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Our 15th Year

Grassroots Fundraising

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Part 3**

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Day Luncheon,
Part 2**

**Everything
I Know About
Giving**

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Announcement**

Journal

Writer's Guidelines

The Grassroots Fundraising Journal is happy to consider articles for publication. Please submit copy typed, double-spaced. If computer-generated, please submit highest quality printing possible (no dot matrix print-outs, please). Please do not submit material typed in all capital letters.

Articles will be considered for publication during the nine months following submission. When an article is accepted, you will be notified in which issue of the Journal it will appear. The Journal provides three copies of published material to the author and pays \$75 per article after publication.

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Creating an Endowment: Part Three

Planning the Solicitation

by Kim Klein

Once an organization has decided it needs an endowment and is prepared to accept responsibility for having one (see the *Journal* Vol. 14, #4, August, 1995), has decided to start its endowment with a campaign and has planned the campaign (see Vol. 14, #5, October, 1995), it is ready to create materials and begin soliciting gifts.

Materials Needed

Nice-looking, well-designed, fancier-than-usual materials are necessary for an endowment campaign. These materials include:

- a case statement for the endowment
- a detailed pledge form and return envelope
- an occasional newsletter to donors and solicitors showing the progress of the campaign

In addition, many groups find it helpful to have special stationary for the endowment that lists the endowment committee (the solicitation team); this sets off the endowment campaign as a specific organizational goal.

The Case Statement

When embarking on a capital or an endowment campaign, a group needs to create a specific case statement for that campaign. This statement will use much of the material of the organization's case statement (see sidebar), but it will also explain in detail what the campaign is about, how the organization will benefit, and how this campaign differs from other fundraising the organization is engaged in. The "internal case" generated for the campaign is the plan for meeting the fundraising goal. It includes the goal and gift range chart and a detailed task timeline. The internal case statement also includes the prospect list for the campaign with a listing of the order in which prospects are to be solicited and who the solicitor for each prospect is to be. As the campaign proceeds, internal memos discussing progress and problems will be added.

The internal case is confidential, and some groups will choose to keep information about prospects separate from the case and only available to people on an as-needed basis.

The internal case provides information for creating the external case — the one that will be given to prospects. The purpose of the external case is to provide information to prospects that will encourage them to give and that will reinforce the personal visits of the solicitors. Please bear in

mind that nothing, and by that I mean *nothing*, takes the place of personal, face-to-face solicitation by someone whom the prospect has reason to trust — a staff person or a volunteer who has already made a significant gift.

The internal case statement should answer the following questions:

Mission of the Endowment Campaign: Why are you creating an endowment, and why are you doing a campaign?

Goals of the Endowment Campaign: How much money is to be raised, in what ways and by when? Goals can also include donor involvement, helping people understand the permanent nature of the organization, starting a planned giving program, etc.

The Organizational Case Statement

Every organization should have a case statement. This is an internal document with the following parts:

Mission: Why your group exists (one or two sentences)

Goals: What changes you are trying to create

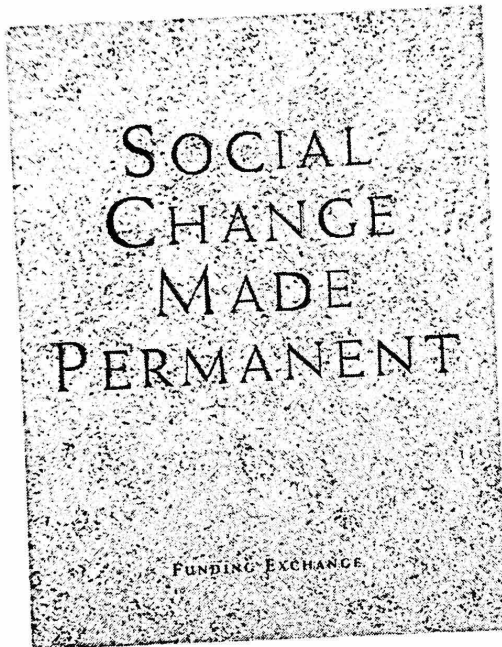
Objectives: Specifically what you are doing to create those changes

History: How long the group has been working and with what results

Structure: How the organization is structured, what kind of people are on the board and staff, who has authority, how decisions are made

Budget: How much the work costs and where the money comes from.

This document is given to board, staff, and key donors. It is not a secret document, but it is only interesting to people who are really close to the group. The case statement is the basis for creating all the public materials of the organization, such as brochures, direct mail appeals, speeches, proposals and anything else that goes out to the public. Although external versions of the case statement may use pictures, stories, quotes, or other graphics that do not appear in the internal case statement, and although a proposal will emphasize one program over another, nothing contradicts the internal case statement.



Cover, campaign literature and fact sheets for the Funding Exchange endowment campaign.

Objectives: This is a year-by-year detailing of the goals. How much money will be raised in year one, year two, or year three? Who will be on the endowment committee? How will the money be invested? What systems are in place for keeping track of income and pledges?

History of the Organization: This portion is taken from the overall case statement and reinforces the notion that this group is a good candidate to be permanent.


Structure: Who is running the endowment campaign, who is on the committee and what is the investment strategy for the money raised?

Budget: How much will the campaign cost? Will it require extra staff? Will you reimburse volunteers for expenses? How much will the materials cost?

The cost of the campaign should not exceed 15% of the goal; with higher goals, the percentage could be lower. Be sure to include in your costs a "discount rate" of 10% of the goal to account for people who pledge but can't finish paying or never start paying. So, on a goal of \$1,000,000, for example, up to \$100,000 may not ever be paid and the costs of the campaign may be as high as \$150,000. If you are looking to have a million dollars in the bank at the end of your campaign, your goal would have to be \$1,250,000 in order to be safe. To do these campaigns right requires spending money and probably spending more money than the group is used to.

Once the internal case is developed as part of your planning process, you can create your external case statements. Many groups have found it useful to create fancy folders with the organization's logo or slogan on the front and then to change the display inside the folder as new materials are developed. As time goes on, you can add a page describing your progress to your goal.


Crossroads Fund
Chicago, Illinois



The Crossroads Fund historical position commerce, transp Crossroads' 400 d nearly \$1 million i 200 organizations Almost one-thi to coalitions of lat groups, and churc be seen in almost neighborhoods. C taken a lead in prc and published a gr *Investing in the Midw* Crossroads is a Midwest Bridges: Network. An outg Community Loan new source of affo ment by linking sc community devel

Photo by [unreadable]


Chinook Fund
Denver, Colorado



A chinook is a "wa Rocky Mountains Chinook Fund is l the cold climate a growth in Colorac particularly impor progressive organi dominated state. (grassroots commu state, from rural m the urban centers As one of the fi the Funding Exch completed its first then they have gi throughout the st: in fundraising and

Photo by [unreadable]


Bread & Roses Community Fund
Philadelphia, Pennsylvania



Bread and Roses C of the Funding Ex Fund, which was c United Way. Cor fundraising as wel and Roses regular based cultural eve volunteers. Bread and Rose \$2 million throug in the greater Phil N.J. area. In 1989, change funding, B Not Charity' Awa individuals' whose social and econo

Photo by [unreadable]

Appalachian Community Fund
Knoxville, Tennessee



With its home in Knoxville, the Appalachian Community Fund is one of the Funding Exchange's most recent exam- ples of progressive philanthropy in central Appalachia—a region known for its persistent poverty and bible-belt conservatism. A.C.F.'s priority is to be a new source of funds in the region and to bring money and resources back to Appalachia. **46** In its five short years, Appalachian Community Fund has established an impres- sive record. With skill, sensitivity, and integri- ty, Appalachian Com- munity Fund has built an important philan- thropic presence. More importantly, the fund is supported, served and operated by Appalachians. If Appalachian Commu- nity Fund didn't already exist, it would have to be created." **47** Peggy Matthews Community Service, Knoxville, Tennessee

Photo by [unreadable]

I coordinated the endowment campaign for the Funding Exchange, a network of 14 community foundations that raise money and give it away to projects doing social justice work. Since part of our educational process was to convince people that there was a permanent need for foundations that fund social justice (ideally, obviously, we would go out of business once justice was the norm), the campaign's slogan was "social change made permanent." We had that slogan engraved onto a faux granite surface like a cornerstone and then photographed it for the folder (*see illustration*).

Inside the folder were descriptions of each of the funds in the network. The pages could be changed or rearranged without having to redo the whole case statement. On the opposite side of the folder was the external case statement itself. The back of this folder described how a person could make a gift.

High-quality materials are as important for the solicitors as for the prospects. In order to feel comfortable in asking someone to give away some of their assets, a solicitor needs to feel that the group looks like it would know what to do with the money if it received such a gift. Materials and good planning go a long way in helping solicitors feel confident. Confident, comfortable solicitors are a key component to a successful campaign.

The Solicitation Process

The solicitation process for an endowment campaign

Funding Exchange Endowment Campaign The Final Year

Why an Endowment?

Working for social change is inherently risky. Groups are born, grow, flourish, or die in direct relation to their financial management and fundraising skills. The Funding Exchange network of funds has successfully navigated these waters for fifteen years.

§ An endowment is the next logical step for a group of community funds which has always taken its responsibilities to donors and applicants seriously. The need for our work continues, no matter what the fundraising climate. The endowment will enable our kind of progressive philanthropy to continue for decades to come.

§ Endowment income can be used for administrative costs, which have been previously met through continuous local fund-raising. With the overhead covered, most of the money raised locally can thus be given away in grants—raising the grantmaking ability of the entire network by almost 65%.

§ Working together as a network of funds to conduct this campaign insures an economy of scale. For a local fund to raise \$1 million would cost almost as much in time and money as for the Funding Exchange network to raise \$15 million. When this campaign is finished, it will have delivered \$46 for each dollar spent.

We can do it even better, with your help:

These are some of the ways people are making gifts to the endowment. Every gift, no matter what size, is important and moves us toward our goal...

§ Cash. Simply send a check for the amount you wish to give. Your money goes right to work.

§ Appreciated securities. We sell them, you get a tax deduction and do not pay capital gains taxes.

§ Planned gifts. Planned giving allows you to make a gift to the endowment, and guarantee an income for yourself (and sometimes one other person) for the rest of your life. Planned gifts may be set up with cash, securities, real estate or other tangible property. Planned gifts are most useful and important for families making gifts and for people with highly appreciated stocks and bonds. The three most common forms of planned giving are listed at right.

§ Consider making a pledge. Most donors are able to make bigger gifts by spreading their gift over two or more years. You may pledge and pay your gift over any period of time that works best for you. We will send you convenient reminders when your payments are due.

Charitable Remainder Annuity Trust:
You set up a trust with a gift of \$10,000 or more. The trust gives you for someone you name a fixed amount every year for the rest of your or another beneficiary's life. On the death of the last beneficiary, the trust and its income belong to the endowment.

Charitable Remainder Unitrust:
This trust is very similar to the Annuity Trust, except the beneficiary's payment is a fixed percentage of the value of the trust, which is revalued yearly. Because these trusts are irrevocable, it is a legitimate and common practice to cover the value of the trust toward the endowment campaign goal.

Gift Annuities:
Certain policies that have matured their annuities or new ones written for charitable purposes may be assigned with the Funding Exchange Endowment as beneficiary and receive the payment in annuities, grant status and/or later premiums, usually at tax deductible gifts.

In addition,
the names of donors will include the Funding Exchange on their local fund of their wish. They understand the growth cannot be carried lower than the campaign goal, so each time as they are realized, they increase the endowment and help increase its income.

The Funding Exchange
666 Broadway, Room 500, New York, NY 10012 212/529-5300
Fund on a regular basis

We do the right thing.

Over \$45 million has been donated to grassroots groups since 1979 by the Funding Exchange. Last year, more than 6,000 donors contributed the \$5.5 million given in grants through the national network of funds.

§ Problems that barely registered with the public eleven years ago have become nationwide concerns today. The Funding Exchange identified many of the groups that put these causes on the map—something few foundations have done in the past.

- FUNDING EXCHANGE SEED MONEY HELPED START:**
- Rattled women's shelters
 - Organizing for the cleanup of toxic waste
 - Organizations working for racial justice
 - International human rights projects
 - Labor activists fighting for workplace democracy
 - Gay and lesbian rights organizations
 - Media projects that educate and increase awareness on social justice issues

Many of our grantees grow and expand and become supported by broader communities and by more traditional foundations. § The Funding Exchange has always funded issues that are challenging, if not always 'popular'. Our members and grantees look beyond band-aid solutions to seek new priorities based on human needs. That's a critical role to play as we go forward toward the 21st century—and that's exactly what will be ensured by our endowment.

We do it right here.

Community problems can't be solved from a central office.

Across the country, Funding Exchange donors and grantees are deeply involved in their own communities.

§ Monies raised locally are spent locally, as decided by a partnership of local donors and activists. They're all community leaders and many have important roles in the local public and non-profit sectors. They know the difference between style and substance—and they fund the substance.



- Appalachian Community Fund
- Knoxville, TN
- Broad and Broad Community Fund
- Philadelphia, PA
- Chicago Fund
- Denver, CO
- Cincinnati Fund
- Chicago, IL
- Fund for Southern Communities
- Atlanta, GA
- Worcester, MA
- Houston, TX
- Boston, MA
- Washington Fund
- Memphis, TN
- Chicago, IL
- Foundation
- Los Angeles, CA
- Live Oak Fund
- Austin, TX
- Mid-South River
- Gulfport
- Foundation
- Eugene & Portland, OR
- North Star Fund
- New York, NY
- People's Fund of Hawaii
- Honolulu, HI
- People's Resources of Southeast Ohio
- Cincinnati, OH
- Vanguard Public
- San Francisco, CA
- Community Fund
- Madison, WI

We do it right.

As important as the projects we fund is the process we follow in funding them...

§ With significant involvement of women (51%), people of color (50%), and gay men and lesbians (20%) at both the Board and staff level, we think and act differently from traditional foundations. Power is in the hands of those most likely to want change and to know what groups will be best in effecting it.

§ All the money given away in grants is raised anew each year—thus ensuring local accountability. If a project isn't working, our staff hears about it—and can act—quickly.

§ In addition to grants, technical assistance provided by our staff teaches grantees ways of approaching major individual donors and other foundations, helps grantees plan other fundraising, program and political strategies—multiplying Funding Exchange efforts many times over.

§ Our willingness to fund new and untried ideas enables us to approve projects as the need arises. You've heard of 'venture capital'? Think of us as 'venture philanthropy'.

§ An endowment will help us do it all—better.

follows much of the same protocol as for an annual campaign. There are some key differences that are important to remember from the beginning.

First, the chief solicitors for an endowment should be people who have made endowment pledges themselves. Unlike an annual campaign, where the pledge needs to be significant for the donor, but does not need to make a significant dent in the overall goal, in an endowment campaign the first pledges that are made need to equal 10-30% of the goal. In fact, it is ideal for the lead gifts to come from people who also agree to help ask others.

Second, when a person is asked for an endowment gift, it is rare for him or her to say "yes" or "no" immediately. No matter how well prepared people are for what they are going to be asked for, they still need time to think about it. This is, after all, a gift they may make only a few times, and

many of them only once, in their lifetime. Even in annual campaigns, people often need time to think about their gift, but in endowment campaigns, they need to think and then ask more questions.

For very large gifts (\$50,000 or more) it is not unusual to visit the prospect two or three times. One gift that I helped solicit for \$1,000,000 required seven visits from me and several visits from others. It took two years of negotiating and probably cost \$5,000 in plane fares, phone calls, staff time and so on. The person making the gift had made one other million-dollar gift. There are only so many gifts of that size even very wealthy people can make, and I would say our solicitation was cheap at twice the price.

It is important to be patient with the process that prospects need to go through, and that is why it is important for at least some of the solicitors to have given very large

gifts themselves, so that they know the thinking and agonizing that goes into this kind of decision.

Logistics

You may want to pair solicitors into teams. Teams of two are very useful in endowment campaigns. They are flattering to the prospect and provide morale, back-up, two memories, and accurate feedback for the campaign and the solicitors. The first step is for the solicitors to write the prospect a letter outlining what they want to talk about. The letter is brief and straightforward, such as the following sample letter:

Dear Ms. Givebig,

As you know from coming to our annual meeting, we are very excited to be undertaking an endowment campaign. At the annual meeting, we announced that we had raised \$250,000 toward our million-dollar goal — now I am pleased to tell you that, thanks to two new pledges, we have raised \$295,000.

You told me that you thought the endowment was a good idea, but had some doubt about our ability to get all the way to \$1,000,000. I would be kidding myself and lying to you if I acted as though I never have doubts about it. But so far our careful planning and evaluating has paid off and we are right on schedule.

Randy Givejumbo and I would like to have a chance to talk with you about the possibility of you making a pledge to our endowment. We are asking all our thoughtful donors — people like yourself who have given us time, money, advice, moral support and the like over the years — to consider making a gift to the endowment that is 10 times your annual gift, and to continue giving annually while you pay your endowment pledge, if you choose to make one.

Both Randy and I have made this commitment, and we know it is not an easy one to make. But, once I decided to give this much, I felt great. I'd like to share with you some of the thinking I went through in making this decision, and I know Randy wants to have a chance to meet you and talk about his process.

I hope you will let us come visit you and discuss this further. We certainly don't expect an answer the day of our visit. Our goal is to answer your questions and concerns, and ask you for a pledge. I'll call you in a few days to see if we can set up a convenient time.

I look forward to talking with you.

Ann Massivegift

From one and possibly both solicitors being endowment givers themselves, the prospect knows that she or he is not being asked to do anything that the solicitors haven't done. Frequently one of the solicitors is a staff person. Staff should be invited to make gifts to the endowment, but it

*Usually these meetings are
the most fun part of all
fundraising.*

should not be required. The size of gift that staff can make will usually be proportionately smaller than the gifts they are soliciting — although not always. One real pleasure of endowment and capital campaigns is to find generosity and ability in all kinds of unexpected places.

After the letter is sent, call the prospect within ten days. Remember that the purpose of the call is to get the meeting. You know how to do that — much of each day of a busy person's life is spend setting up meetings.

In setting up the meeting, a solicitor is dancing between two needs: one is to let the prospect know that this is no ordinary request. Even a very large annual gift is not what we have in mind when we think endowment. The second need is not to scare the prospect into thinking that what they have to offer is not enough. Knowing your prospect is important so that you can know what to emphasize. A shy, easily intimidated person will need to be reassured that there is no pressure to give and that he or she will have plenty of time to think about their gift. A person who tends to give small gifts relative to perceived ability needs to be forewarned of the magnitude of gift that is being sought. Over-committed people need to have the seriousness of the request emphasized. "Can't we just talk for a few minutes on the phone?" is a clue that the person hasn't read the letter or absorbed what is being asked. Your answer, "I know how busy you are and I promise to be as brief as possible, but we are asking you to consider making what may be the largest gift you have ever made and I'd like to do that in person."

The Meeting

It would be impossible to describe exactly how a meeting about an endowment gift would go, as the meetings vary as widely as the people able to make these gifts, and the people soliciting them. As in all face-to-face fundraising, if the prospect knows what the meeting is about and agrees to a meeting, the chances of the meeting being unpleasant are slim. You are meeting with someone who has a genuine interest in your work and is willing to consider making a big gift.

Once in a while prospects use the meeting as a forum to express dissatisfaction or problems they're having with the group that they perhaps have felt unable or unwelcome to voice previously. In this case, the solicitor may have nothing to do with creating or solving the problem. The solicitor should listen and respond as best he or she can and assure the donor she'll bring the issue back to the appropriate person.

Usually, however, these meetings are the most fun part

of all fundraising. But the fact that the meeting will most likely be pleasant is not an indicator that you will get your gift, so you are not home free once someone agrees to meet.

Despite the fact that meetings vary greatly, there are a few things that these meetings have in common. First, the more money you ask someone for, the more right they feel they have to ask you anything they want to know about the organization. For a gift of \$50, people may feel shy asking about how the board is chosen or what affirmative action guidelines are being implemented. For a major gift of, say \$1,000, they feel freer to ask these questions. They feel more ownership. For a one-time-only gift that enables an organization to exist forever and may curtail the prospect's ability to give this amount to another group, the prospect feels free to ask just about anything.

In a way, it is like the difference between renting a car, leasing a car and buying the car. You need a rental car to get from here to there, drive comfortably and not break down. To lease a car, you may think more about color, gas mileage, and features like a stereo or dual air bags. When you buy the car, you want to name every feature within your price range and you study all your options. In each case, you want good value for your money. You want to feel safe in the car, and you don't want your agreement, whether rent, lease or buy, to contain hidden clauses that make you feel the deal was misrepresented. You don't want to find out you could have

gotten a better deal elsewhere. But your sense of what you can expect and ask about as the driver (read: donor) goes up as you move from renting to owning.

Sometimes staff or board members who have not made endowment gifts and have not had much experience with gifts of this size are offended by the proprietary nature of a donor's inquiries. Putting yourself in their shoes will help. Think of something you own that is valuable to you and has market value — your car, wedding ring, books, house, antique dresser your grandmother gave you — and think about what you would want to know about a group in order to give it to them.

The second generality is that very few people will give you an answer about their gift at the meeting. You need to set a date by which their thinking will be finished. In an annual campaign, ten days is appropriate, but in an endowment one or two months is common. Negotiate that with the donor. Try not to allow an open-ended amount of time.

Solicitors need to keep records on what questions prospects asked. As the campaign goes along, compile these questions and keep refining your answers. Add a question-and-answer sheet to your internal case statement to help solicitors prepare for the meeting.

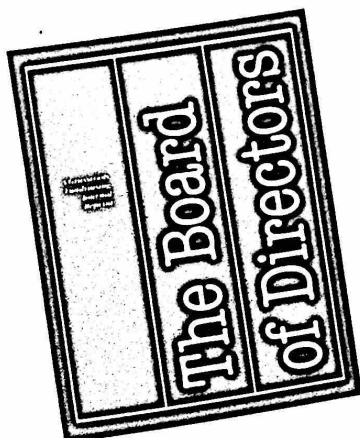
The most common questions I have gleaned out of several endowment campaigns are:

- How will the money be invested?

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Use Order Form

■ How long can I take to pay? (Suggestion: although this is negotiated on a case-by-case basis, limit most people to three to five years.)

■ What will you do about people who pledge but don't pay? (Hidden question here: Why should I pay if others aren't? Or, is there a legal punishment for not paying if I fall onto hard times?) Explain that a pledge is a legally binding agreement and you hope that donors include a pledge letter with their will. This is a serious commitment. On the other hand, if someone makes a pledge in good faith and their circumstances change so that they can't pay it, your organization will renegotiate on a case-by-case basis.

■ What if the organization doesn't meet its goal? (Possible answers: We will extend the campaign, or we will invest only for growth of the principal until we get to our goal, or there is no reason to think that we won't meet our goal.)

■ Why tie up money like this? Why not just use this money to provide services? (These are donors that don't buy the idea that your organization needs to exist forever or who may not have a good sense of how hard it is to raise money every year and how this endowment could give you some security.)

■ What if your group goes out of business? What will happen to the endowment? (Answer: Your gift policies provide instruction for what groups would get your endowment if you cease to exist.)

■ Are there any circumstances under which you would decide to spend the endowment principal? (The answer is in your gift policies and should be "only under the most extreme circumstances after all other contingencies have been tried.")

Be sure you leave the meeting knowing what the next step is. Are you to call the prospect in two weeks? Is the prospect to discuss the gift with their spouse/accountant/lover and get back to you? If you don't hear from them, when do you call? Do they need more information? What is it and who is going to send it? Do they need a second visit?

Write a thank-you note confirming your understanding of what happened and what is to happen next. Be sure that solicitors report any follow-up needed to staff and that staff stays on top of follow-up needs.

In these campaigns, details are everything. Consciously and unconsciously donors test your organization: Can you really handle an endowment if you can't even send the right material or don't call when you say you are going to? You are not pestering the prospects if you always arrange the next step with them. "Can I call you next month?" "Can we get together after you have a chance to read our report?" Pay attention to what they say. Write it down and keep a tickler calendar to keep up with all your solicitations.

More than in any other type of fundraising, solicitation for endowment gifts requires patience—you are asking for funding to keep the organization going forever; you have time to cultivate the gifts. ■

Next: Feasibility Studies

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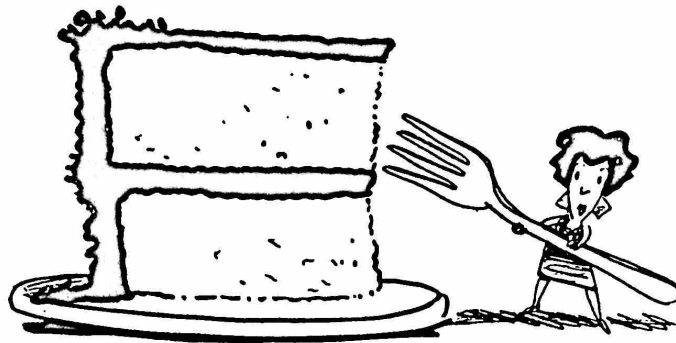
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The Mother's Day Luncheon, Part 2

by Jacqueline Kaplan

Part 1 of this article described the planning process for an annual fundraiser put on by the Chicago Foundation for Women. The Mother's Day Luncheon is an elegant event in a notable home attended by women who donate \$250 in honor of a special woman whose support has been invaluable to them.

The Day of the Event

After three months of holding planning meetings, addressing invitations and making phone calls encouraging (and sometimes begging) friends to attend our organization's Mother's Day Luncheon, the day of the event finally arrives.

The lunch is called for 11:30, but the day starts out an hour or two earlier for the Mother's Day Luncheon committee members who take care of most the day's details: everything from setting up flowers and the food, to arranging car pools for their friends, to writing out name tags for all the guests.

The luncheon is not held on Mother's Day, but on a weekday a few days before, as people usually want to spend holidays, especially weekend holidays, with their own families. Unlike weekday cocktail hours or dinner receptions, people tend to be very punctual for a luncheon. Whether it is a meeting for 5 or a fundraiser for 500, attendees want to come, listen, eat and leave in time to get back to work or home by 1:30 or 2:00 pm. Our Mother's Day Luncheon is no exception. Guests arrive promptly at 11:30 am and are greeted by a committee member, who gives them their name tags and introduces them to other guests or to the host.

People tend to be very punctual for a luncheon.

After half an hour of guests mingling, eating hors d'oeuvres and touring the house it is time to begin the most important part of the day: the program. The program is truly the "meat and potatoes" of the event. It is the one time during the afternoon that the organization has the guests' undivided attention. Not only is the program an opportunity for us to show the guests that it was worth it for them to spend \$250 on a luncheon, it is also our chance to prove to them that they should continue to write checks of that size and larger to our organization.

We have found the best time to present the program is prior to serving lunch. Once lunch is served the guests are more interested in speaking with each other than listening to a presentation. Also, if the program is as effective as we'd like it to be, our organization will be part of their lunchtime conversation.

The entire program should last no longer than 20-25 minutes. Since the presentation takes place in an informal setting, usually the host's living room, if the speakers go on too long guests begin to lose interest, wander into another room and, since they have not yet eaten, get very hungry.

The program consists of four parts: the welcome, the overview of the organization, the personal story, and the close.

The welcome is given by the host. She welcomes the guests, tells a little about the home and then speaks for about two minutes on why she agreed to host the day and why she supports the organization. This is often a surprisingly moving part of the program, as the hosts can be quite articulate on why they chose to open their home on the organization's behalf. This talk often has an unexpected side effect: Many hosts have said that prior to the luncheon they never thought about why they gave; however, once

*The program is truly the
"meat and potatoes"
of the event.*

they had to speak about it publicly they realized how important the organization was to the community and to them personally.

The overview is given by the Executive Director or a Board member of the organization. Since there is a wide range of guests in the audience, from long-time supporters to those who have never heard of the organization prior to this luncheon, the overview should consist of the basic message of the organization, as well as some new and exciting developments. The overview should last 3-5 minutes.

The story is given by a client or someone who has benefitted from the organization's services. This part is equivalent to the keynote address — it is the speaker's own individual story, with a focus on how the organization helped them overcome their personal obstacles and/or hardships. The story is the longest (10 minutes) and most important part of the program, as it is the only opportunity to truly captivate the audience and "tug at their heartstrings."

While it is important for the speaker to be moving, it is also important that the speaker is not portrayed or made to feel that they are a token charity case. Often the person who has the most compelling story to tell has not told their story to an audience before. Therefore, prior to the event, someone in the organization should spend as much time as possible with the speaker reviewing their speech and encouraging them. The same person should also serve as the speaker's moral support the day of the event.

The close is given by a Board member or volunteer of the organization. This part lasts 3-4 minutes and serves three purposes: as a thank you, as a reminder to the guests on why they are there, and as a reminder to give to the organization in the future. The closer thanks the attendees, the speaker, the committee, and gives a very special thank you (and presents a token of appreciation on behalf of the organization) to the host.

The closer then reiterates the unique draw of the event: to honor someone special in their life. While everyone is still emotional from the previous speaker's personal story, the

closer reads the Mother's Day card that is sent to the person they honored:

Dear Ms. Smith,

In your honor for Mother's Day, a special gift of \$250 has been given to the Chicago Foundation for Women by Susie Smith-Brown.

Just as you have inspired and influenced Susie, so will this gift affect and change the lives of mothers and children in Chicago, through the many organizations we fund.

Our warmest wishes for a joyous Mother's Day.

Since everyone in the audience has already paid \$250 to attend the event, there is no further request made at this time. However, the closer mentions upcoming events, reiterates the need for financial support and encourages everyone to continue to give generously to the organization in the future.

Lunch is served at about 12:40 pm. Guests eat, take one last peek around the host's home, and leave by about 1:30 pm. As guests are departing a few committee members stand at the door answering questions and handing out packets of information on the organization (each of which includes a remittance envelope) as well as some sort of meaningful parting gift. As the organization I work for is a women's foundation that encourages women to write larger checks, at last year's Mother's Day Luncheon we gave each guest a handmade quilted checkbook cover, with our organization's name engraved on the inside flap.

The day ends with committee members taking care of the final clean up details. We also encourage as many people as possible to write a personal note of thanks to the host. We have never had a host complain about being over-thanked. The final detail after the lunch is mailing the cards to the honorees so they arrive as close to Mother's Day as possible.

Improving the Mother's Day Luncheon

Some of the best new fundraising strategies are born out of difficult situations. As we all know, fundraisers often find that the gift of ingenuity is brought on by a serious financial crisis. The idea for the Foundation's now successful Mother's Day Luncheon was created under such pressing circumstances — the need to raise a substantial amount of money in a short period of time.

Organizationally, we were quite surprised at how successful this impulsive, "quick-fix" event was its first year. We quickly realized that this luncheon, like any house-party-type event, possessed incredible opportunities for growth and additional income.

The way additional income has been generated by this event over the past few years was to make minor "behind the scenes" adjustments that were easy to implement.

1. Several Donation Level Options

One obvious way to increase income from an event is to raise the ticket price. However, depending on the event price and targeted audience, that is not always the smartest option. In the case of the Mother's Day Luncheon, the \$250 ticket was already considered excessive by many first-time invitees. To raise the price could change a prospective donor's feelings from being honored by being invited to an exclusive luncheon to being offended by the exorbitant cost.

However, it was important for us to balance that concern with the fact that many of the previous luncheon attendees could and would give more if they were given the opportunity and encouraged to do so. One way we accomplished this was by simply adding a line on the response card that listed numerous donation level options:

Yes, I would love to attend the Mother's Day Luncheon.

Enclosed is my donation of:

\$250 \$500 \$1,000

2. Modeling

Another way we encouraged previous attendees to give at a higher level was by using a technique we call "modeling." We emphasize to the donor the importance of being a model to others with their philanthropy and highlight their generosity at the event. This type of urging was done by personal phone calls or a personalized letter from a Board or Mother's Day committee member.

Dear Babs,

Thank you again for supporting the Foundation's Mother's Day Luncheon. These luncheons have become one of CFW's most popular annual events and are such a wonderful way to celebrate and share the important work of the Foundation.

Each year we identify new ways to make this event more successful by raising even more money for CFW's spring grants. This year, I am asking you to join me as a leader in philanthropy for women. Please consider making a lead contribution of \$500, \$1,000 or more for Mother's Day.

We hope to show at the luncheon that there are many women willing to take the lead in writing large checks on behalf of women. We know our grantee programs are in critical need of funding to truly make a difference in the lives of the many women and girls they serve.

Your generosity helps CFW remain a powerful voice for all women and girls, so that the promise of true equality can be fulfilled. I hope you'll respond to this year's luncheon invitation by making a sizable gift to CFW — beyond the \$250 luncheon contribution amount.

Thanks again for your interest in the work of CFW — and I look forward to seeing you at the lunch!

Sincerely,
Susie the Board Chair

Every committee member receives this letter as well as a select group of invitees. Once the committee members are confirmed and the invitation list is compiled, the staff and committee chair discuss the list and decide which invitees are the best candidates for an increased gift. As this is a small event (50 -85 attendees), with a relatively small mailing list (under 300), a handful of personalized letters are manageable for staff or a volunteer to produce.

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3. Building a Pyramid

The goal of most events is to raise money for the organization, serve as donor cultivation, and expand the organization's mailing list. One way we did this with the Mother's Day Luncheon was to encourage people who attended the lunch one year to serve on the committee the following year. With every new committee member comes a new list of potential donors.

This strategy has also had long-term fundraising benefits for the organization. Many of the committee members continue to fundraise throughout the year by personally signing and sending mail appeal letters to their friends. In addition, the luncheon attendees and the women who are honored by attendees are added to our mailing list and often respond to the organization's yearly fundraising solicitations.

4. Replicating the Event

Success breeds success. Every year it has gotten easier to sell tickets to the Mother's Day Luncheon because of the positive word-of-mouth publicity on the prior year's luncheon.

The third year we held the event, the luncheon sold out, which was both heartening and problematic. While a sell-out adds to the feeling of exclusivity for the event's attendees, it can anger or disappoint those who are turned away. The logical step was to expand the event and hold two events at two houses on consecutive days. This may sound like double the work, but it is not. We simplified the process as much as possible, and did as much of the work simultaneously as possible. We used the same invitation (except with different dates and locations), the same caterer, the same program, etc.

How well have these adjustments worked? In 1990, the first year we held our Mother's Day Luncheon, the event raised \$16,000. Last spring our Mother's Day luncheons raised more than \$65,000 and we are considering expanding again to a third house. Now, our motto in the office is "Every day should be Mother's Day!" ■



Reflections

Everything I Know About Giving I Learned from a Bushel of Vegetables

by Maria Gonzales

It will sound outrageous to fellow Catholics, but what I've learned about my own compassion and my capacity to share has been because of my grandparents raising me — not my Catholic upbringing. As an adult, my experience in grassroots fundraising continued the education.

I can't say that my religious training ever taught me tolerance of others (since there was no tolerance for me as a Mexican child growing up in Michigan). Diversity of community and the hope for social change came directly to me from nonprofit organizations. I often thought of nonprofit organizations as the new church of the '80s. They are a combination of business and compassionate practice toward our fellow human beings. We can worship by mail if we so choose, or attend an event once a year. Our fundraisers are ministers in a strange sort of way — sermonizing and promising a more just future.

This is a mighty big claim, you say. But at the young age of 14, I gave up the church because my faith was larger than the institution. We were poor, working class, rural folk who could not speak English and didn't have the dress clothes for Sunday service. When the basket came down our pew, I couldn't understand why I was supposed to drop money into it when our family needed food, clothing, and a car. Why did they have to collect it in a basket and then make us

ask for it? But we gave our dollar or two each Sunday.

These were the thoughts of a little girl. No instructor ever explained the mysteries of tithing or how poor people help themselves out of poverty. I can rattle off the Lord's Prayer with one hand tied behind my back, but why I should share my only dollar with someone else was the greatest mystery of all never unveiled.

As a grown-up, I have much to say about raising money. My audiences are challenged by my concepts, and I try to demystify it for them. I try to instill in people a sense of self-worth in a business that's been called the "dirty work" of nonprofits, because money has been seen as the root of all evil. I notice that they want me to give them the answers to the test — what makes people give, and where are they — when actually the test is unique with each ask. That's the beauty of this work. You get to relearn the lessons every single day.

For instance, my grandparents made it a practice that we share all food grown from our fields, including our flowers. It didn't matter that they couldn't speak English. We'd load up the bushel baskets with corn, cucumbers, tomatoes, peppers, and other items, and head down the road on foot. We could not enjoy such a harvest if we didn't share it with others. Grandpa and Grandma made sure I understood the

concept. We didn't do any canning or preserving. We didn't have the money to buy the materials needed for processing food or for storage. We just grew the vegetables and gave them away.

I watched them do this year after year, and learned from their gesture that this felt good. Sharing gave satisfaction, it gave peace, and somehow brought more fortune into one's life. After all, we'd get to do it all over again next year, and that was very, very fortunate.

I'm reminded of a time when this lesson was handy. I was doing some language interpreting in the deaf community. Some of the children came from Latino families in rural areas. They were from farm worker families of very limited income, and it was my job to facilitate the communication between English, Spanish, and Sign Language at a conference. When the conference was over, one of the parents wanted to thank the school for giving his child an education. He was shy in telling me he only had a box of yams in his truck. He had nothing else to share but some food.

I told a guy standing next to me, wearing an important badge, and he was amused but not appreciative. I knew he wouldn't make the announcement. I knew I'd have to stand

up, and speak out of turn to make sure this gift was acknowledged. The yams were divided up among us, and another lesson relived had come to pass.

When I am asked to share my fundraising skills, I do so as if filling up a bushel basket with sweet-smelling vegetables. I see the look on people's faces as if they were receiving a meal, filling their bellies with home-grown food. And sometimes I hear back from the organization on how well they're doing, how much they raised. It feels as if I gave them the winning lottery ticket, or as if I gave them a bushel of vegetables from my home in Michigan.

My story is not meant to criticize any particular person or religion. Nor is it to warn against the practice of church going, because I understand there are wonderful ministries now that ordain women, and ministers that marry lesbian and gay couples. I simply want to celebrate the extraordinary task of our job as fundraisers, and thank the parents and grandparents that raised us to not give up when we heard "no." Go out and say "yes" to someone else's fundraising today. ■

Maria Gonzales is the Development Director for California Rural Legal Assistance Foundation.

Book Announcement

Grant Seekers Guide Contains 70 New Listings

Grant Seekers Guide

James McGrath Morris and Laura Adler, eds.
Moyer Bell. 1996.
\$39.95 paperback
ISBN: 1-55921-139-3

From 1981 to 1993 there was an eighty percent increase in the number of charitable organizations in the United States. Given this virtual explosion in the number of nonprofits, the competition to raise funds has become very intense.

Now, grassroots and community organizations in search of funding can get a leg up on the competition with the *Grant Seekers Guide*, edited by James McGrath Morris and Laura Adler.

The *Guide* is distinguished from other reference volumes because it only includes philanthropic organizations that have a proven commitment to social and economic justice. "While it will certainly be found on the shelves of development offices of large, established nonprofit institutions, its true home," note the editors, "is on the desk of the overworked, underpaid, dedicated employees of one of the many small organizations seeking to bring about social change."

Appearing alphabetically, each of the more than 250 listings provides:

- a contact name, address and telephone number
- a description of the organization's purpose
- grant application procedures
- grant limitations
- frequency of board meetings
- publications
- a table of financial data that specifies the high, low and median grant amounts, total assets, and number of grants made.

For first-time grant seekers, the book includes nine appendixes that explain such basics as the importance of tax-exempt status for an organization, how to approach a grantmaker and prepare a proposal, the pros and cons of becoming a United Way member, and other topics. Also included are a bibliography and indexes of grantmakers arranged by field of interest, geographical preferences, size of grants and number of grants awarded.

James McGrath Morris is executive director of Public Interest Publications, a nonprofit clearinghouse and distributor of publications from nonprofit social policy research institutions. Laura Adler is a former financial analyst and is now working as a consultant. ■

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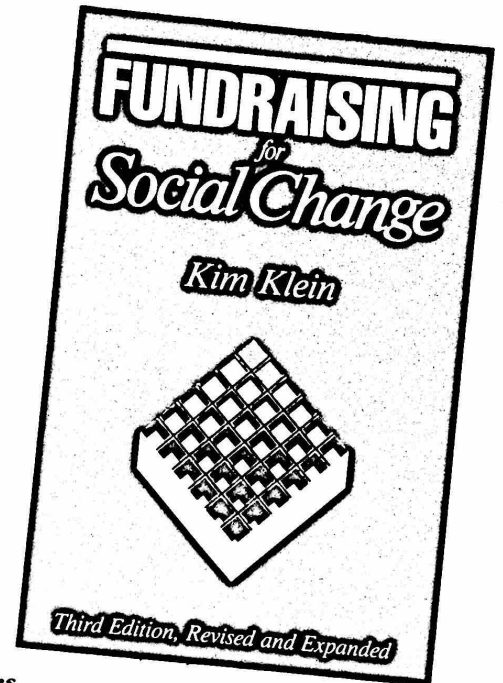
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