



Fundraising Fundamentals

Effective fundraising is all about relationships.

Personal relationships, to share evidence about your program and through which trust can be built in your ability to reach effective outcomes, is the core of all fundraising efforts. This is true whether you are soliciting funds from individuals, foundations or corporations.

In order to begin to develop these relationships, it is imperative that your organization has established a solid vision based on validated need, has built a defined and reasonable plan of action supported by a financial pro forma, and can demonstrate outcomes achieved through your efforts. It also helps to indicate others who are funding your work, if you have been in operation for a period of time.

Establishing a network of prospective donors before you need them, is one of the most important facets of developing sustainable funding. Through this network of prospects, advocates and volunteers you can begin to educate, engage and excite your base, creating a strong bench to call on in support of your organization.

Why do people support your organization?

Because they are asked. I really wish it were more complicated than that, but the honest truth, born out time and again in survey responses, is that people give to people who ask them to give. Given the choice between choosing to spontaneously support an organization on our own or responding to a request for support from someone we know, we most always default to the latter.

So, given this 'top secret' inside information, the concept of building relationships becomes even more important. But it also must be followed up with an ask. The ask of your donors (corporate, individuals or foundations) must be:

- Specific- What amount are you asking for?
- Time delineated- When do you need this donation?
- Detailed - What will this donation be used for, unambiguously?
- Respectful - Asking for the right amount, from the right person, at the right time, for the right thing, with the right appreciation.

Start with who you know.

Begin with those prospects who have a connection with your organization. Among this group, assess who has an interest in seeing you succeed and why. Finally, assess their ability to assist you in the timeframe you require.



Your closest acquaintances are the quickest road to fundraising success. These are individuals alone, in corporations or in foundations who already know your work and the value you bring to your community. Begin dialogue about your requirements for funding your services and the goals you plan to achieve, well in advance of any solicitation. This is called the cultivation period. Cultivation can be for a short period of time for smaller requests, or it can stretch out over months or years for large funding solicitations.

One last word on 'who you know'. The Board. It is essential that any organization launching into a fundraising program can show the community that the board governing the organization provides financial support for its existence. Providing credibility and assurance, board support is the foundation on which all other fundraising is built.

Individuals, Corporations, Foundations. Aside from government contracts and grants, all funding flows from these three sources. The majority of your funding will be developed in one or more of these three areas. Each one requires a different approach, however each one is integral to a balanced and sustainable funding strategy.

Approaches to each will depend on the programs being funded, the timeframe for funding requirements and the resources available to fundraise. Fundraising from individuals requires the most resources, but properly stewarded, they represent the most sustainable and influential source of funding.

Corporations are often interested in sponsorship which provides some level of public recognition. They may also be interested in supporting specific programs which provide outcomes that are important to their business line or industry. Securing funding from corporations can be as simple as a discussion and a letter of request, or may require a more comprehensive approach including grant development or marketing plan.

Foundations provide another stable revenue source for programs and services in your organization. Foundations have a set of imperatives and outcomes they are seeking for their own mission success. To achieve this success, they grant money to existing nonprofit organizations which are doing work that meets their mission. Because of this, not all foundations will fund all organizations, but choose those who are accomplishing the type of work fitting their imperatives.

Pulling it all together

Developing a long term strategy for funding is part of your organizations business development. Establishing funding benchmarks based on both financial requirements and sufficient prospects will provide a clear and reliable road map. Dedicating time, resources and expertise to defining your strategy in fundraising pays significant returns.