



FUND DEVELOPMENT TOOLKIT

MICHIGAN MAIN STREET





Dorothy A. Johnson Center

FOR PHILANTHROPY

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Effective fund development is based on having good information and building effective relationships. It truly is a team sport and organizations will achieve the best results if everyone understands the role they play in fund development.

The toolkit is organized around **10 essential pillars of fund development** that will lead your organization through the process of understanding your sustainability, organizing your development team, and choosing the best development tactics to raise funds. Each section in the toolkit includes tips specific to that area, as well as lists of linked resources that include templates and additional resources.

While many of the elements of this toolkit build upon one another, it is not necessary to read or use it from start to finish. Select a topic where you need help and dig into the resources that are most valuable for your situation. The variety of resources provided in the digging deeper sections are designed to meet the needs of various organizations, regardless of size and life cycle. Explore and customize the templates and resources to best fit your needs.

10 PILLARS OF FUND DEVELOPMENT

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1. EVALUATE YOUR ORGANIZATION'S OVERALL SUSTAINABILITY

The sustainability of an organization is never reliant on any one thing, there are many factors to consider. "[The Foraker Model of Sustainability](#)" provides a framework in which to consider the well-being of an organization.

The model represents a journey rather than a destination. The model proposes four lenses with which to consider an organization's work along the journey. As each lens is strengthened, so too will the programs and services of an organization become more efficient and effective.

The journey begins with key questions: "Who are we?" and "Where are we going?" Once we have clarity on these two questions, we then look to:

- Having the right balance between staff (whether paid or volunteer) and board members
- Having mission aligned, trusted partnerships
- Having enough funds to meet the mission with the right mix of unrestricted revenue to allow for administration and adaptability

Using these lenses will help your organization understand the dynamics of sustainable programs and services. Good sustainability practices include having an up-to-date:

- **Strategic framework** that sets the future for the organization and guides decision making

- **Marketing plan** that is updated annually
- **Fundraising plan** that is updated annually and monitored regularly
- **Annual budget** that is monitored by leadership, both staff and board, throughout the year
- **Succession plan** to ensure ongoing leadership or the organization, for staff and the board
- **Metrics** to measure your success and guide decision making
- **Bylaws and policies** to ensure accountability for organizational leadership

DIGGING DEEPER

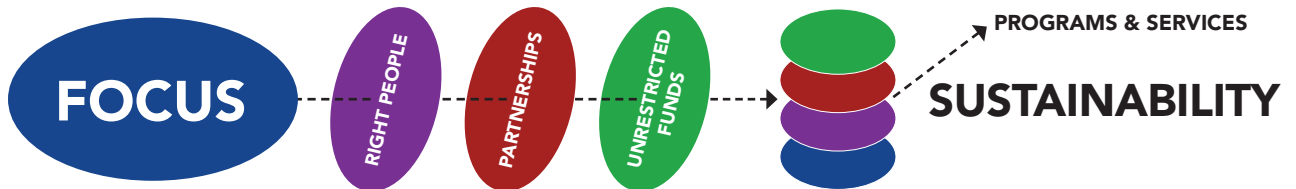
Learn more about the Foraker model through mini video lessons using the links below.

- [Focus](#)
- [Right people](#)
- [Partnerships](#)
- [Unrestricted funds](#)

Your organization can also use the "[Non-profit Leadership Lab's 14 Attributes of Healthy Non-profits](#)" to help track your organization's progress to becoming more sustainable.

Another resource is the book "[Focus on Sustainability: A Nonprofit's Journey](#)."

Last, Bloomerang developed a [field manual](#) for non-profit sustainability that also provides indicators and best practices for enhancing organizational sustainability.



2. ASSESS YOUR ORGANIZATION'S BUDGET & FINANCIAL HEALTH

Fund development is mission work and good budgeting is about ensuring that you have enough resources to fulfill your mission. Your budgeting process is about understanding context and aligning your annual work with your strategic focus.

As an organizational boundary line, the board should play a role in developing the budget. The extent of that role will depend on many factors like staffing, size, and relationship to a municipality. At minimum, the board should be involved through a finance committee and also in reviewing and approving the budget before it is put into action.

If you are part of a municipality, make sure you understand how your program budget fits with the entire budget. Be sure to ask questions about where your revenue is expected to come from and what is subject to change over the course of the year. Know what your program budget relies on.

In addition to preparing your annual budget, your organization should be thoughtful and strategic about long-term [financial planning](#) for measured organizational growth and [scenario planning](#) to help you navigate times of uncertainty. The links will bring you to resources and templates.

BUDGETING TIPS

- Always start with your budget by assessing how much revenue you can generate from all the available sources: grants, individual donors, special events, government contracts, interest income, and earned income. The revenue assessment should include evaluating the past three to five years of revenue to look for trends. Questions you may want to consider:
 - » How does the Main Street budget connect with the budget for the municipality?
 - » Have your revenue streams increased or decreased in recent years?
 - » Is your donor list growing or shrinking?
 - » What is reasonable to expect from grants and other revenue sources in the coming year?
 - » What is the financial condition of your community and how might that impact your organization?
- Once you have a realistic idea of what revenue will look like, then it's time to think strategically about how you will allocate that revenue. Start by

developing the budget for each individual program or service you offer.

- Allocate expenses and revenue by month and be realistic about the ebb and flow of each. While some costs are fixed or equal each month, it is important to note in the budget detail where the peaks and valleys are for revenue and expenses. This will help your organization better manage cash flow and properly forecast cash on hand.
- Ensure that the board is part of the process by sharing the various pieces of the budget—program or service budgets. When sharing the budget with the board, be sure to provide both the numbers and some narrative. Narrative should be focused on key areas of change and explaining any new budget items. For example, if there are additions to the staff, this should be explained in a narrative that accompanies the budget.

TIPS FOR MANAGING THE BUDGET

- The board should review the financial health of the organization at least quarterly. This review should include a detailed profit and loss statement, a fiscal year to date budget, balance sheet, and financial forecasting.
- A regular review of fund development efforts is also valuable for the board. This could include how each fundraising appeal performs, a review of fundraising events, financial results of any earned revenue efforts, and reviewing grant and contract management. This regular review could be done using dashboards, and/or reviewing profit and loss statements for each revenue area.
- Management should have financial systems in place that comply with the generally accepted accounting principles ([GAAP](#)) and follow both state and federal regulations.

DIGGING DEEPER

- [Michigan Main Street budget template](#)
- The [Council of Nonprofits](#) has a blog about why budgeting is important and includes a variety of links to other resources
- [Strong nonprofit toolkit](#) from the Wallace Foundation (includes budgeting templates and guides)
- [Ten-step guide to budgeting](#)
- [Guide to budgeting for small nonprofits](#)
- [Four budget templates](#) that include program and annual budgets, cash flow projections, and a grant budget template

3. SHIFT FROM FUNDRAISING TO FUND DEVELOPMENT

Fundraising is transactional, the things we do to raise money for our organization.

Good fund development is a strategic approach to developing donor relations. To move your organization from fundraising to fund development requires that you first have a good framework in place for fundraising and then you take a strategic focus in arranging fundraising actions in such a way that you develop relationships.

Fundraising asks: How can I raise money?

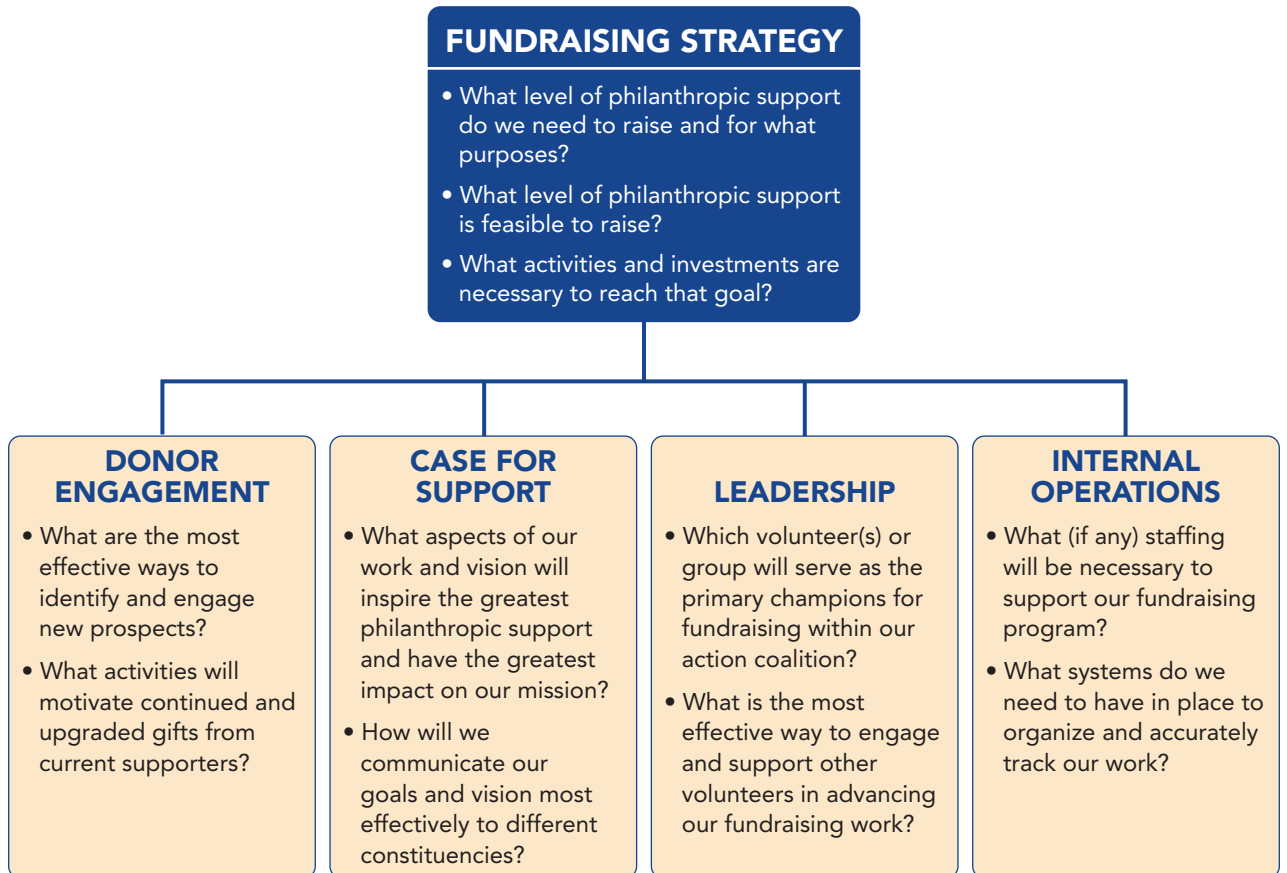
Fund development asks: How can I build relationships to maximize funding for our mission?

DIGGING DEEPER

Learn more about fundraising and development with these resources:

- [Best fundraising blogs](#)
- [Principles of fundraising](#)
- [Fundraising and development resources](#)
- [All about fundraising: tools and resources](#)
- [Fundraising bright spots](#)
- Book: “Fundraising for Social Change,” by Kim Klein

A FRAMEWORK FOR FUNDRAISING SUCCESS



Source: *Core Pillars of Successful Fundraising*, Campbell & Company, Campaign for Action

4. BUILD AN ORGANIZATIONAL CULTURE OF PHILANTHROPY AND CREATE A FUND DEVELOPMENT TEAM

A successful fund development program includes creating a culture of philanthropy throughout the organization. Everyone must understand that they play a role in ensuring the organization has adequate funding to effectively carry out programming. This requires shared values and practices to support fund development.

Within this culture of philanthropy, it's important to build a team dedicated to fund development efforts. Ideally the team will include staff, volunteers, and board members.

STEP ONE: Determine an effective team structure

Creating a team starts with setting a structure to facilitate your fund development efforts. One effective structure is to develop a Community Relations and Development (CRD) team. The CRD team should include the staff liaison that is responsible for development, a couple of willing board members, and some community volunteers.

STEP TWO: Recruit fundraising volunteers

Tips for recruiting and maintaining the fundraising volunteers:

- Be clear on expectations, including how much time will be required and what the goals are for the committee.
- Provide various levels of engagement that include serving on the CRD committee or serving on a committee for a specific fundraising activity, or working on one event.
- Make volunteer engagement fun and beneficial for those involved. It's not about the organization needs, it's about what the volunteers can bring!
- Make the process easy for people to get involved by providing clear communication, training, and ensuring that the committee has the resources it needs to be successful, things like:
 - » Agenda and report templates
 - » Sample work plan templates
 - » Detailed budget
 - » Have an attitude of gratitude

STEP THREE: Ensure the board understands their role

Make sure the full board understands their role in the fund development process, beyond the few board members who may serve on the committee.

- **Ethics and accountability:** The board and individual board members are responsible for ensuring the public's trust as a part of their fiduciary responsibility. The board must ensure that the organization is acting ethically in the way that it is raising and spending funds, and is communicating honestly with the public.
- **Financial oversight:** Board members are responsible for ensuring the organization's finances are in order. The board must make sure that the organization has the money it needs to sustain its mission, that it is spending resources wisely, and that it has a reasonable plan for sustaining programs into the future.
- **Relationship building and network:** Board members can write notes to thank donors, take donors to lunch, host small events, and invite donors to your organization's fundraising events. They can also help your organization connect by making introductions to key community leaders and potential funders.
- **Planning:** Board members can serve on fund development and event committees to help with planning and implementation.
- **Giving:** Board members should be making personally significant contributions in support of the organization's mission.

STEP FOUR: Develop internal systems to manage fund development activities

Good fund development work relies on knowing your donor and having systems in place to manage relationships and track information. Systems to facilitate fund development include:

- Budgeting to ensure the organization has tools and resources for fundraising success
- Staff and/or volunteers to plan, support, and execute the work
- System to track and acknowledge donor gifts
- System to track donor communications and connections
- System to ensure the ethics of fundraising and the rights of donors are being honored

4. BUILD AN ORGANIZATIONAL CULTURE OF PHILANTHROPY AND CREATE A FUND DEVELOPMENT TEAM

continued

DIGGING DEEPER:

- [Building a culture of philanthropy for your organization](#)
- [How to engage your board as fundraisers](#)
- [Nine ways to motivate and engage your board members to raise funds](#)
- [Rachel Muir: Do's and don'ts of getting boards to fund raise](#)
- [Rachel Muir: Board member guide to fundraising](#)
- [Five simple steps to turn volunteers into fundraisers](#)
- [Role of the board member in fundraising](#)
- [Board communication kit](#)
- [Volunteer engagement toolkit](#)
- [Michigan Main Street volunteer toolkit](#)
- [Volunteer management toolkit](#)

Here are additional resources to help you select software and design internal systems to facilitate fund development work:

- [Top 10 donor management software report](#)
- [Fundraising Code of Ethics](#)
- [Donor Bill of Rights](#)

5. IDENTIFY YOUR ORGANIZATION'S EXISTING REVENUE SOURCES

Any organization is in danger if it relies solely on one source of funding. There is no perfect mix for the right revenue sources, each organization must evaluate their own risk by understanding how much they stand to lose if one funding source goes away. If you rely on one source of revenue for more than

40 percent of your annual budget, you have to ask yourself will the organization survive if that one source goes away. Having a good mix of revenue will make you less vulnerable and create more sustainability.

This graphic helps you understand where revenue comes from in the non-profit sector:



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Earned revenue accounts for the majority of funds in the sector. Consider these potential earned revenue sources:

- Fees for training your organization provides
- Rental income from property your organization owns
- Selling merchandise or cause marketing partnerships
- Investment income from savings or endowment funds

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To help you understand your own funding mix, the Association of Fundraising Professionals, BoardSource, and several partner organizations, designed [fundraising effectiveness tools](#) to help you measure your organization's dependency on top funding sources and your fundraising effectiveness. These [templates](#) will help your organization balance the risk and rewards of fund development by calculating:

- How much money you have to support the mission. This fundraising net = total amount raised minus fundraising expenses.
- The extent to which your organization is dependent on top donors. This dependency quotient helps you understand the risk and resilience of your organization and is equal to the sum of contributions from the five largest donors or funders divided by your organization's expenditures.
- How much money you spent to raise the funds. This cost of fundraising is calculated by dividing the total fundraising expenses by the total fundraising net revenue.

Your organization can use these tools below to help measure fundraising effectiveness:

- [Understanding and evaluating your fundraising strategy](#) (toolkit for board and staff)
- [Tool to help calculate organization's fundraising effectiveness](#) (Excel document)
- [Measuring Fundraising Success](#) (conversation guide for board and staff)

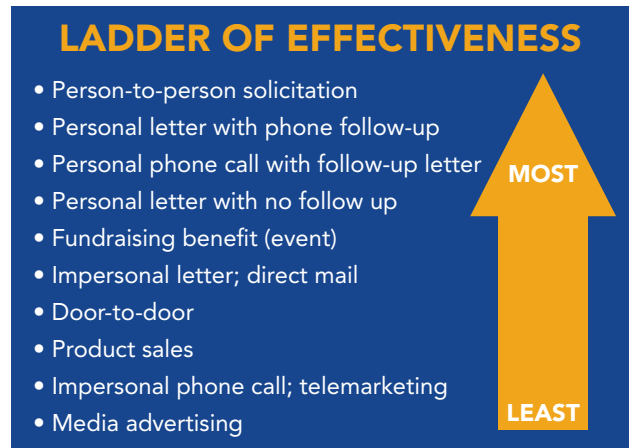
BLOG POSTS AND ADDITIONAL RESOURCES

- [Five best ways to generate earned income for your nonprofit](#)
- [How to get donations: 18 ways the pros are doing it](#)
- [Non-dues revenue: the basics](#)
- [Building multiple revenue streams](#): This guide will walk your organization through the five steps of the revenue development process:
 1. Assess goals for the future and current resource capacity
 2. Identify your income strategy
 3. Select an appropriate revenue source
 4. Develop and execute a revenue resource plan
 5. Evaluate results and strive for improvement
- [How to raise \\$1,000 in 10 days](#)

6. DETERMINE THE FUNDRAISING TACTICS THAT ARE BEST FOR YOUR ORGANIZATION

Not all fundraising tactics are the same. A robust fund development plan should include a variety of tactics that not only generate revenue, but work together to build relationship.

Each fundraising tactic carries a different level of effectiveness and return on investment. A good development plan uses a variety of fundraising tactics. Choose fundraising tactics based on goals and organizational capacity, both people and financial resources.



Source: Henry Rosso, "Achieving Excellence in Fundraising" Jossey-Bass

FUNDRAISING EFFECTIVENESS CHART				
Ways/places for asking for support	Definition	Effectiveness tips	Prospect ratio	Average cost per dollar raised
Direct mail	Money raised through the mail by sending a solicitation package to a broad base of potential supporters.	Most effective way to achieve these <i>new</i> donors: repeated solicitations	100:1	\$.80–\$1.25
Telemarketing	Money raised through the telephone by calling with a solicitation script to a broad base of potential supporters.	Most effective way to achieve these <i>new</i> donors: repeated solicitations	10:1	\$.10–\$.20
Fundraising event	Money raised from individuals who are new to the universe of your organization or upgrading to a higher level through the sale of tickets and other event collateral	Most effective way to achieve these donors: multiple solicitation tactics	Direct mail sales 100:1; Face-to-face sales 4:1	\$.50
Corporate sponsorship	Money raised from corporations who support the work of your organization and/or are seeking recognition opportunities	Most effective way to achieve these donors: face-to-face solicitations	4:1	Widely variable; approximately \$.10–\$.50
Grants	Money raised from private and public foundations and/or various branches of the government	Most common way to achieve this money: grant applications	11:1	For program grants \$1.00; for operating grants <\$.15
Individual donors	Money raised from individuals who support the work of your organization at a philanthropic level	Most effective way to achieve these donors: face-to-face solicitation	4:1	<\$.10

Source: *Community Toolbox, Marketing The Initiative to Ensure Financial Support*

6. DETERMINE THE FUNDRAISING TACTICS THAT ARE BEST FOR YOUR ORGANIZATION

continued

FUNDRAISING TACTICS ANNUAL APPEALS (DIRECT MAIL)

Direct mail is a useful tool for any organization, particularly during the fourth quarter of the calendar year when people are in the giving spirit for the holidays. The number of appeals you want in a calendar year will depend on the culture and relationships you have. At minimum, send one appeal requesting a philanthropic gift in the fourth quarter to potential donors.

Creating annual appeals is best done when you have a plan that connects appeal letters to an overall fund development strategy. One key to good direct mail is having a clean list with proper donor addresses.

Tips for writing an effective appeal letter:

- Make the letter scannable by putting some text in bold or italics, using short paragraphs, and lists
- Make a specific ask by naming the desired amount —based on recent giving— and noting what the gift will do
- Use donor centered language, like “you” and “your,” not “I” and “we”
- Make the letter visually appealing with a picture or interesting graphic
- Tell one key story in the letter that demonstrates the impact of your mission
- Choose a theme and repeat it several times throughout the letter
- Assume that the donor will give by including thank-you language
- Create urgency with active language and a clear call to action
- Include a postscript with a clear call to action —research shows that the P.S. is often read first
- Make sure the envelope has a real, first class stamp on it—if you are a 501C3, large mailings of over 200 pieces may qualify for [bulk mailing](#) and non-profit bulk mail stamps
- Include a response piece that can be returned with the gift

Tips for an effective response piece:

- Make sure it’s branded
- Include three to five suggested giving levels
- Include matching gift information
- Provide space for full credit card information

Digging deeper:

- [Appeal letter samples](#)
- [Sample response pieces for fundraising by mail](#)
- [10 Tips to create a fundraising appeal letter that brings in the money](#)
- [10-step annual appeal from start to finish](#)
- [Sample appeal letter](#)

SOCIAL MEDIA AND ONLINE FUNDRAISING

Good fund development relies on using various channels of communication and giving options, including social media and online fundraising platforms.

Tips for using online communication and fundraising:

- Be sure that any online communication you use—website, online giving platforms, e-newsletters, etc.—are optimized for mobile use
- Ensure that all online communication is branded consistently for the organization
- Create easy enrollment online for recurring gifts
- Leverage existing relationships for online peer to peer fundraising
- Use digital ads on platforms like Google and Facebook
- Don’t try to master all social media platforms, get really good at one of them and when you have the capacity, add another platform
- Know [how to message](#) for each social media platform

Digging deeper:

- [M + R Annual Digital Benchmarks](#)
- [What is digital fundraising](#)
- [2020 Digital fundraising report](#)
- [Peer-to-peer fundraising checklist](#)
- [Guide to virtual fundraising](#)
- [Crowdfunding platforms reviews](#)
- [11 Best fundraising sites for individuals and non-profits](#)
- [Seven practical tips for leveraging social media](#)
- [Social media pros and cons for each platform](#)

6. DETERMINE THE FUNDRAISING TACTICS THAT ARE BEST FOR YOUR ORGANIZATION

continued

SPECIAL EVENTS

Events play a vital role in the fund development plan. Not only can special events help raise dollars, but also build relationships, cultivate new donors, and introduce people to your organization.

It is important to choose the right event to raise fund for your organization. You can use this [events benefit grid](#) to evaluate the type of even that helps meet your organization's needs.

Once your organization has chosen the right event to raise funds, you can use this [event planning guide](#) to plan your event.

Tips for working with sponsors:

- Setting prices for sponsorship packages
 - » Estimate the actual cost of the package, including meals, advertising, etc.—this should represent approximately 25 to 30 percent of the total sponsorship cost
 - » Estimate the value of the promotion the sponsor will receive—this should represent about 25 to 30 percent of the total sponsorship
 - » The remaining 40 to 50 percent of the sponsor fee will be a donation
- Cultivating sponsors
 - » Start with existing relationships
 - » Leverage relationships to expand your network
 - » Use creative outreach by securing lists and noticing who sponsors other community events

Special event ideas:

- First Thursdays—brings hype, movement, art (wine/coffee/beer)
- Business breakfasts—local business owners, property developers, city officials
- Restaurant week
- Beer/local specialty tours
- Benefit concerts
- Community projects of public art

Digging deeper

- [Questions to ask before a special event](#)
- [Special events blog and resources](#)
- [Corporate sponsor basics](#)
- [Ultimate guide to fundraising sponsorship](#)

MAJOR GIFTS

As your donor pool grows you want to begin cultivating larger gifts from dedicated donors. Every organization needs to set its own major gift threshold. To set your major gift level, look at your top ten individual donors and consider their level of giving. This will give you a range within which to set your major gift level. There is no perfect number, it simply has to feel comfortable for your organization.

Tips for cultivating major gifts:

- Identify your 20 to 50 donors and evaluate their ABCs:
 - » **Access:** can you gain access to the donor for in person conversations
 - » **Belief:** does the donor believe in the mission
 - » **Capacity:** evaluate whether the individual has the capacity to give more—this can be done by talking to others who know the donor or doing research online of property records, or other public records that indicate higher income
- Create a communication schedule for this small group that includes special touch points at least once a quarter—touch points could include: a handwritten note, sending a small token of appreciation like a mug or such, sending a birthday card, a special e-news with “insider” information, taking them to lunch or coffee, a holiday card, etc.
- Build a relationship of trust through one-on-one conversation and expressing gratitude for previous giving
- Invite the donor to give at the major gift level
- Invite the donor to share their decision with others in their circle of influence
- Repeat the process

Digging deeper

- [The Ultimate Guide to Getting a Major Gift Program Started](#)
- [Five simple steps to a major gift program](#)
- [Relationship mapping and major gifts toolkit](#)
- [Non-profit Learning Lab Step-by-Step Guide to Major Gifts](#)

6. DETERMINE THE FUNDRAISING TACTICS THAT ARE BEST FOR YOUR ORGANIZATION

continued

SUSTAINABLE DONORS

Regular monthly (or quarterly) donors help create sustainability for your organization.

Benefits of a monthly giving program:

- Provides predictable revenue
- Creates a multiplier effect as small gifts add up to large revenue
- Increase overall donor giving for someone who can only afford a small amount at one time—a \$10 per month gift adds up to a \$120 for the year
- Increases donor retention: monthly donors are far more likely to continue giving than someone who gives a gift once or twice a year

Tips for setting up a sustainable donor program:

- Create a fun name for a giving club to promote monthly giving
- Set a base gift and three or four giving levels for the club: it's important to quantify the gift amounts; for example, \$20 per month will help us fill in the blank
- Create ways for people to sign up and give: make it easy to join online through Paypal, ACH, or a customized giving platform
- Promote the giving club in all of your regular communications
- Host a special event or special campaign to cultivate the first members of the giving club

Digging deeper

- [Ultimate guide to monthly giving program](#)
- [Quick tips for creating a monthly giving program](#)
- [Quick start guide to monthly giving](#)
- [Erica Waasdorp is a monthly giving specialist](#) who offers free resources and various tips on her website to help you build or improve your monthly giving program

After you've evaluated your organization's budget and available resources and determined the best fundraising tactics for your organization, it's time to put together a plan of action. The format is up to you and what works for your organization in terms of your culture and capacity.

When planning it's important to understand how much money you have the capacity to raise. Completing a [gift range chart](#) can help you think through whether or not you have the right contact to raise the desired amount. A [gift range calculator](#) can help determine the range of gifts needed and the number of prospects necessary. Each desired gift typically requires four to five prospects.

Tips for developing fundraising plan:

- **Necessary resources:** identify the resources your organization has for fundraising efforts, including the budget, volunteers, and staff resources
- **Cultivation and communication activities:** include both cultivation activities to identify and develop new donors, as well as communication tools and channels to develop relationships
- **Financial goals:** be clear and realistic about financial goals for the fundraising efforts

- **Solicitation strategies:** map out the fundraising tactics (in Section 6) and timing for asking for funds
- **Strategic goals:** include strategic goals for how fund development efforts fit into the broader work of the organization
- **Evaluation criteria:** have clear criteria on what will be measured
- **Timetable:** set clear deadlines for each action in the plan

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- [Creating an effective fund development program](#)
- [Fundraising operating plan template](#)
- [Create an effective fundraising plan](#)
- [Annual fund strategies](#)
- [Rachel Muir: Stewardship plan](#)
- [Non-profit Learning Lab fundraising plan step-by-step guide](#)
- [10+ fundraiser worksheet templates](#)
- [Sample fundraising plan](#)
- [SPLKA Sample plan](#)
- [Community Relations and Development action plan template](#)
- [Fundraising on a budget](#)
- [Fundraising budget template](#)
- [Gift range chart template](#)

8. CREATE A CASE STATEMENT FOR YOUR ORGANIZATION

The case statement is a foundational document for your organization to demonstrate why you need to raise funds. This document provides the basic language your organization will use to talk about your work and it can be customized for various campaigns.

Key elements to include in a case statement:

- **Organizational history:** provide the key story of how your organization began and why you exist, this section should include your mission, vision, and key milestones
- **The need:** explain the need you're trying to meet; this explanation should include both data-based evidence and anecdotal story that represents your story
- **The solution:** explain what your organization is doing to meet the need, this includes a brief description of your core programs
- **Why you and why now:** describe why your organization is uniquely qualified to do the work and why it matters now, create a sense of urgency
- **Action desired:** tell donors what action you want them to take to help your organization achieve its mission

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- [How to Write a Case Statement for Today's Donors](#)
- [Case statement worksheet](#)
- [Nonprofit Learning Lab: Creating a Case Statement Step by Step Guide](#)
- Book: "Making the Case: The No-Nonsense Guide to Writing the Perfect Case Statement," by Jerold Panas

STORYTELLING FOR FUND DEVELOPMENT

Good fund development relies on good storytelling of your organization's mission and the impact you have on the community.

Why stories matter:

- Stories provide connection
- Stories help us merge meaning with emotion
- Stories provide clarity
- Stories have the power to influence action

Tips for constructing your story:

- Focus on the foundation of story: consider what you want the story to accomplish
 - » What do you want people to *think*?
 - » What do you want people to *feel*?
 - » How do you want people to *act*?
- Focus on the "hero's journey:" every classic story includes the hero's journey
 - » Set-up: demonstrate the need, what was happening before contact with your organization
 - » Intervention: how did your organization intervene
 - » Resolution: what was the result of that intervention
- Create an engaging story by answering these questions:
 - » Whose story is it?
 - » What's happening?
 - » What's at stake?
 - » What's the call to action? Create urgency
- Compose a good story by developing a good character and sharing the character's point of view
 - » The character is not your organization, it is who your organization impacts
 - » Use key details to bring your character to life
 - » Create emotion, particularly empathy, to connect your character and create "physiological arousal:"
 - Positive arousal = awe, excitement, amusement and humor
 - Negative arousal = anger, anxiety (if we're content or sad we will not be moved to action)

DIGGING DEEPER

- [Storytelling samples and tips](#)
- [Storytelling guide](#)

9. ENGAGE NEW AND EXISTING DONORS

Good fund development work is relationship based. It's a strategic, intentional process of identifying and cultivating people who care about your mission.

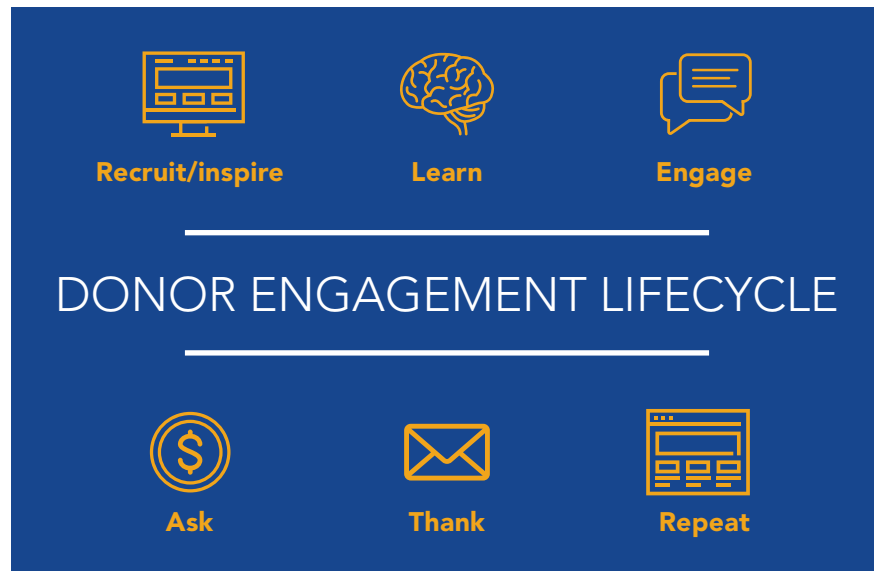
The donor engagement cycle includes:

- **Recruit and inspire:** everyone is a prospective donor; your job is to share the story in a way that will inspire people to connect with your organization
- **Learn:** once an individual knows who you are, you want to help them learn about the mission so they will connect more deeply
- **Engage:** show donors the work and get them involved in some way, create two-way communication to build an authentic relationship

- **Ask:** research shows that the number one reason people don't give is because they are not asked—asking can take many forms as noted with the various fundraising tactics discussed in Section 6
- **Thank:** while the linear graphic represents thanking a donor after they've been asked, thanking really begins at the moment of first contact and continues throughout the relationship
- **Repeat:** fund development is a continual process

DIGGING DEEPER

- Building and sustaining relationships
- Donor retention toolkit (sample timeline, letter and card templates and checklists)
- Donor segmentation
- Constituent engagement
- 23 Ways to appreciate donors



10. MEASURE THE SUCCESS OF YOUR ORGANIZATION'S FUND DEVELOPMENT EFFORTS

Setting clear goals and metrics to measure fundraising success will help your organization stay on track and show the results of the hard work. Your organization will need to measure more than just how much money was raised.

What to measure:

- Number of contacts with donors
- Fundraising goals
- Increases in giving
- Donor engagement
- Number of renewed and new donors
- Volunteer and board engagement

DIGGING DEEPER

- [Fundraising fitness test](#)
- [Fundraising net analyzer](#)
- [Giving USA Resources and Insights](#) is filled with articles, reports, and other resources to help deepen your understanding of giving in this country
- [16 Fundraising metrics](#)

