

**How to Fundraise Like a Pro
National Convention Seminar
Saturday, September 29, 2019**

What word comes to your mind when you hear the word “fundraise”??

For all of us in this room who deeply care about Christ Child Society, we know that to carry out our mission we need to raise the necessary funds to do just that.

And this fear you mentioned in the face of fundraising is totally understandable. You may feel awkward talking to someone about raising money. You may wonder, how do I ask someone for a donation? Or why would someone support my FR event? Why would someone say yes to me?

The antidote to this fear is knowledge and practice! Fundraising professionals have tested methods, strategies and tactics and have seen what works and what doesn't. And our very own chapters have tried and true methods to fundraise that they will be sharing with us during the second half of today's seminar.

So, let's first talk about why it is so important to fundraise. Fundraising is important because it helps organizations such as ours to raise awareness about our cause and what it is we do while also being a critical source of funding. When you raise awareness about your cause and tell your story, you are giving potential donors a chance to learn more about you. Hopefully, when these donors become engaged and supportive of your cause, they in turn can be encouraged to tell their friends, family members and co-workers about the tremendous impact you have thus further increasing public awareness. With the proceeds from our fundraising efforts, we can improve the lives of those less fortunate in our communities through the programs we offer them. Our fundraisers also allow us to engage our members in a more social setting that is so important to a group's continued success.

Every non-profit needs a well-rounded fundraising program with diversified sources of revenue.

But before we get into specifics, let's discuss some 2018 fundraising tips and trends we should be aware of.

#1: Donors are not sure they can trust you.

Donors want to know what their donation is going to be used for and if it will really make a difference. We often hear about money going down a black hole. We need to build our donor's confidence by being transparent about our fundraising—we need to explicitly share how much we need to raise, why we need to raise it and how the funds raised will be spent. Be careful with your words though because we don't want to

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say that 100% of proceeds will support a specific program because you know there are always costs involved when we run any type of fundraiser.

Tell your donor that they are going to change the lives of children in their local communities through their support-they are making a difference in the lives of the children we serve!

I have a perfect example for you. Every year Cleveland has a Starlight Ball whose proceeds benefit all of our programs. We show a video at the event which features various members talking about who we are and what we do. We feature several social workers who share stories of the impact our programs have on their clients. We also put our Annual report out on everyone's table. And we run a PowerPoint presentation throughout the evening to show the donor's just what their donation can be used for. Their first level of ask is \$5000 to support Cleveland's literacy initiatives for one year. Or, \$2500 to provide warm winter coats for 125 children. \$1000 would help the Cleveland chapter clothe 26 babies with newborn necessities. \$500 would provide 12 "My Stuff" bags to children in shelters. And the last level, \$100 could buy 20 books for our layettes or literacy programs. And they make it so easy for their guests to donate. The donate button is right on their phone when it is registered for the Silent Auction at the ball!

#2: The "Donor Experience" reigns

Donor acquisition, retention, engagement and stewardship remain of utmost importance to drive fundraising. You must make sure you have strategies in place to keep the donors you've worked so hard to find. One of the best ways to find out what a good donor experience looks like is to talk with your current, loyal donors. Find out what matters to them and what makes them feel connected to your organization. These insights will help you craft an experience that will be effective in turning new donors into recurring donors. Plus, it will improve your relationship with your loyal donors. You can ask your donors the following:

1. What initially attracted you to our chapter?
2. What gets you excited about a particular program we offer?
3. What would you like our chapter to share with you?
4. What aspects of our charitable programs would you like to see firsthand?
5. What experiences have made the biggest impact on you?

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While the answers to these questions will give us important insights into our donors, there are several elements that are universal to every effective donor experience. They are:

1. Express gratitude frequently: No matter what the size of the donation, everyone who gives should receive a thank you. This is a good time to reiterate what their donation will be used for. Expressing your appreciation several times over the year may result in another gift from said donor.
2. Get creative with your thank you: To make an impact, get emotional with your thank you. Do a handwritten note, include photos or even make individual phone calls. The more personalized it is, the more it will mean to your donor.
3. Keep donors informed about the programs they care about: By keeping them updated, they will feel that they are part of the team and this should motivate them to continue to support you.
4. Make donors feel like true team members: Send photos of programs, host meet and greet events with donors, leaders and those who have benefited from your services. Provide donors the opportunity to see your work firsthand.
5. Share stories of success: Share success stories in thank you letters, on your website, in your newsletters and on social media. Donors will be excited to be part of this success story and will seek to do more.
6. Seek regular feedback from donors: This will not only provide you with insight as previously mentioned, but will also make the donors feel valued. When you listen to donor's ideas, you are validating that individual's worth.

#3: 2018 Tax Law Impact on Non-profits

While we all would like to believe that our donors are solely motivated by an altruistic desire to support our mission, we should remember that for some donors, the charitable contribution deduction may be part of the reason for their charitable gift. So, the unavailability of the deduction may impact their charitable giving this year. This law has almost doubled the standard deduction which will reduce the number of taxpayers that will benefit from the charitable contribution deduction-only those taxpayers who itemize their deductions will benefit. In 2017, 30% of taxpayers itemized their deductions. Experts predict that this number will fall to 6% in 2018. All the more reason to tell our story passionately and to build and cultivate strong relationships with your donors!

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#4: Giving Days and Crowdfunding have a Great Future

A Giving Day is a 24-hour special day for giving to charity and Giving Days have become quite popular over the past several years. Some Giving Days are national in scope and some take place in a particular geographical area like DoMore24 in Washington, DC. You are probably all familiar with Giving Tuesday that began in 2012 to encourage charitable giving on the Tuesday after Thanksgiving instead of all of the focus being on shopping on Black Friday. In 2017, \$45 million was raised for non-profits on Giving Tuesday with over one million social media mentions. And Giving days will become even stronger as smaller and mid-size organizations master digital and social media so they can host their own Giving Day.

Crowdfunding is a term that refers to any effort to raise money with donations from a large number of people through the internet. It may enable you to reach many new donors who might not have contributed to your chapter otherwise. It is projected to become a \$90-96 billion dollar industry by 2025. For non-profits, crowdfunding happens through websites tailored to showcase an organization's projects or causes and accept donations. Be aware though that websites will charge a baseline fee and you need to know the laws in your state that regulate fundraising before attempting this fundraising venture.

#5: Internal Support for Fundraising is a Make or Break Issue

Your entire chapter needs to support your fundraising efforts to be the most successful. It cannot fall on a few shoulders to do all the work. And it is not only making the ask but fostering donor relationships that is the most important. Donors are more likely to say yes if they know the person who is doing the asking so you need to develop your own personal network of friends, family members, business associates etc.

#6: Sustainer Fundraising Programs will be King

It doesn't matter if you call it a pledge program, recurring gift program, monthly giving program or sustainer program-it is the same technique and they all add up to a huge additional revenue stream for your chapter. When a donor gives you permission to systematically collect a specific amount of money on an agreed upon date each month, you are going to increase your annual giving exponentially. If you have 50 people who will give you \$50 per month, that is an additional \$30,000 a year for your chapter!

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A sustainer program focuses on how the donor wishes to give. It combines the convenience of giving with the savings in the charity. You can also let your donors know that giving through this method has immediate impact on their local community!

Your chapter should pay special attention when recruiting new donors, introducing them to your sustainer program. You will have much better luck with new donors than trying to convert your existing donor base.

According to the Roy Jones Reports, there are several advantages to implementing a sustainer program:

1. Monthly sustainers give significantly more each year than single gift donors.
2. Monthly sustainers have higher retention rates than single gift donors.
3. Monthly sustainers account for 10% of the donor population, contributing 21% of the total income.
4. As the use of on-line giving increases, so will the number of monthly sustainers.
5. A sustainer program lowers your overall costs of fundraising.
6. Monthly giving helps donors feel special-these individuals should be your top prospect for wills, bequests and planned gifts as well.

So why not get started now! Ask every new donor to make a monthly pledge!

Prepare to Fundraise:

Now that we know why we need to fundraise, let's talk about how to fundraise! The first thing you should do is research. You need to define what you need to raise funds for and then budget the cost to meet those needs. You may want to put into writing how much you need, why you need it, and how it will help the community you serve. This can become part of your story when relating to prospective donors.

The next step will be to hold a series of meetings with key players such as board members and interested committee members. You may want to even ask some key supporters what they think of your organization's fundraising efforts. A survey to your membership may also help. You will want to decide what fundraising tactics have worked in the past for you and which ones haven't. Then decide on what fundraiser will work best for you. You will need capable, reliable people to manage records, staff the event, solicit donations, write emails, and update websites and social media outlets.

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You will also need a way to record and track donations and donor information, for legal, accounting and internal tracking purposes. Your method can be a simple spreadsheet or a custom database such as Donor Perfect but you must have a usable tool.

There are always legal issues surrounding fundraising that are governed by both the IRS and your individual state laws. Always make sure to check with your state's regulations but let's go through an overview of the most critical issues:

Understand tax deductibility: Not all donations to charities are tax deductible. First a charity must be a 501 c 3 or have the right to use another group's 501 c 3 to process donations.

Disclose whether goods or services were provided in exchange for the donation: If your organization provided anything in exchange for the donation, you must say that in your acknowledgement letter. This is called a quid pro quo contribution. An example would be, if you donated \$100 and you received a cookbook valued at \$30, your deductible contribution is \$70.

Provide acknowledgement letters: These letters are of course the right thing to do, but also, they provide the donor with a record of their donation for tax purposes. The IRS requires that an acknowledgement letter be provided for any gift of \$250 or more. Acknowledgements must be written but can be sent electronically instead of via the mail as well.

Register your charity: 40 states in the U.S. require charities to register with a state agency in order to solicit donations from residents of those states. Solicitation can include any type of request, whether by mail, online or by phone. You can check online to see whether you are required to register in your state.

Talk to a professional: The best way to understand legal issues is to get professional advice. Check with an attorney or an accountant who specializes in non-profit finance if you have any questions about the law. Although our national office is very knowledgeable, they cannot possibly know that laws of every state.

Even if you do everything we mentioned, for your fundraiser to truly be a success you need to be able to tell your story. Stories will make your cause relatable, tangible, and touching. Moving stories tug at donor's heartstrings and motivate them to give. So, when crafting your story, make it compelling-choose the best, most effective stories to

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tell, incorporate powerful visuals and use emotion to motivate your audience. Look at how the South Bend chapter told their story at a recent fundraising dinner. They made up large posters with a picture of one of their clients (after obtaining permission of course) along with a quote from the child. These children were recipients of their programs and it was very touching to have these children become something “real” for the potential donors at their event.

Many chapters pull at the heartstrings of their potential donors by developing videos or Power Point presentations featuring information on their chapter and its programs and the impact they have in their community as told through their partner social workers and those they serve.

Next question: **What inspired you in the past to attend a fundraising event?**

When planning your fundraising event, keep some of these answers in mind: Your guests want to have fun, they don't want it to be too expensive, they want to feel good about where their donation is going, they don't want it to take up too much of their time and those who are planning and implementing the event, want to feel like the time and effort they put into it was worthwhile and valuable-in other words, they want their event to be a success especially in relation to the amount of work it involved.

Here are a few ideas that you may or may not have tried:

1. **Hold a house party:** This would be a small event hosted at the home of someone close to your organization. The host invites friends and contacts whom he or she believes might be interested in donating to your cause. After mingling and refreshments, the president of the chapter could make a short presentation about your group and the guests have an opportunity to ask questions. A house party can be fancy or not, can be dinner or cocktails and appetizers, it could be 20 guests or 6. Staff and board members should be on hand to mingle and answer questions. The Detroit chapter hosted a type of house party this past August, when a member invited friends and neighbors to her home for wine and appetizers and to tour her beautiful gardens and by charging a \$75 admission, raised funds for Detroit's programs.
2. **Make a booth:** Go to the manager of a local grocery store or drugstore and ask if you can put up a booth at their store to tell your story and collect donations. Some local grocery stores or specialty shops may even go one step farther and give you a percentage of the store's proceeds for the day.

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3. **Hold a restaurant fundraiser:** Many restaurants have established fundraising programs whereby non-profits can receive a percentage of sales on a designated day. These programs are very common among big chain restaurants but smaller establishments offer them too. The how-to's are going to be explained in length later today when the Toledo chapter presents their Celebrity Wait Night fundraiser!
4. **How about a dessert party?** It is fun, simple and inexpensive. Hold the party at the home of a board member or friend of your chapter. Ask volunteers to make desserts in single serving sizes. Provide coffee, tea and soft drinks. Sell tickets at a modest price. Or turn it into a book drive and instead of money have the cost of admission be 2-3 books!
5. **Hold a craft fair:** Your chapter would rent table space to vendors to display and sell their products. You can ask these vendors to donate a percentage of their sales to your chapter as well. Many chapters include vendors during their Red Wagon luncheon for an additional source of revenue. Many chapters also add a raffle in the form of a Chinese auction or cash raffle during their luncheons.
6. And here's an interesting idea...add a **"Balloon Pop"** to any fundraising event you have. South Bend shared this info-Each balloon costs \$20 and you are guaranteed to get at least \$20 in gift certificates to local businesses. As the balloons are being filled, a piece of paper with a number is inserted. When you pop your balloon, you take your number to the gift table to get your prize. All gift cards are donated and range in value from \$20-\$100. And really, these balloons could probably even be priced a little higher to increase your profit margin!

Fundraising online is not that different from fundraising in the physical world. You still need to communicate your needs and tell your story, motivating your donors to donate to your cause. Your website needs to draw them in the first time they set eyes on it. So how can you communicate your message in a compelling manner? The best way to raise funds online is to set up a webpage for donations and then let people know to go to that page to contribute. Include the link in every written and electronic communication you send to your members. Every chapter should have a website that features a donation page that makes it simple for donors to donate! You may even tell the donor what their donation will specifically provide. And it needs to be easy to navigate and you should be able to get to your donation page from every page on your website! And don't forget to add a "donate" button on your Facebook page as long as you have a secure method of receiving online donations in place such as through your website. The

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NCCS website is a perfect example of how to use your donate button and donate page effectively. You can also access a Facebook webinar and resources on the website for those chapters who still need to set up their FB page.

Most donations made online are by a credit card transaction so if you are not already set up this way, there are a number of credit card donation processing services that will help you for a fee.

Always remember to offer the option of recurring donations. Many donors find it easier to make a larger donation if its split into quarterly or monthly payments. Some committed donors may even decide to make their donation an ongoing yearly donation!

Some non-profits opt to accept donations through PayPal as well. You can visit their website at www.paypal.com for more information.

Fundraising with an affiliate program is another avenue you could explore. This basically involves making commissions off sales. An online merchant or shopping portal provides the charity with a unique affiliate link. Shoppers then use the link to access the merchant, make purchases, and the charity receives a percentage of the sales. Amazon Smiles is a perfect example of this and I know that many of the chapters are already signed up for this. This fundraising technique will only work as well as it is advertised so if you plan on using it, get a banner on your website announcing the link and include this information frequently through emails and newsletters to your supporters.

So, let's pull it all together and talk about what it takes to be an effective fundraiser. According to a study by Joe Garecht of the People First Foundation, there are seven key traits that are shared by the most effective fundraising professionals.

1. They pick up the phone. I know it is easier to send an email but a phone call should be the primary approach then you can follow up with an email. Talking in person will help build a relationship with your donor that an email just cannot.
2. They focus on metrics. They only want to spend time on what they know will work and the only way to know what works is to track metrics and return on investment for all fundraising endeavors.
3. They diversify revenue streams. If your chapter relies solely on events, it may be time to look into grant-writing or an annual appeal campaign. It's never a good idea to put all your eggs in one basket!

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4. They strengthen their board. Your board of directors should be a major source of development support for your chapter. You should provide necessary training, support and encouragement to board members. Try organizing a board giving campaign like the Friends and Family campaign that the National Board has in place. National board members send out personal letters to family members and friends asking them to monetarily support the NCCS. The board sets a goal for itself and strives to meet it. And always be looking for new supporters who are capable of joining your board and making a positive impact.
5. They ask for referrals. At least once a year, ask your board members and donors for referrals. Sometimes all it takes is an introduction and a connection can be made.
6. They prioritize work. Spend most of your time on activities that offer the highest reward. They test new things, keep what works and cut what doesn't. One person should not be doing the majority of the work either-we must remember to delegate!
7. They practice their craft. A great fundraiser will constantly work to become better at what they do. They may attend non-profit seminars, conferences and training opportunities. And if this is not possible, there is all kind of information at your fingertips on the internet to help you hone your skills.

Earlier we mentioned that the way to get over the fear of fundraising is knowledge and practice. We hope we have given you some new information to help you in your fundraising efforts. Now it is time to practice what you have learned. We know you can do it! And don't forget to check out the NCCS website under Member Resources/Fundraising Resources for some great fundraising ideas!

One last question: **What one word or phrase will you bring back to your chapter regarding fundraising?**