

Development & Fundraising Basics

Ministries typically engage in three kinds of development/fundraising.

Board Members' Contributions:

There is an expectation that all board members contribute financially to the boards they serve on. Board members are also expected to make introductions and extend invitations, and to speak openly about the mission of the ministry to encourage others to become engaged with the ministry as friends, advocates, and donors.

Key Questions for Board Members:

1. *How much should I contribute?* Financial capacity of board members differs, so rather than setting a fixed amount, we recommend asking that each board member make the ministry one of its top three philanthropic concerns.
2. *Am I willing to make introductions, provide leads, and be an ambassador for the ministry?* Each board member must find ways that she or he can promote the ministry among those who may be open to learning more about its mission and programs.

On-going Fundraising

Most ministries have on-going fundraising efforts, including annual appeals and cultivation/solicitation events.

The key to on-going fundraising is to:

1. Develop a growing database of donors and potential donors.
2. Have a good mix of “major donors” and “smaller donors,” as defined by each ministry.
3. Consistently deepen relationships with prospects and donors. (This is commonly done through newsletters, special events, videos, thank you calls, and other forms of individual outreach.)
4. Attract new donors. This is generally done through:
 - a. Identifying like-minded individuals
 - b. Developing exposure through social media
 - c. Introductions by board members
 - d. Invitations to attend events and/or setting appointments for the ministry’s leadership with prospects.

Key Questions for Board members:

1. *Do we have a fundraising plan?*
2. *Do we have a donor acquisition plan?*
3. *Do we have a donor engagement/retention plan to foster deepening relationships?*

4. *Are we tracking basic Trending Metrics by segment:*
 - a. *Are the number of donors and actual philanthropic revenue growing?*
 - b. *Are we retaining donors; are they giving consistently year after year?*
 - c. *What is the average size gift? Do we have a good tracking system in place to show trends in giving at various gift levels?*
5. *Do we have a Recurring Giving Program to encourage larger gifts over time?*
6. *Do we have a Planned (Deferred) Giving program?*

Capital Campaigns

Capital Campaigns are most often created to fund major building projects and/or expansion of services. The steps are:

1. Needs assessment, readiness study, and creation of a Case Statement
2. Readiness study:
 - a. Internal: Do we have the staffing and expertise to take on this project?
 - b. External: Generally done by an outside company that specializes in this work. Jeanne Schmelzer of Netzl Grigsby has conducted two successful campaigns for ministries. A readiness study answers the question: Are there enough donors with interest in the project and the capacity to fund it? The result verifies a compiled list of potential donors with high capacity.
3. “Go/No Go” decision based on readiness study
4. QUIET PHASE – During this period, high-capacity prospects are individually and discreetly approached. There is no public campaign advertising or solicitation. The meetings are face to face. The project does not begin until the Quiet Campaign goals are met. A campaign generally cannot succeed unless this segment’s target is achieved.
 - a. Typically, the quiet phase goal is to secure $\geq 60\%$ of campaign total.
 - b. Capital Campaign Committee develops the prospect list and assignments.
5. PUBLIC PHASE/MARKETING CAMPAIGN- After the Quiet Phase Goal is reached, the public phase begins. All gifts and pledges at all levels are solicited.

Key Questions for Boards

1. *Is the Case Statement aligned with our purpose, mission, and strategic plan?*
2. *Have we discussed multiple options for achieving our goals?*
3. *What is our motivation for conducting a capital campaign?*
 - Are we the only organization that can do it?*
 - Are we the best organization to do this?*
 - Is now the right time for doing this?*
4. *Is the board unanimous in its desire to do the project now?*
5. *Have we included FM and gotten its approval?*
6. *Do we have a reliable estimate of the cost?*
7. *Do we have high confidence that the community will support the project? Is there a contingency plan?*

8. *Are board members sufficiently committed that they are willing to increase their personal giving to support the goals of the campaign?*
9. *Are board members sufficiently committed that they will provide leads and make asks?*
10. *Do we have the right guidance from professionals to make the campaign a success?*
11. *Do we have lists and marketing capability for the Public Phase?*
12. *Will we have the right staff, contractors and professionals to complete the project when the funding is secured?*