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Ingredients  
for Fundraising  
Planning**

**Selecting a  
Mailing List**

**Book Reviews**

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Journal**

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# Essential Ingredients for Fundraising Planning

by *Tricia Rubacky*

Successful fundraising begins with a clear organizational mission and people committed to achieving it. These ingredients are critical; without them, your attempts to raise money will surely suffer. Assuming your organization satisfies these basic conditions, my advice is to follow these three commandments of fundraising:

- I. Thou shalt always plan, plan, and plan some more
- II. Thou shalt always strive for a diversified fundraising plan
- III. Thou shall tie your program and budget planning to your fundraising planning.

A frequent complaint from fundraisers is, "I sent in all these proposals and I haven't heard anything from the foundations. We're headed for a financial crisis if we don't hear something soon!" This is the classic "blame the funder" approach, which you should decide right now to abandon. It assumes it is up to foundations to prevent your funding problems.

A plan alone cannot solve a financial crisis. However, it can help prevent one, because it incorporates the steps you must take over a prescribed period of time, the strategies you can employ to make your program attractive to a variety of funding sources, and the internal back-up systems for times when your strategies and plans fall short.

A fundraising plan is much more than a list of funders and amounts requested. A real plan reflects an income goal that is tied to your organization's program goals and incorporates the following components:

1. A *list of all sources* from which you are seeking funds (both grant and non-grant fundraising) organized by likelihood of support and priority of effort.
2. A *calendar* including all deadlines and a follow-up schedule.
3. An *income projection* based on likely funding.
4. A *cash flow projection*.

The most successful fundraising plans also demonstrate a commitment to diversified fundraising. Diversity in fundraising prevents organizational over-dependence on one source of funding (such as foundation grants or direct mail), and provides a greater margin of safety for those inevitable times when circumstances prevent one

source from continuing its support. In addition, dependence on a single type of fundraising limits your group's exposure in other arenas, exposure that is necessary to achieve the familiarity needed to attract new support. It is true that considerable organizational resources must be used to achieve funding diversity; however, it is also true that your organization's future could be in serious jeopardy without the stability provided by diverse income streams.

A good fundraising plan also produces important management benefits. It can forestall the need for crisis-mode fundraising and keep you informed of where you stand at all times. A plan helps you identify progress and anticipate problems, and it forms the basis for informed decisions and budget adjustments as new developments occur or new information is received. A plan also helps you set and balance priorities and avoid the pitfalls of competing goals and timetables. Finally, a plan helps build the organization's confidence in its fundraising capacity.

## *Step 1. Set goals and timelines*

Before making a plan, considerable preparation work is needed. First, you must have a ballpark idea of how much money you need to raise and when it is needed. This ballpark figure will help you build the plan, but it is important that the program and budget goals are informed by the fundraising plan and vice versa.

The most logical place to start is with the amount you raised during the previous year. Later, armed with a realistic estimate of what can be raised and from what sources, you may decide that no increases for new programs are feasible. Or you may determine that adding to your program and budget is feasible in light of your fundraising potential and the time and resources you have available for raising the funds.

Before committing to a budget and a fundraising plan, all the people involved in your program, finance and fundraising operations, including members of your

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*This article first appeared, in slightly different form, in the Journal, Vol. 7, Nos. 4 and 5.*

governing board, should review the plan and agree on goals that are both realistic and achievable.

If you are starting for the first time, you should do incremental budgeting. Incremental budgeting essentially means that budget line items are added only as income allows. For example, if an organization just starting out wants to raise enough money for an office, a phone, two staff people and travel expenses for a total of over \$50,000 a year, it would be better to decide what the priorities are and add the lower priority items only when sufficient funds are raised. Perhaps you are very sure of \$25,000, which could permit you to rent an office, buy supplies, install a phone, and hire one staff person. You would put the second staff person and travel funds as a goal, but would not hire until funds were raised. When groups decide to hire someone with only a few months' salary raised, they often have to lay off that person very soon.

### **Step 2.** **Identify potential funding sources**

The next step is to create a list of all the potential sources of income for your organization. Here are some possibilities to consider:

**Grant fundraising:** Sources of grants include corporations, foundations, government programs, religious organizations, and individuals who make grants through philanthropic institutions, labor unions, or professional associations, United Ways, and civic organizations.

**Non-grant fundraising:** This fundraising can be

grouped in two categories: 1) individual solicitation, including planned gifts (wills, bequests, donations of art and property, etc.), phone-a-thons, telemarketing, mail appeals, fundraising via the media (radio or telethons), workplace and payroll deduction, special events, canvassing, and membership drives; and 2) earned income, including sales of products, fees for services, and interest income.

While you may already be raising funds through a variety of means, as part of the planning process you must determine whether to try to raise more from current sources or to explore new avenues. Some combination of tested and untested sources is a positive goal for any organization, if the resources are available to undertake new ventures. Before deciding, you need to do some research and learn as much as you can about both grant and non-grant fundraising. Armed with this information you can determine the potential for your group.

### **Step 3.** **Create record-keeping systems**

Once you have decided which avenues of support you will pursue, you need a system for managing the information you compile about these sources. Essential facts (such as contact person, address, phone number, deadlines, and board meeting dates) and strategy should be compiled for every source you are planning to approach. This information should be kept within easy reach at all times, either in a notebook or on computer (see Example 1: sample Funder Strategy Sheet).

## POTENTIAL SOURCES OF INCOME

### NON-GRANT SOURCES

#### *Individual Solicitation*

Personal requests  
Phone-a-thons  
Telemarketing  
Mail appeals  
Mailgrams/  
electronic mail  
Radio or tv appeals  
Workplace (via  
payroll deduction)  
Special Events  
Canvassing  
Membership  
via % of credit  
card sales

#### *Planned Gifts*

Wills/bequests  
Donations of real  
estate, art, etc.  
Designated beneficiary  
of life insurance

#### *Earned Income*

Sales of products  
Fees for services  
Interest income

### GRANT SOURCES

Foundation  
Corporate  
Government  
Religious  
Labor  
Professional  
Associations  
United Way  
Civic Organizations/  
Kiwaniis,  
Junior League  
Anonymous  
Individuals  
via philanthropic  
entities



**EXAMPLE 1:**

**Funder Strategy Sheet**

Name of funding source: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Known interest areas: \_\_\_\_\_

Summary of past support: \_\_\_\_\_

Contact person: \_\_\_\_\_

Who else knows/has connections: \_\_\_\_\_

Who can help with this source? \_\_\_\_\_

Deadlines (if any): \_\_\_\_\_

Amount to request: \_\_\_\_\_

Strategy:

Step 1 \_\_\_\_\_

Step 2 \_\_\_\_\_

Step 3 \_\_\_\_\_

Other follow-up: \_\_\_\_\_

Notes from meetings, phone conversations, the grapevine, etc. \_\_\_\_\_

**EXAMPLE 2:**

**Individual Donor Profile Sheet**

Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

Phone: (        ) \_\_\_\_\_

Business Address: \_\_\_\_\_

Phone: (        ) \_\_\_\_\_

Title/occupation: \_\_\_\_\_

Preferred place for correspondence and calls: \_\_\_\_\_

Personal financial information: \_\_\_\_\_

General philanthropic/political interests: \_\_\_\_\_

Any foundation connections? \_\_\_\_\_

Who knows? \_\_\_\_\_

Who has connections? \_\_\_\_\_

**History of contributions:**

Date: \_\_\_\_\_ Amount: \_\_\_\_\_

In response to: \_\_\_\_\_

Other notes/comments: \_\_\_\_\_

Basic information on individual contributors, whether major donors or members, should also be well organized in a profile book, a card file or a computer data base (see Example 2: model Donor Profile Sheet).

The information system you devise should be easy to update regularly, since fundraising requires you to handle many important details at once and you cannot afford to allow any to fall through the cracks. Indeed, the system itself is critical to developing and refining your strategy in approaching funders and should be considered among the most priceless tools of your plan.

In addition, you need to establish a filing system on funders to provide new staff and board members with a sense of the organization's history with its funders, and with those from whom it has tried unsuccessfully to raise funds. This information is critical to the future relation-

ship of your organization to its funding and holds many clues to understanding problems the group may be having raising funds from particular sources.

**Step 4:  
Develop your fundraising calendar**

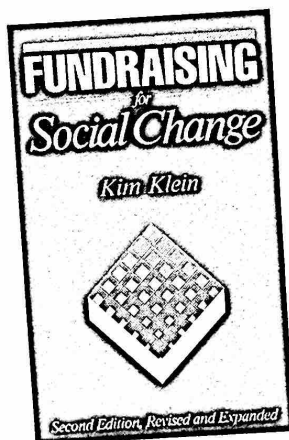
The next component in organizing your fundraising is a calendar. Since much of fundraising requires advance planning that you normally need to begin at least three months before your fiscal year even starts, develop a calendar that spans a 15-month time period.

As you lay out your plan, keep the calendar nearby and fill in as many deadlines or dates for your fundraising activities as possible. You will add to the calendar and

change it frequently throughout the year. The calendar will also help you decide whether new program activities can be added or must be deferred because they compete with each other or with other organizational activities. You may want to set aside a copy of your original calendar and go back to it at the end of the year to see how realistic it was as a planning tool.

Deadlines mean nothing unless they are accompanied by a work plan. Your next step, therefore, is to take the deadlines calendar and create another calendar for all the activities listed. Every aspect of your fundraising, including preparation of proposals, letters, printing newsletters, travel, board and committee meetings, individual meetings, events, and all follow-up should be mapped out on the workplan calendar. If the workplan is mapped out using the same 15-month format, then, when you are ready, the fundraising and workplan calendars can be integrated and converted to whatever calendar system works best for you—six-month, three-month, one-month, or weekly calendars.

Keep in mind that in order to be effective planning tools, the calendars must be developed in conjunction with your overall program and fundraising plans, incorporating enough of your organization's activity to know what will affect or drive your fundraising.



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By Kim Klein

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### EXAMPLE 3:

## 1991 Income Projection

Plan Adopted: 12/1/90	Goal: \$100,000
Current as of 8/31/91	Conservative Projection: \$92,100
<b>Source</b>	<b>Projection</b> <b>Committed To Date</b>
<b>Secure (At beginning of year)</b>	
World Foundation	\$ 5,000      \$ 5,000
Community Chest	15,000      15,000
Ms. Smith	2,500      2,500
Carryover from 1990	1,500      1,500
Sub-total	\$24,000      \$24,000
<b>Very likely renewals</b>	
Ms. Heir	10,000      10,000
March Mail Appeal	8,000      8,525
Jones Foundation	10,000      0
Payroll Deduction	6,500 <i>In October</i>
Sub-total	34,500      18,525
<b>Running total</b>	<b>\$58,500      \$42,525</b>
<b>Possible renewals</b>	
Penny Foundation	10,000      5,000
Nickel Foundation	10,000      10,000
Topsfield Foundation	5,000 <i>In September</i>
Mr. Anonymous	5,000      10,000
General Company	5,000 <i>In September</i>
October Phone-a-thon	5,000 <i>In Oct./Nov.</i>
Sub-total	40,000      25,000
<b>Running total</b>	<b>\$98,500      \$67,525</b>
<b>Internally generated</b>	
Book Sales	2,500      1,125
T-Shirt Sales	3,500      1,500
Holiday Card Sales	1,500 <i>In Nov./Dec.</i>
Sub-total	7,500      2,625
<b>Running total</b>	<b>\$106,000      \$70,150</b>
<b>Prospects</b>	
Mr. Stockholder	2,500 <i>In December</i>
Ms. Investor	1,500 <i>In December</i>
Spring Benefit	3,000      4,750
Sub-total	7,000      4,750
<b>Running total</b>	<b>\$113,000      \$74,900</b>

### FUNDRAISING PLAN—SUMMARY/CONSERVATIVE PROJECTION

<i>Source</i>	<i>Projection</i>	<i>% Likely</i>	<i>Total</i>
Secure	\$ 24,000	@ 100% =	\$ 24,000
Very likely renewals	34,500	@ 90% =	30,600
Possible renewals	40,000	@ 75% =	30,000
Internally generated	7,500	@ 100% =	7,500
<i>Subtotal</i>	\$106,000		
Prospects	7,000	<i>Total =</i>	\$ 92,100
<i>Total</i>	\$113,000		

#### Step 5. Estimate income projections

A significant part of the fundraising plan is an income projection. Because budget and program decisions will be based on the fundraising plan, extra caution must be taken not to overestimate the potential for funding from any source, whether a traditional one or an entirely new one. All funding sources should be organized in order of probability, according to a likelihood rating based on your most informed judgement. For example, all things being equal, you will probably be able to raise \$5,000 from an annual mail appeal in the second or third year. However, before counting on that income, you must ask yourself if all the factors that produced that level of response last year are unchanged. Maybe you have more names to approach than last year, which could enable you to raise more money. Perhaps staff turnover during the year kept the organization from communicating with donors since their last contribution, which could cause you to lose support. Use this kind of information to estimate your proceeds, and when in doubt, err on the conservative side.

Similarly, if last year the XYZ Foundation made a \$10,000 grant, and the year before a \$7,500 grant, would it be safe to assume the foundation would renew again? What about planning for a similar increase? The answers must be based on your most recent information about the funder. Have you stayed in touch with them to know their impressions of your work? Does the foundation still fund groups working on the same issues? Has there been staff turnover at the foundation? Has anything happened that would affect their level of grants or the timing of their grant cycles?

The point is that in order to anticipate income realistically you must have current information upon which to base your probability estimates.

The sample annual plan in Example 3 should give you an idea of what is meant by probability-based plan-

ning. This hypothetical organization had a fundraising goal of \$100,000, but the conservative projection was \$92,100, so the budget was based on the latter figure.

By the end of August, this group had raised \$74,900. Perhaps when they did not receive the \$20,000 grant from the Jones Foundation they put more effort into the Spring fundraiser to make up the difference. The important thing to see is that this kind of plan enables an organization to evaluate its progress continuously, to monitor its fundraising successes and evaluate its program accordingly, and to correct for disappointments in a timely manner.

Observing the following rules in the preparation of income projections should increase their reliability.

1. Base percentages on *an informed sense* of what is likely, even if sources in a category are only 25 to 50 percent likely. This sample plan was based primarily on renewals, and this organization had a considerable amount of committed income when it started the year. Many plans will not allow for such high probability of success.

2. *Do not include prospects* in the income projection. (A prospect is a source that is untried, as well as one for which you have no reliable experience or information upon which to evaluate the probability of support.) Groups often become so caught up with efforts to raise funds from other categories of support that they never get around to the prospects list. Therefore, it is better to treat income from these sources as the funds to expand your program if they are raised. If prospects do not yield success, your existing program will not suffer if they were not included in your original income projection.

3. Remember that you are *developing a plan*, and like any plan, it needs constant monitoring to determine progress. It is not a fool-proof calculation and should not be considered immune to failure. Your projections may be wrong, but if they are, you will know what the impact will be relative to your other fundraising activity.



## EXAMPLE 4:

## 1991 Income Cash Flow Projection

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
New World Foundation				5,000								
Community Chest	7,500			7,500								
Ms. Smith		2,500										
Ms. Heir					7,500	2,500						
March Mail Appeal			3,000	4,000	1,000							
Jones Foundation					10,000							
Payroll Deduction											3,500	3,000
Penny Foundation					5,000							
Nickle Foundation						5,000						
Topsfield Foundation										2,500		
Mr. Anonymous						5,000						
General Company										5,000		
Oct. Phone-a-thon										2,500	1,500	1,000
Book Sales				500		500				500	1,000	
T-shirt Sales				300	1,000	1,000	200	500	300	300		
Holiday Card Sales										400	500	600
<b>TOTAL</b>	<b>7,500</b>	<b>2,500</b>	<b>3,000</b>	<b>17,300</b>	<b>24,500</b>	<b>14,000</b>	<b>200</b>	<b>500</b>	<b>300</b>	<b>11,200</b>	<b>6,500</b>	<b>4,600</b>

TOTAL CASH PROJECTION: \$92,100

**Step 6. Prepare the income cash flow projection**

The last piece of the fundraising plan is the Income Cash Flow Projection. This is a necessary complement to the Expense Cash Flow projection that your organization needs in order to meet monthly bills. To prepare your income cash flow projection, begin with an accounting sheet with 12 columns. List all the sources of income on your fundraising plan down the left side, and label the top of each column with the names of the months (see Example 4).

Then go over your potential sources and make a realistic, conservative projection of when grants might be expected, when income from individual contributions is likely to be received, when the proceeds from sales and events are possible, etc. Put the conservative projected amount in the column under the month the income is anticipated.

It will soon be obvious which months will be your high-income months and which will be low-income ones. This will help you plan your expenses, especially those that can be deferred or spread over time.

As you can see from the example, none of the prospect income is included in the cash flow plan. Because you have not made an income projection for the sources in that category, you should not include those sources in

the cash flow plan. You should also exercise caution with some sources you have categorized as "possible." It may be advisable to project less income or to put the projection later in the year when it is not as vital. While this conservative approach means that your cash flow projection will not equal your income projection, this is a precautionary measure to prevent over-extending your organization's cash flow.

You should regularly adjust the cash flow plan based on new information about your funding sources and the projected outcomes of fundraising events. Constant oversight of income and expenses is one way of preventing cash flow crisis, provided that the other facets of the fundraising plan are being followed carefully throughout the year.

Planning an organization's fundraising does not require sophisticated systems. All the suggestions offered here are straightforward means to help keep fundraising efforts organized. They are simple to use and can be modified to meet an organization's particular needs. While planning alone cannot guarantee fundraising success, it can do the next best thing: it can enhance the organization's capacity and bring order to what is too often an overwhelming process. ■

*Tricia Rubacky, fundraising consultant and trainer, was formerly director of development at the Youth Project.*

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# 10 Keys To Selecting A Mailing List That Will Get Results

by Lin Gensing

The mailing list is *the* most important element of a successful direct mail program. The list is your market—that's what makes it so special, and so specialized. Your marketing dollars aren't wasted as they might be in other forms of advertising because you're targeting your promotion *specifically* to the people who will be most interested in your product.

## ***The Difference Between Compiled and Respondent Lists***

There are two major types of lists: *compiled* and *respondent*.

A *compiled list* is a list of people who share a common characteristic. They may all be members of a certain association or a certain profession—a list of attorneys, for example. Or they may share an experience, such as with a list of new mothers. But that's all they are. All you know about them is that they share a certain characteristic. They are not necessarily direct-mail purchasers.

While compiled files have the drawback of not representing known buyers, direct marketers are beginning to have a wider variety of options as compilers enhance their lists by applying to them various selection options related to demographics and psychographics.

A big advantage of compiled files is the price. You will be able to rent compiled names at a substantially lower cost per thousand than respondent lists. And, be-

cause you are not competing with a list's owner group, you do not usually need to provide a sample mailing piece or to adhere to a certain mailing date.

A *respondent list* is a list of people who have responded to some other offer, such as a list of people who subscribe to a magazine or a list of people who are known donors.

Respondent lists are usually more expensive than compiled lists (sometimes *substantially* more), because of their responsiveness. Someone who has already been identified as a donor, particularly a donor to a specific group or cause, is more likely to contribute to a similar cause.

## ***How to Read a Data Card or "SRDS" Listing***

There are two common places where you can go for specific information about lists: the *Direct Mail List Rates and Data (DMLRD)*—one of several catalogs published by SRDS (Standard Rates and Data Systems)—or list data cards provided by list owners or through list managers. Each source will provide you with basically the same information about the list:

**Contact:** The person or company to contact for more information or if you are interested in renting the list.

**Description:** Some information about the list, such



as whether the list is compiled, if it is a list of purchasers, what they have purchased and the purchase price. There may also be some demographic information: male or female, average age, average income, etc.

**List Source:** How these names came to be on this particular list. If they were acquired through direct mail, this tells you that they are amenable to direct mail efforts and would probably be responsive to your offer as well. Another common source of names that you'll find in the *DMLRD* is "space ads." These are people who have seen an advertisement in a magazine and called or written for more information or have made a purchase.

**Quantity and Rental Rates:** How many names are available and how much you will pay per thousand to rent the list. When looking at the list price, keep in mind that the price listed, for instance \$80/m (\$80 per thousand names), is only a *base charge*. There will be additional charges for the various "selects" you might choose.

Each list contains more information than simply names and addresses. Each bit of additional information allows you to make more well-defined selections of whom you will mail to. As you get more and more specific about your choices you'll be mailing to fewer and potentially more responsive names. Some common selections include zip code, sex, age, title, size of business, household income, unit of purchase and date of purchase.

**Method of Addressing:** The available list formats. The most common is 4-up Cheshire labels. This is simply an address format where four names and addresses are listed horizontally across a page of computer paper. These labels are affixed by a standard labeling machine at a mail processing house that cuts the labels, applies glue, and affixes them to your mailing piece. Other formats include pressure-sensitive or "sticky" labels and magnetic tape.

**Maintenance:** All lists need to be maintained on a regular basis to assure that the names and addresses are current and deliverable. Some lists are "cleaner" than others. The data card or SRDS listing will tell you how often the list is "cleaned," what percentage of duplication there is within the list, and other information about how well it is maintained.

## 10 Keys to Selecting a Mailing List That Will Get Results

There are a number of things you need to consider when ordering a list and some standard information that you need to provide. Knowing the right things to look for and the right questions to ask can mean the difference between a successful mailing and a dismal failure. There are many areas you should explore before making the decision to rent a particular list. Following are some of the

most important:

1) *What is the source of the names?* Is the list compiled from various sources? Is it comprised of respondents to other direct-mail efforts who have made a purchase or of inquirers only (people who have asked for additional information but have not made a purchase)? Be aware as you're reading list descriptions that not all lists contain names of actual people. Some contain only titles and company names. This may or may not be what you're looking for. Make sure you know what you're ordering.

2) *How often is the file updated?* Some files are only updated on an annual basis. Naturally no list is going to be 100% deliverable. But, considering the mobility of the American public (moving at the rate of at least 15% each year!), an annual update means a high percentage of undeliverables. Quarterly updating is better and most common; monthly is best.

3) *How is the list updated?* The two common ways for lists to get updated are at the source, meaning that the list owner updates the addresses on an interactive basis as orders are entered and address changes are received, or mechanically, using some of the software available through the post office or other avenues.

4) *How old are the names?* When you're renting a list from a business that's been around for several years many of the names on that list may be "old"—that is, people who haven't placed a new order for quite some time. You'll want to know what that time period is. Generally any name that's been inactive for more than three years isn't worth renting. If you're ordering magazine subscribers, be certain that you're renting *active* subscribers and not those whose subscriptions have expired. The closer in time you can capture these people (that is, while they are receiving a publication or within a few months after they've placed an order), the better your response will be.

5) *Are "hotline names" available?* Hotline names are respondents who have replied to a direct-mail effort in the recent past. Hotline names are often available in three-month, six-month and one-year selections. These names will be more responsive than older names on the same list. If they're available, they're often charged at an additional rate—well worth it for the added response you'll achieve.

6) *What other offers have been mailed to this list and what offers have been mailed more than once?* Answers to these questions will give you a basis for comparing your offer with other offers that have proven successful. If nobody else seeking the type of respondents you're seeking has used the list with any success, it's unlikely that you'll break this trend.

7) *What selections are available?* While selections are listed in the SRDS and on the data card, there may have been new additions to this list that you'll want to be

aware of or different sorts that are possible but weren't included because demand for those selects isn't high. Don't be afraid to ask.

8) *What is the minimum order?* When you first use a list you'll be testing a segment of it. Minimums are usually at 3000 or 5000 names, but you needn't mail the entire segment you receive just because you've ordered it.

When testing a list you should also ask if the names you receive can be marked. Then, if you do schedule a roll-out of the test, you won't be mailing to the test names again.

9) *Is a sample mailing piece required?* With most compiled lists a sample piece is not necessary. Owners of respondent lists, however, have two reasons to want to know what kinds of mailings are being sent to their customers: to guard against what they consider to be objectionable mailings, and to keep competitors from mailing competitive promotions that overlap with their own mailings.

10) *When can I expect the list?* You'll be expected to provide your mail date to the list owner, but you'll want to receive the list a week or two before that mail date just in case it's not what you wanted or it's delayed for some reason.

By ordering your lists well in advance you can avoid the added costs of express delivery.

## The Visual Check

When your list arrives check it over before you send it on to the lettershop or mailing service. A quick visual check is all that's needed, looking for:

- Proper format of the list. If you requested 4-up Cheshire but received 1-up pressure-sensitive labels, you've got an obvious problem.

- Placement and accuracy of the key code you requested.

- Address format and accuracy. Are all elements of the address present? Are zip codes correct and in proper sequence? Do these names *look* like the type of list you've ordered? If you've ordered a list of doctors' offices and you see company names like "Dave's Pet Supplies," something is wrong.

- Is the count accurate? Make sure you received the number of names you requested and were invoiced for. You don't need to count every label—a quickly calculated estimate will suffice.

Selecting, ordering and using mailing lists can be a confusing process. But if you follow the above steps, ask the right questions and carefully consider every mailing you do, you can simplify the process and guarantee that your next mailing is correctly targeted, financially feasible and responsive! ■

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"The section on developing the program budget is worth the price of the book. The narrative and the graphics explain clearly the process for preparing this most frequently used type of budget." —Diana Tolpegin, *NonProfit Times*, February, 1991

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## Book Reviews

by Joan Flanagan

**P**ersuasive publications and a modern marketing strategy will make your fundraising easier and more profitable. Here are two great books to help your staff and volunteers tell your own people and the general public who you are, what you do, and why your organization deserves their support.

### Marketing Workbook for Nonprofit Organizations

Gary J. Stern.  
The Amherst H. Wilder  
Foundation  
919 Lafond Ave.  
St. Paul, MN 55104.  
1990. \$26.00

New projects can get foundation grants and special programs can get corporate sponsorship, but it is tough to get support for your everyday operating expenses. Even individual donors prefer to think their contribution is earmarked for their own pet project. As church volunteer Barbara Pierce says, "Everyone wants to pay for missions; no one buys the toilet paper."

One reason fundraisers have a harder time raising operating support is that they have a hard time saying what the money is *for*. What is the organization's mission? Whom do you serve? How are you unique, special, superior? What is your focus? What do you *not* do?

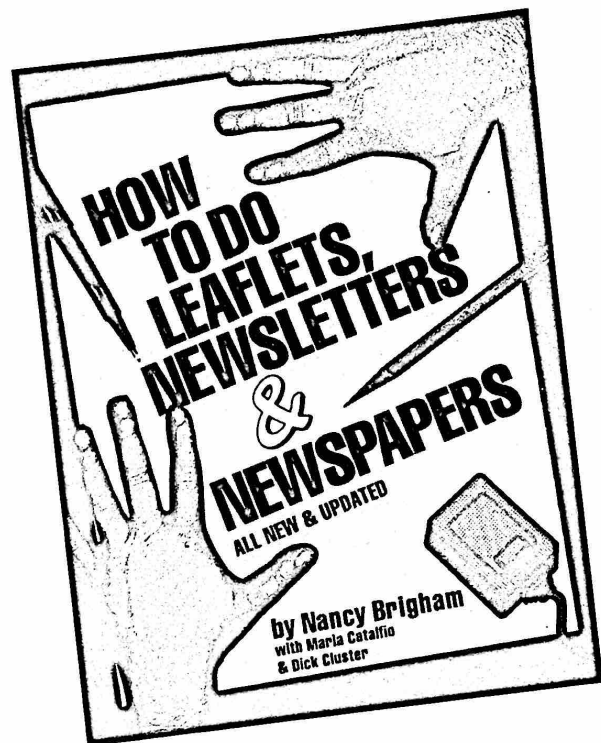
Gary Stern's book can enable your leaders to choose the answers to those questions and more. Exceptionally well written, sensitive, and free of jargon, this is a most user-friendly book for any team new to marketing. Use it to get consensus on your mission and methods before you ask for money.

### How to do Leaflets, Newsletters & Newspapers

Nancy Brigham, Maria Catalfo,  
and Dick Cluster.  
PEP Publishers  
3519 Yorkshire  
Detroit, MI 48224.  
1991. \$14.95.

This book is ideal for grassroots organizations. Beginners get everything they need in one book: advice on hardware (desktop publishing), software (fun with fonts), and what to beware of (legal limits on what you can print). Low-overhead, low-tech editors will appreciate tips such as how to calculate how much space you need to allow for a volunteer's hand-written article. All in an easy-to-use guide packed with real examples and memorable cartoons.

Nancy Brigham has made an invaluable contribution with this updated version of *How to do Leaflets, Newsletters & Newspapers*. This is the only volume that combines everything you could learn in Journalism 101 with the street smarts of a union organizer and the values of a veteran in the fight for social justice. If you want to produce publi-



cations that appeal to both the minds and the spirits of your readers, read, mark, and use every page of this book. ■

*Joan Flanagan is the author of Successful Fundraising: A Complete Handbook for Volunteers and Professionals. (Chicago: Contemporary Books, 1991). The new completely revised and updated version of her classic The Grass Roots Fundraising Book will be in your bookstore in May from Contemporary Books.*

## Announcement

### New Video Available on IRS Lobbying Regs

**N**on-profit groups who want to take full advantage of their legislated right to lobby, as clarified by newly issued IRS lobbying regulations, will be interested in a new video. Designed to help groups understand the increased lobbying opportunity created by the 1976 lobby law and the related 1990 regulations, the video is available for \$25. It is an hour long and can be ordered from: Independent Sector, 1828 L St. NW, Washington, DC.



# State of the Journal

1991, our Tenth Year, passed in a flash. I was determined to decide whether or not to keep the *Journal*, fold it, or sell it. Since I never made the time to think about it, I see that I made a decision to keep it. It's not that I don't love publishing the *Journal*; it's just that after ten years, 60 issues, 700 pages of articles, you have to begin to wonder if you haven't said everything. But just when I am wondering what else I can say, I meet a group with a problem I never heard before. For example, I heard from an organization serving Berkeley and Oakland, California. Of their donor base of 1000, 300 lost their homes in the devastating October fire in the Oakland hills. They called to ask, "What shall we do about this? Shall we send sympathy notes? How can we ask them for money now? We need money, but don't want to be rude and insensitive." I didn't know what to tell them, and I thought, "I really haven't heard everything."

Here's a happier unusual story: a group could not find a place to recycle all the paper they use in their office, so they got a paper shredder donated to them, and now they sell bags of shredded paper for cat litter. They have made \$1,000 in six months from this venture and report that morale is higher because they are recycling and that shredding paper is a great way to relieve tension.

On a more serious note, it's clear that we can never say all there is to say about fundraising because the context keeps changing. The Bush Administration seems determined to make it harder for nonprofits to exist, not just because of the recession, but also because of new rules and regulations, and stricter enforcement of existing rules and regulations. Sources inside the Internal Revenue Service have revealed that they have been instructed to make it more difficult for groups to win a 501(c)3 tax status and to keep that status once achieved. New regulations governing audits require much more detail, causing the cost of an audit to increase considerably. This burdens already-stretched organizations. When President Bush talks about a thousand points of light, it seems that is all he wants, and not the more than 1,000,000 that exist now.

I could rage on and on about President Bush,

the recession, homelessness, AIDS, the Supreme Court, Third World debt crisis, and the host of seemingly insurmountable problems affecting us both in the United States and abroad. However, I remain convinced, with an optimism that grows as I visit the thousands of grassroots nonprofits around the country, that our work is making a difference. Further, unlike ten years ago, many small organizations are looking to the future by creating reserve funds and endowments, by buying property, by paying decent wages and offering pension plans for employees, and by planning to be in existence through the year 2000. In many ways, our immediate job is both to keep working for and to *get ready for* that time in the future when the pendulum of history swings toward social justice and peace and what is best for people and the earth becomes the measuring stick for taxation, the federal budget, foreign relations, and social policy.

In the meantime, the *Journal* will continue to provide new ideas, and old ideas in new ways.

1992 will be an interesting year for many reasons. The Quincentennial celebrating the arrival of Columbus is being challenged by those reminding the nation that 1492 marked the beginning of genocide for many Native American nations, the beginning of the African Diaspora through the institution of slavery, and an ongoing "eco-cide" (destruction of the environment). Many organizations will be celebrating the "People's Quincentennial"—a celebration of the 500-year-old struggles against oppression—and will use 1992 to form an agenda for the next 500 years.

For me, 1992 marks the end of an era. I will be leaving the Funding Exchange in March in order to take a trip around the world for a year or so. I will be writing for the *Journal* from different parts of the world, hoping to learn how the U.S. experience of grassroots fundraising compares to fundraising in Australia, India, Greece, Mexico, and other places. I will have a chance to visit some of our subscribers abroad, and tell their stories in these pages.

The *Journal* will maintain its address and phone number, and for most readers, little change will be evident. See you here, or there!! ■

Kim Klein

# Back Issues

## VOLUME SEVEN

**Number 1 (February 1988):** Confessions of a Grantsperson; Tax Reform has Neutral Impact; Stock Market Crash.

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