

Basics of Fundraising and Donor Relations

Information provided by Catherine Landry, former fundraiser for the National Arts Centre, Ottawa from (dates). Catherine raised approximately gross \$15-20 million through donor relations and gala events, over a 13 year period.

Meeting with Donors

Donor relations is all about building a relationship, creating a romance. People give from their hearts. When they fall in love with your organization and your mission, they will give. Donors are your friends. Care about them and invest in them as you would your friends. Get to know all about them, and their families. Treat them with kindness, respect, and honour. Cultivating a relationship with a donor is a romance – and romantic relationships begin with low-key contact (go out for coffee) and then move toward more serious contact (dinner and subsequent dates). Donor relations are a lot like that: you are building a relationship, creating a shared passion for the same thing (your program). You are inviting them into a relationship in which they will invest, and their hearts will be touched by how lives have been changed.

All major donors should have personal visits and additional contact throughout the year. Contact every 2 – 3 months (a “touch point”) Could be a newsletter, Christmas card, but a major donor relationship shouldn’t go more than 4 months without a personal contact with the E.D.

Create a series of varied touch points throughout the year. Catherine would create a stewardship plan to determine which touch points would occur and when. Create the touch points and put them into a plan for the major donors; have someone do follow up to make sure they are happening. Major donors should have phone number of E.D.

Exploratory Meeting: Does not include a specific “ask” for money. Usually go in pairs to meet the potential donor.

Goals/Purpose for existing donors: get to know their likes/dislikes, find out the intensity of their interest in your programs, depth of their interest, to express thanks/appreciation if they are a current donor, to ask them Q’s about what interests them about the program, why they gave initially, what was the motivation or impetus, do they feel they are receiving enough communication, often enough, with enough depth of detail, are they getting enough info in annual reports (or other ways) regarding how their gifts were used, are they getting enough info on how their money is used, are they happy with the relationship as is, or does something need changing, are they comfortable with current level of interaction with organization, would they be interested in discussion of other programs, new programs, different programs from what they currently give to? Explore the answers to all those questions.

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This meeting is to further the relationship, express appreciation, provide update/info if they are interested, and query whether they would want to hear about other program needs. Would they be agreeable to you coming back with an additional request regarding another aspect of the association's work.

Bottom line: are they happy? If not, what do they want/need to feel happy with their connection/relationship with the organization?

When to use: use as a thank you call for a donor you haven't connected with personally for a while. Set up a coffee to say thanks, and expand it to an exploratory meeting, as a prelude to finding out whether you can make an 'ask.'

Sample Script: When the appointment is being set up (the ED should personally call all major donors, not the admin assistant). If you haven't spoken to them in a while (or ever), they can develop a simple approach such as, "You know, I was going through some program ideas today and I suddenly thought I would like to call you, first of all to say a sincere thank you for the 10 years you've been giving to our organization but in addition to saying thanks, I'd love to get together to see how things are going, have a chat, and talk with you about your involvement with our organization. A cup of coffee or a lunch (if you have time) would be great, but coffee would be just fine if you've got about 20 minutes to squeeze me in."

When you arrive at the coffee meeting: opening paragraph lays the groundwork. Begin with the usual pleasantries, and then review the facts about the donor relationship (you've been supporting us monthly for 10 years and I want to say sincerely how much we appreciate that. I'm concerned that in all these years we haven't had a chance to meet, and I would really like a chance to say thank you and to see how you feel things are going. How do you feel about the communication we have with you? What got you interested in M2 originally?" Then begin to draw the donor out, and follow up on what they are saying, making connections with what they are saying. Make note of the personal info they give you.

This meeting lays the groundwork for the ask. You might even say up front, the purpose of this meeting is not to ask for additional support, it's just to connect and get feedback from you.

This is about "romancing" the donors. You might have to invest in a couple of exploratory meetings depending on the personality of the donor and the nature of their commitment and interest. Respect their time – don't keep them longer than they originally commit.

Catherine and staff commented that it was like wooing before marriage: meeting for coffee, then for dinner, then you establish a relationship.

Sometimes an exploratory coffee can be used to share a new program with an existing donor.

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Always send a follow-up thank you note – handwritten sent through the mail is best. High-powered business types often prefer emails.

The “Ask”: includes a specific request for funds. Go in pairs. But E.D. asks the question, whereas the fundraiser or 2nd person who knows more of the details may describe the program.

Goals/Purpose: make a direct ask for funds. Be very clear about what it’s for – answer some of the same Q’s that are on a grant application, in terms of the goals of the program, how it will work, and what you need. Why it’s important, what it will do for the community, why people will want to support it, and where we currently get our funding. Be totally transparent about all the other funding sources, as well as the expenses. Be clear about what you need from major donors. You might be surprised that one donor might take the whole piece.

When to use: after you have “romanced” the donor with preparatory meetings or phone calls. NEVER make an ask over the phone!

Sample Script:

E.D. sets the tone for the meeting. Here’s the org, here’s our mission/vision/mandate and what we do. Here are our existing programs, and here’s our success rate, etc. I’ve brought my colleague Colette with me to talk about a new program we are developing, so I’m going to hand it over to her, etc.

After the program is explained, then the ED says to donor: What do you think? Is this resonating with you? Do you think it might interest you? What are your thoughts? Pause... and wait for them to speak. They might have questions, go from there.

(Make sure you take something you can leave with them, i.e. a brochure, and a donor card and envelope)

Can we look to you for some financial support? “Well, what do you need?” Well... it really is up to you, but we are looking for about 5 – \$10,000 but whatever you can manage would be wonderful.

They know you are there asking for money so when you say “Can you help us with this?” they know it is a financial request. But when they ask “how much?” you must have a specific number.

The team would often create a pyramid, i.e. we need \$20,000, so we are looking for two donors at \$10,000, or 4 at \$5000, or maybe someone would like to cover the whole amount. But base your ask on what they have given before (know their capacity to give). Do your homework ahead of time on their financial capacity to give.

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Some ways to ask:

One of the nicest ways to ask is something like this: So that's the way we are hoping the program will unfold, so... we would be honoured to have you involved in this in some way – in whatever way you feel comfortable. Do you think you might be able to provide some assistance in terms of funding? Do you see any way that might be comfortable (or amenable) for you to help us in any way, to contribute, perhaps, to the funding?" The more words you use, to spin out the delicacy of the ask, it gives them more time to think about how they want to respond.

"Do you think there is any way you could possibly assist us? We would be honored to have you assist us with this program. Is this something you would be comfortable with?" Then pause.... Create a pause and a void, and wait for the donor to respond. Don't come jumping in. Let the pause sit. The donor is thinking. Sometimes savvy business people will intentionally let the pause go on for a long time to see if you will get nervous and jump in. (Especially true for contacts with whom you have not built a close enough relationship)

Honoring people is really important. Use the word.

If they say no, "I totally respect that, and I understand. I'm disappointed that we won't have you on board, but I do appreciate where you are coming from. Do you think there might be a better time in the future to consider involvement in this? (If they say no again, then....) Is there someone else you can think of who might be interested in supporting our organization?"

Don't ask more than three times. Then say thank you again for their time, and I look forward to seeing you again. If there is anything we can do, let us know. In three months time, touch base with them again.

Follow up phone calls: leave a message on their voice mail (do this with all major donors). "Hi, its Just calling to say thank you for all your ongoing support through the years. Sorry I missed you today – I was looking forward to connecting – I hope all is well. Thanks so much – if there is anything we can do for you, please don't hesitate to call me directly. My number is....."

Donors LOVED these calls and frequently called back, often to connect and chat, and it built very strong good will with the agency. Sometimes, you have to give them a fair amount of time but you glean information about them. Sometimes it leads to an additional gift. It can give you info about them that is useful down the line.

Write copious notes about everything that was discussed, and put the details in the data management system.

Key point: donor relations is all about building a friendship, a genuine relationship with the person. It is not predatory! You really invest in them, care about them, learn about them and

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their families, like you would any other friend or person you care about. The challenge is remembering all that info when there are so many donor “friends” to take care of. That’s where having a good data management system is REALLY important. It helps you take good care of your friends!

Data Management

Create a database that will track the following information for major donors

- Who they are, details of their family, their birthday (send donors M2W2 note cards on their birthday and Christmas cards), their plans to go on a vacation (next time you talk to them ask them how their holiday went). Anything that helps you remember them for the next meeting. It’s all about building a relationship and friendship with them.
- Their giving record
- What kinds of things really interest them.
- History of contacts with them

Maintaining contact with donors: think about the various “touch points” during the year.

Christmas cards to all donors, personally signed by the E.D. Major donors get a personal note as well.

Things to consider when hiring a fundraiser

- Be clear about what you want them to do. Will they be handling the administrative detail? Don’t expect them to be out meeting with donors if they have to handle the database and all the admin details.
- If the admin details can be handled by staff, then the fundraiser can be out meeting with people and raising funds as their primary responsibilities
- Don’t let fundraiser get bogged down on admin work.

Major fundraising tasks:

- What are you asking \$\$ for? Does the org have a strategic plan? Do you have clear budgets for each program so you know what you are asking for, and what the related expenses are for, in that budget. Fundraiser needs to know the intimate details of the program.
- Database and data collection
- Creating and managing the plan.