\_\_\_ (e.g. phonathon) makes sense for us. But we need help in setting it up.

### 6. Self Evaluation

We're pretty good at events. But we're not so good at getting attendees to join and give more. How do we broaden our skills?

### 5. Beginning Competence

We tried a fundraiser. It was an awful lot of work. We only raised a little money. What went wrong?

### 4. Experience

We tried a fundraiser. It didn't raise any money. We won't do that again.

### 3. Acknowledge of Need & Identification of Obstacles

We all agreed we need to raise money. But our board, or staff or volunteers are afraid of fundraising.

### 2. Frustration

We have a worthy project. Why doesn't somebody give us money?

### 1. Dependency

We want to do it. Do it for us.

## FUNDRAISING READINESS CHECKLIST

Answer the following questions on your organization to the best of your ability. Write YES, NO, or NOT SURE in the space in front of each number. Add comments wherever you can.

- \_\_\_\_\_ 1. Do we have a strong, effective, and committed Board?
- a. Board members each make major time commitments to our organization.
  - b. Board members each make a financial contribution to our organization.
  - c. Each Board member ably articulates the mission and program of the organization to others in the community.
  - d. Each Board member is active in recruiting new supporters for the organization.
  - e. The board effectively establishes the organization's long term direction.
  - f. Each Board member asks others for financial contributions to support the achievement of organizational goals.
  - g. Each Board member understands the budget and its relationship to the program.

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 2. Do we have a broad base of supporters?
- a. A number which is large enough to move our program and fundraising forward.
  - b. A number which is large enough to be significant to the community leadership.
  - c. A number which is diverse and deep enough to enable us to be effective.
  - d. People who are active and supportive enough to clearly identify themselves as our supporters.

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 3. Do we have a strong, effective and committed staff?
- a. An effective Chief Executive Officer who embodies and represents the organization both on and off the job.
  - b. A staff which is trained and experienced.
  - c. Clear staff goals, objectives, timetables, ways to evaluate and improve their own progress.
  - d. A staff which supports, trains and challenges the Board, committees and volunteers.
  - e. A staff which looks for new ways to inject fun into the process of doing the organization's work.

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 4. Do we have an active and effective system for involving volunteers?
- a. An active system for recruiting and placing volunteers into organizationally useful jobs.
  - b. The system produces action and results.
  - c. A system for training and supporting them and for developing their leadership potential.

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 5. Do we have a clear, easily understood, relevant and effective program?
- a. A program which is developed out of a serious analysis of how to move the mission forward.
  - b. A program which is clear and easy to communicate.
  - c. A program which produces regular and visible results that demonstrate the organization's effectiveness.

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



- \_\_\_\_\_ 6. Do we have effective communications?
- a. Regular communication of activities, results, needs and opportunities to our supporters.
  - b. Effective communication of relevant information between and among the board, staff, committees, volunteers, and members.
  - c. Effective and regular use of the media to communicate with the broader public.

Comments \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- \_\_\_\_\_ 7. Do we have a realistic budget?
- a. Realizable in terms of income and enough expenses to carry out the proposed program.
  - b. Realistic in that we have enough opportunities, experience and leadership to raise it.

Comments \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- \_\_\_\_\_ 8. Do we have a workable fundraising plan?
- a. The plan is prepared after an analysis of our organization's strengths, weaknesses and opportunities?
  - c. The fundraising plan includes
    - 1. a listing of fundraising activities,
    - 2. an overall financial goal broken down into subgoals for each activity,
    - 3. identified leadership and staff support for each activity,
    - 4. identification of needed resources including financial costs, needed volunteers and other necessary resources,
    - 5. a realistic timetable for conducting the activities,
    - 6. time set aside for celebration of accomplishments, for thanking and recognizing the people who helped and for evaluating the results of the efforts.

Comments \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- \_\_\_\_\_ 9. Do we have a system for identifying prospective donors, asking them for contributions and increasing their involvement?
- a. An active volunteer fundraising committee.
  - b. A way to acquire names and addresses and add them to our prospect list.
  - c. A way that prospects are regularly asked to contribute.
  - d. A way that donors are asked to increase their donation.
  - e. A way that donors are grouped so that they can be asked in ways and for amounts which are appropriate for them.

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 10. Do we have a sense of forward movement?
- a. A spirit of excitement and enthusiasm among Board, staff and volunteers.
  - b. A generalized belief throughout the organization that we are moving forward towards our goals.

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ TOTAL NUMBER OF YES

### SCORING

- 9-10 Excellent preparedness to begin fundraising
- 7-8 Good preparedness to begin fundraising
- 6 Fair preparedness to begin fundraising
- 5 Needs work in order to prepare for fundraising
- 0-4 Serious obstacles to effective fundraising

# A DONOR BILL of RIGHTS

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of

the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.

3. To have access to the organization's most recent financial statements.

4. To be assured their gifts will be used for the purposes for which they were given.

5. To receive appropriate acknowledgment and recognition.

6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY: American Association of Fund-Raising Counsel (AAFRC), Association for Healthcare Philanthropy (AHP), Council for Advancement and Support of Education (CASE), National Society of Fund Raising Executives (NSFRE).  
INITIAL ENDORSERS: Independent Sector, National Catholic Development Conference (NCDC), National Committee on Planned Giving (NCPG), National Council for Resource Development (NCRD), United Way of America.

FUNDRAISING FEASIBILITY STUDY QUESTIONS  
FOR  
\_\_\_\_\_ COMMUNITY ORGANIZATION

Name \_\_\_\_\_ Position \_\_\_\_\_

Occupation/Affiliation \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

e-mail \_\_\_\_\_ Phone \_\_\_\_\_

Best way to contact \_\_\_\_\_

1. Which projects or programs have you been involved with? How?

2. How familiar are you with the other programs?

\_\_\_\_\_ Very      \_\_\_\_\_ Somewhat      \_\_\_\_\_ Not at all

3. What is your overall impression of these efforts?

\_\_\_\_\_ Favorable      \_\_\_\_\_ Neutral      \_\_\_\_\_ Unfavorable

Explain \_\_\_\_\_

\_\_\_\_\_

4. If you had to identify the two most important programs, which would they be and why?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. In your opinion, what are the three most important things that the \_\_\_\_\_  
Community Organization does with its programs?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

6. Do you think that these efforts adequately meet the community needs?

\_\_\_ Yes \_\_\_ No      Explain \_\_\_\_\_

\_\_\_\_\_

7. What would you say are the major strengths and weaknesses of the \_\_\_\_\_ Community Organization and its current efforts?

Strengths

Weaknesses

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

8. If you were going to have the \_\_\_\_\_ Community Organization do anything for the poor in Baltimore City that it does not do now, what would that be?

\_\_\_\_\_

\_\_\_\_\_

9. If you were going to change anything about the way the \_\_\_\_\_ Community Organization operates, what would that change be?

\_\_\_\_\_

\_\_\_\_\_

10. Who do you think the \_\_\_\_\_ Community Organization should seek contributions from?

\_\_\_\_\_

\_\_\_\_\_

11. The \_\_\_\_\_ Community Organization currently raises about \$10,000 in cash each year plus approximately \$50,000/year in-kind to support their programs. They are considering trying to raise \$250,000 cash as a one time effort to meet the critical needs they see. Do you think that this is a wise move at this time? Why or why not?

\_\_\_\_\_

\_\_\_\_\_

12. What do you think is the strongest fundraising argument for a campaign for the \_\_\_\_\_ Community Organization?

13. \_\_\_\_\_ Community Organization should involve in order to successfully raise its goal?

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14. Who should lead the effort? \_\_\_\_\_

15. What strategies or approaches should they employ that you think would have a high likelihood of success?

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16. Assuming the campaign goes forward, would you consider taking an active part?

17. Looking at the attached Gift Table, do you think that the distribution of gifts is appropriate for Baltimore City?

If not how would you change it?

18. REMIND ABOUT CONFIDENTIALITY. If you personally were motivated to support this campaign, where on this table would you see you own gift fall?

## **ASKING FOR MONEY**

### **PREPARATION**

1. You need to be able to explain why you are involved.
2. You need to make a financial contribution.
3. You need to be informed about the organization, its goals, its accomplishments, its opportunities, its needs, how much it will cost to reach its goals.
4. You need to know who the leadership is.
5. You need to know what purpose the donors contribution will be used for.

### **FEAR OF ASKING FOR MONEY**

Many volunteers fear asking for money because they associate it with begging. Asking for the money your organization needs to achieve its mission is not begging!! It is

#### **1. an exchange**

You are asking your supporters to make a contribution for which they will get something back, something they want and something they can't get without your organization being successful.

#### **2. an opportunity**

Contributors can participate in making a real difference. They have an opportunity to help create the kind of world they want. They have an opportunity to join with their peers. They have an opportunity to act consistently with their beliefs.

#### **3. an investment**

You are asking a donor to invest in strengthening the community. The return on the investment is seeing a stronger community that cares for people in ways that it didn't before.



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**[Name of Organization]**

**PLEDGE FORM**

Yes!!! I want to support your campaign to \_\_\_\_\_  
in 2013!!! I pledge \$\_\_\_\_\_ toward that end. [Purpose of Campaign]

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_\_

Method of Payment \_\_\_\_\_ cash enclosed \_\_\_\_\_ check enclosed \_\_\_\_\_ bill me

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**[Name of Organization]**

**PLEDGE FORM**

Yes!!! I want to support your campaign to \_\_\_\_\_  
in 2013!!! I pledge \$\_\_\_\_\_ toward that end. [Purpose of Campaign]

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_\_

Method of Payment \_\_\_\_\_ cash enclosed \_\_\_\_\_ check enclosed \_\_\_\_\_ bill me

## **CONDITIONS WHICH INCREASE THE LIKELIHOOD OF DONOR GIVING**

**DONORS ARE MORE LIKELY TO GIVE IF:**

- 1. There is a critical and immediate reason to do so.**
- 2. The donor is personally highly motivated by this reason.**
- 3. The donor sees others around her/him making sacrificial gifts of time and money.**
- 4. The donor knows that she/he:  
will be promptly and appropriately thanked, and  
appropriately recognized for her/his contributions,  
and kept up to date on the real progress of the  
organization and its fundraising.**
- 5. The donor knows exactly what the money will be spent for and is convinced that the money will be wisely and prudently used.**
- 6. The organization is infused with a spirit of excitement and optimism that the program and financial goals will be reached.**

## Donor leaves legacy of championing justice

By Rob Schneider  
rob.schneider@indystar.com  
November 17, 2004

Sam Masarachia hated to spend money on a new pair of shoes but gave a local university more than \$1 million for scholarships.

He invested his money in causes he believed in and in his hopes for social justice.

Masarachia, 97, died Saturday.

The son of a coal miner, he dropped out of school in the ninth grade. He later worked for the United Steelworkers of America, retiring as a staff representative, and was a well-known figure on the Near Southside.

When his friends gather Friday for a memorial service, it's his love and concern for ordinary people they will remember.

Doris York remembers one of Masarachia's sayings: "The great use of life is to spend it on something that would outlast it."

"I think that pretty much sums up Sam," said York, senior program coordinator at the Sam Masarachia Senior Center at the Fountain Square Center, 901 Shelby St.

Masarachia played pool at the center and ate lunch there every day; last year, he donated \$30,000 for landscaping.

In 2000, Indiana University-Purdue University Indianapolis announced a gift from Masarachia that will pay the full tuition for a dozen students each year.

"He wanted to help young people with their education, but in ways that would contribute to organizing and presenting workers and seniors and communities of ordinary people," said James Wallihan, a professor of political science and labor studies at IUPUI, who met Masarachia in 1999.

Masarachia's money came from a small investment made years ago, and he spent more of it on social and environmental groups than on himself, Wallihan said.

A native of Clinton, Masarachia moved to Indianapolis with his parents, who were immigrants from Sicily.

He got a job with a saw manufacturing plant in 1923 at age 17. After helping to organize a union at the plant, he began working as a district staffer with the union, helping to negotiate contracts and resolve differences for local unions between Indianapolis and Kokomo.

He served in the Army during World War II, earning four Bronze Stars.

He retired from his job in 1968 but did not retire from his passions. He helped found the senior center in 1973 and was one of several people to work with Paul Severance to found United Seniors Action, among other things.

"His life was about dedication to social justice," said Severance, now executive director of United Seniors.

Wallihan said, "He was passionate about social justice. He never quit."

A memorial service will be at 1 p.m. Friday in Wilson St. Pierre Funeral Home, 1234 Prospect St.



Sam Masarachia, who died Saturday at 97, donated more than \$1 million for scholarships at IUPUI and helped organize unions and founded a local senior center. -- Photo provided by IUPUI