

FUNDRAISING 101: PRACTICAL STEPS TO RAISING \$5000 TO \$25,000 FOR YOUR URBAN MINISTRY

Dr. Larry Acosta
Founder/President-UYWI
Founder-KIDWORKS

INTRODUCTION

- Clarify Your Calling-
- Why are you alive at this time in history?
- What has He put you on the planet to do?

- Embrace Your Story-
- Humble beginnings...
- The pain of your past...

EMBRACE YOUR BROKENNESS

- Let your brokenness fuel your calling and ministry to youth, but...
- Don't let your brokenness short circuit your effectiveness as a fund developer:
- Insecurities- feeling "less than" as a person of color
- Fear of talking with wealthy people

START SMALL

- Clarify your Mission and Vision
- Develop a donor list
- Communicate consistently (monthly newsletter and response envelope) to your donors/resource partners
- Share stories of youth being impacted
- Focus on building a "monthly support team" of several faithful and modest investors (\$25-\$50)
- Say "Thank You" after each gift

MISTAKES I'VE MADE

- Failing to say “thank you” with written notes consistently enough; giving way to my fears and insecurities
- Having a “chip on my shoulder” because of my work in the urban context; as though my work was “entitled” to their investment
- Trying to raise bigger money before our ministry was mature enough to compete for it

FUNDRAISING “BEST PRACTICES”

- 1) Organizations/Ministries are not “entitled” to support; they must EARN it.
- 2) Successful fundraising is not magic; it is simply hard work by people who are prepared and committed.
- 3) Fundraising is NOT raising money; it’s raising friends!
- 4) You do not raise money by begging for it; you raise it by selling people on the mission and vision of the organization.
- 5) People don’t just reach for their checkbooks and give money to an organization; THEY HAVE TO BE ASKED.

FUND DEVELOPMENT QUESTIONS...

THEOLOGY

- What Scriptural principles/passages guide your fundraising?

THEOLOGICAL ROOTS

“Giving” in the Bible

- **Moses** is one of the first fundraisers we see in Scripture. (**Exodus 35:4-5, 21,29**)
- **David** raised funds for the temple that Solomon would later build. (**I Chronicles 29:6-9**)
- The **Apostle John** reinforces the importance of supporting the needs of Christian workers (**III John 5-8**)

EXODUS 35:4-5, 21,29

- Moses said to the whole Israelite community, "This is what the LORD has commanded: From what you have, take an offering for the LORD. Everyone who is willing is to bring to the LORD an offering of gold, silver and bronze..... 21 and everyone who was willing and whose heart moved him came and brought an offering to the LORD for the work on the Tent of Meeting, for all its service, and for the sacred garments. 29 All the Israelite men and women who were willing brought to the LORD freewill offerings for all the work the LORD through Moses had commanded them to do.

I CHRONICLES 29:6-9

- Then the leaders of families, the officers of the tribes of Israel, the commanders of thousands and commanders of hundreds, and the officials in charge of the king's work gave willingly.
- They gave toward the work on the temple of God five thousand talents and ten thousand darics of gold, ten thousand talents of silver, eighteen thousand talents of bronze and a hundred thousand talents of iron.
- Any who had precious stones gave them to the treasury of the temple of the LORD in the custody of Jehiel the Gershonite. The people rejoiced at the willing response of their leaders, for they had given freely and wholeheartedly to the LORD. David the king also rejoiced greatly.

III JOHN 5-8

- Dear friend, you are faithful in what you are doing for the brothers, even though they are strangers to you. They have told the church about your love. You will do well to send them on their way in a manner worthy of God.
- It was for the sake of the Name that they went out, receiving no help from the pagans. We ought therefore to show hospitality to such men so that we may work together for the truth.

1 TIMOTHY 6:17-19

- Command those who are rich in this present world not to be arrogant nor to put their hope in wealth, which is so uncertain, but to put their hope in God, who richly provides us with everything for our enjoyment. Command them to do good, to be rich in good deeds, and to be generous and willing to share. In this way they will lay up treasure for themselves as a firm foundation for the coming age, so that they may take hold of the life that is truly life.

2 CORINTHIANS 9:1-15

- There is no need for me to write to you about this service to the saints. For I know your eagerness to help, and I have been boasting about it to the Macedonians, telling them that since last year you in Achaia were ready to give, and your enthusiasm has stirred most of them to action. But I am sending the brothers in order that our boasting about you in this matter should not prove hollow, but that you may be ready, as I said you would be. For if any Macedonians come with me and find you unprepared, we—not to say anything about you—would be ashamed of having been so confident. So I thought it necessary to urge the brothers to visit you in advance and finish the arrangements for the generous gift you had promised. Then it will be ready as a generous gift, not as one grudgingly given.

THEOLOGY

- How has fund development impacted your own relationship with the Lord?
- More God dependent
- I walk more humbly with God because of the gifts/investment/sacred trust of His people
- I am more mindful of my need to be a man of character and integrity because “people give to people”

STRATEGIES AND METHODS

- What methods or models have increased your effectiveness in fund development?
 - Be Relational –See resource partners as friends not “donors” Think... “Ministry of Development”
 - Its about Vision - “Money Follows Vision”
 - **Communicate Consistently!**
 - Monthly Newsletter/Update
 - Do you have an adequate database software system? (Excel, Donor Perfect, etc)

STRATEGIES AND METHODS

- How do you best identify and pursue “untapped resources”?
 - Have you thoroughly identified ALL the potential relationships in your network? (close friends, work associates, church friends, churches in your community, family members, acquaintances)
 - Capacity Building Grant: Dev. Consultant, Grant Writer, Development Systems upgrade
 - Diverse/multiple entry points-“peer to peer events” (golf tournament, sporting events, house parties, ministry site visits, etc)
 - Have marketing/promo materials/DVD available and sign up cards whenever you speak
 - Stay connected with funders: utilize online giving, technology (Mobile giving trend) and social networking

STRATEGIES AND METHODS

- Do you see the pool of resources getting smaller/bigger?
- It will come back around, so get focused and prepared, but be aware that there will be a “new normal”.

STRATEGIES AND METHODS

- What out of the box ideas do you see working that others should consider?
- House Parties vs. the Banquet Model
- Explore “mobile giving” opportunities for larger organizations

STRATEGIES AND METHODS

- How do you think raising funds for urban youth ministry is different than raising funds for other types of ministries?
 - It's easier, but you must demonstrate results, progress, and growth for the support to continue.
- Therefore, have a comprehensive vision and plan that goes beyond the camp or project!

STRATEGIES AND METHODS

- How do you see donor development efforts for secular non-profits different than from faith based (i.e., the United Way)?
- Secular NPO's have to depend on empirical data to convince donors to invest (proven results).
- FBO's need the empirical data along with the
- "heart" or Kingdom purpose-"lives changed" to connect with Kingdom minded resource partners.

STRATEGIES AND METHODS

- What trends do you see happening in donor development for faith based non-profits in the next 5 years?
 - E-Fundraising (social networks)
 - Greater level of donor engagement
 - Foundation giving decline (with economic downturn & falling stock values)
 - Individual Giving
 - Secular vs. faith based fundraising

DEVELOPING A TEAM

- How do you try to involve your current donors in raising funds?
- Invite and involve them in the ministry!
 - Create safe environments to which they can invite their friends
 - House parties –Encourage resource partners to host fundraising/ministry awareness events in their homes

DEVELOPING A TEAM

- How do you involve your board in raising funds?
- Board Involvement:
 - Take them with you to a donor appointment
 - Have them call and thank a resource partner
 - Create a Ministry Brief they can share with friends
 - Have them write a "Why I Give" article for your newsletter

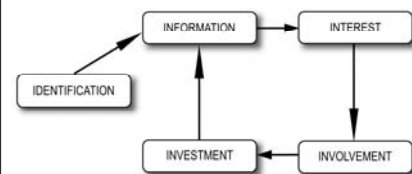
DEVELOPING A TEAM

- How do you train others in your organization to raise funds?
- Staff training
 - Encourage staff to learn the organization's "elevator speech"
 - Create a culture where fundraising is everyone's business in the organization
 - Encourage them to send your newsletter to their friends and family
 - Provide the marketing tools for sharing the vision

RELATIONSHIPS WITH DONORS

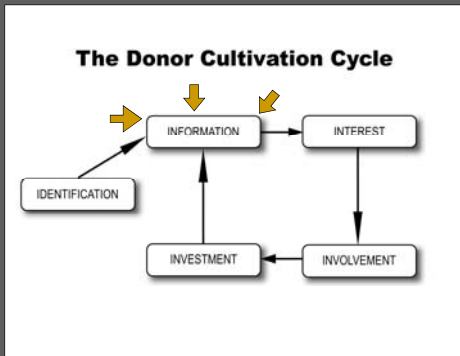
- What are the first few steps you take to research a potential donor as well as begin to get to know them?
- Ask them to share their story, their heart for urban youth, their interests, how they might like to get involved...

The Donor Cultivation Cycle



RELATIONSHIPS WITH DONORS

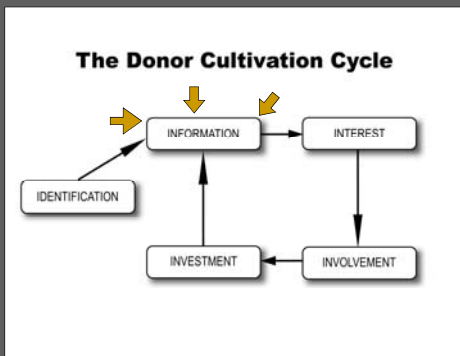
- What sort of progression do you try to create in order to help folks move from being a curious prospect to a committed donor
- Know the donor cultivation circle...



KNOW THE DONOR CULTIVATION CYCLE

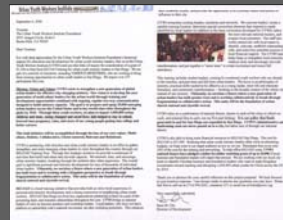
□ IDENTIFICATION of Potential Income Streams

- Individual donors
- Businesses/corporations
- Churches
- Foundations
- Government funding



• INFORMATION : Share mission, vision, strategies...

- Newsletter
- Marketing Materials
- Letter of Interest (handout)



RELATIONSHIPS WITH DONORS

- How do you try to communicate the vision of your ministry?
 - Know your elevator speech (30 second mission/vision)
 - Carry business cards, ministry brochures, website information
 - Practice the discipline of asking for their contact info/business card and ASK them if you can send them your newsletter
 - Add them to your database/ mailing list immediately... if not sooner!
 - Follow-up: Make a note to call them back, invite to an event, schedule a lunch appointment, take a student...

RELATIONSHIPS WITH DONORS

- Send Monthly Newsletter
 - Send it regularly (outsource to a mailhouse if necessary)
 - Include a pre-addressed response envelope
 - Keep it simple (one page is OK!)
 - Include pictures, stories of impact
 - Build a monthly support team

RELATIONSHIPS WITH DONORS

- How do you communicate the impact of your ministry?
 - Strengthen your message
 - Clarify Ministry Outcomes
 - Overview Brochure - Mission, Vision, Values, Strategies
 - Capture stories of impact (Return On Investment)
 - Marketing Materials/Website

RELATIONSHIPS WITH DONORS

- How do you build relationships with donors now, differently than you did 5 years ago?
 - Say "Thank You"... A LOT!:
 - In your newsletter
 - With a donor receipt letter
 - With a phone call from you and/or a board member
 - With a hand written thank you note
 - Segment Your "donor"/resource partner list and have a strategy for each group

RELATIONSHIPS WITH DONORS

- What do you do when a potential donor tells you “no”?
- Be a gracious “LOSER”!
- Say, “Before you make your final decision, would you please coach me as to how I can improve or perhaps enlist your support in the future”. How can I better demonstrate to you our ministry’s effectiveness and earn your trust?

FATAL FUNDRAISING FEARS TO OVERCOME

- The fear of asking for an appointment
 - Confidence comes from experience and the more experience you have the easier it will be in dealing with this fear factor
- The fear of asking for a gift
 - Confidence, practice your presentation & role play
- The fear of placing a follow up call
 - Preparation, prayer & willingness to go for it!

RELATIONSHIPS WITH DONORS

- Successful requests require:
 - Your (the solicitor’s) commitment
 - Passion, sincerity, honesty
 - Asking
 - Follow-Up
 - Appreciation
 - Enlisting help

STARTING A NON-PROFIT

- When is it time to form a non-profit and seek 501c3 status?

STARTING A NON-PROFIT

- How do you cast vision for startup investors?
- Share a Clear Picture of a Better Tomorrow
- Share Why this is Vital and the Difference your organization/ministry will make...
 - Based on a clear and thorough understanding of your Mission and Vision:
 - Organizational and program goals
 - Quality and relevant services
 - Resources focused where most productive (ROI: Return On Investment)

STARTING A NON-PROFIT

- Strategic Planning
 - Start with Mission
 - Defines what your organization does
 - Define your Core Values
 - Your 5 or 6 cherished beliefs and principles
 - Clarify your Vision
 - Picture of a desired future that inspires action
 - Identify Strategic Issues
 - The "big picture" things that get you closer to your vision
 - Create Action Plans
 - Specific, Measurable, Achievable, Realistic, Timely

STARTING A NON-PROFIT

- How do you seek startup grant funding?
- Realize that your "start-up" funding will probably come from your most committed resource partners and/or foundation with whom you have relationship!

STARTING A NON-PROFIT

- What other advice would you have about starting a non-profit?
- Don't do it unless you know, that you know, that you know you are CALLED to your mission and vision and you can't get it done otherwise!

STEPS FOR STARTING A NON PROFIT

- 1 Check State Corporation Requirements
 - In CA, it's through the attorney general:
<http://ag.ca.gov/charities/>
 - Complete guide to incorporating in CA:
http://ag.ca.gov/charities/publications/guide_for_charities.pdf
- 2 Choose a Name:
 - Clear through Secretary of States Office (\$10 filing fee) <http://www.sos.ca.gov/business/fe/>
- 3 Find legal resources www.insightsoed.org

STEPS FOR STARTING A NON PROFIT

4. Write your Articles of Incorporation
 - In CA, through the secretary of state (\$30)
<http://www.sos.ca.gov/business/ncny/>
5. Create a Set of Bylaws
<http://www.insightsoed.org/publications/legalpubs.html>
6. Gather a group of incorporators
 - Will probably be your first board members
7. Hold your incorporation meeting, then file your documents with the Secretary of State
 - waiting period while they approve your application

STARTING A NON-PROFIT

- What other resources would you recommend to help with fund development?

Center for Nonprofit Management

www.cnmsocal.org

www.foundationcenter.org

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