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LETTER FROM THE EDITOR



STEPHANIE ROTH

We begin the new year with some exciting changes — both in the country with the inauguration of Barack Obama and the return of optimism in our communities and, on a much smaller (but no less important) scale, with new staff leadership at GIFT.

December was my last month as co-director of GIFT. This month, Priscilla Hung, my co-director for the past two and a half years, assumes the title of Executive Director. Happily, this continues GIFT's tradition of developing leadership from within, as Priscilla graduated from our fundraising internship program for people of color in 1999.

As you may know, I've worked with the *Grassroots Fundraising Journal* since 1990, and with GIFT since its inception in 1995. I've been very proud of our work providing high-quality resources to a diverse group of nonprofit organizations and of our commitment to social justice values and to strengthening grassroots fundraising in communities of color.

This is an exciting time for both me and the organization. We've just come through a successful process of merging GIFT and the *Grassroots Fundraising Journal* into one organization. The new GIFT has expanded resources and is not only filling a critical need to support the fundraising needs of social justice organizations but is also demonstrating how fundraising is integral to successful movement-building. Our efforts got a big boost with the election of Obama, whose campaign epitomized how to combine organizing and fundraising.

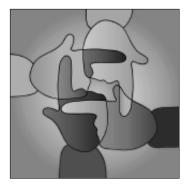
Like many nonprofits, we're concerned about the impact of the current economic downturn on our financial health and stability, but I believe that GIFT is in a stronger position than it has been, and with your continued support, it will flourish under its current leadership, including a committed board, dedicated staff, and a wonderful network of allies who are involved in keeping our programs high-quality and responsive to the needs of our constituents.

For the next year, I won't be going very far. I will continue as Editor of the *Grassroots Fundraising Journal* until the end of 2009 and expanding my work with Klein and Roth Consulting, a close ally of GIFT that provides fundraising consulting and training.

I want to thank all the people who have been so supportive of me, of the *Grassroots Fundraising Journal*, and of GIFT over these years. You are far too many to name individually, but you know who you are. Please also know that I hope our paths continue to cross and that I look forward to working with you in my new and changing roles in the worlds of fundraising and movement-building!

This issue of the *Journal* leads off with some advice about considering a merger, a development that is likely to become more common as organizations struggle to survive in a continuing economic downturn. Priscilla Hung gives a refreshingly frank perspective of our recent merger experience here at GIFT, with a focus on the financial and fundraising implications of melding two organizations. Next, Judy Levine provides a framework and specific tools for evaluating your fundraising program, which will help you build on your past efforts more effectively and strategically. Finally, Samantha McGavin and Rachel Gouin bring you the latest thinking, practical tips, and relevant websites for building an online fundraising program-particularly tailored for grassroots or mostly volunteer operations.

I wish you and your organizations a happy and prosperous 2009.



Time to Merge? Fundraising & Financial Implications

BY PRISCILLA HUNG

Given the economic recession, funding challenges may lead increasing numbers of organizations to face the difficult decision of merging or risk closing their doors.

Groups may be considering a merger for financial reasons, political reasons, mission-related issues, or all three. Given the challenging economic times we're in, financial reasons might be first and foremost on your mind. Some financial reasons for merging can include wanting to combine back-office functions to save money, recognizing that you are duplicating the work or expenses of a similar organization in your area, or feeling that too much effort is going into staying afloat as an organization rather than into its mission-fulfilling programs.

Whether your merger is motivated by funding issues or because you think working with another organization could help you better accomplish your mission, or both, we hope you can learn from our experience at GIFT in merging two previously independent organizations: the *Grassroots Fundraising Journal* and GIFT.

GIFT and the *Grassroots Fundraising Journal* officially joined forces in April 2008, almost two years after beginning the process of negotiating a merger. The following seven lessons we learned — particularly those related to the financial and fundraising implications of merging might be helpful if your group is considering a merger. (See the box on page 7 for resources for dealing with other aspects of a merger.)

1. It's your work that's important, not the organization

Mergers are most likely to succeed if they are based on a strategic opportunity to further your mission, rather than because your organization is in financial crisis. Although of course you can't carry out your mission if you don't exist, challenge yourself to think beyond the idea that the goal of your organization is existence and to think deeply about your motivations.

No matter how attached you or other constituents are to the organization or how sad it would be to close a

group into which people have poured a lot of time, love, and money, the mission-fulfilling work is the most important thing — not the mere existence of the organization. If the majority of your time is spent managing the organization, such as keeping up personnel and bookkeeping responsibilities or raising money for rent and salaries, perhaps it is time to close the doors and help find a new home for the work.

If you're in crisis, one of the first questions to ask yourselves is whether there are other organizations or people who could continue the work you are doing. Before merging with GIFT, the *Grassroots Fundraising Journal* also considered other options: being absorbed into another publication, publishing solely online on a volunteer basis, encouraging independent fundraising consultants to take on the work, or simply letting it fold and waiting to see if someone else would step in to fill the void. All of these options would have resulted in the sad ending of what we know as the *Grassroots Fundraising Journal*, but they would have let our mission continue to be carried out in some way without the burden — and expense — of managing an organization.

2. Be honest and up front about your reasons for merging

It is important to be honest about what you're hoping to gain through a merger and what you're afraid to lose. This will help ensure that your merger prospect is the organization that can really best meet your needs.

In 2005, the *Journal* decided to look for an organization to merge with because the founder and publisher, Kim Klein, who had worked for the *Journal* for all of its 25 years without compensation, was stepping down. At the same time GIFT's executive director was leaving, its finances were shaky, and its board was not sure the group could survive on its own. GIFT and the *Journal* already had shared histories and a long-time practice of collaborating. We began conversations between both boards and key staff and sealed the deal after a day of negotiations facilitated by a consultant.

On both sides, there were anxieties, fears, and tears, but it was a productive, honest conversation because people allowed themselves to be vulnerable. We had to be honest about what kind of financial situation each organization was in and the reasons behind it. We had to have difficult political discussions about whether the new organization would be multiracial or a people of color organization, and how that would be reflected in the staff and leadership. We had to consider which programs we felt must continue with the new organization. We also had to acknowledge

individual feelings of failure or disappointment. Rather than suppress or hide these realities behind a strong facade, and uncover them later, we were able to address them up front.

Merging is not a solution for funding problems unless you have a clear and realistic plan for financial solvency.

needed to feel supported during time, and create a shared idea of what kind of organizational culture we

wanted to develop. At first, it was hard to commit resources to this, since finances were already tight and workloads were overwhelming, but it was a very valuable intervention, and we are now much stronger as a staff.

4. Fundraising culture matters just as much as fundraising practice

When you're considering a merger, the need to share information about your financial and fundraising practices is obvious. We recommend sharing the following documents:

- Financial statements from the current year and the past three years
- Terms, conditions, and status of current grants and contracts
- Terms, restrictions, and agreements for all restricted funds
- If either organization has an endowment, all related policies, including the Investment and Invasion Policies (it's also important to check what the endowment policy says about the organization merging or dissolving)
- Fundraising program summary and any fundraising agreements
- Policies such as Gift Acceptance Policy, and any written documents about your fundraising philosophy

Beyond what's in writing, each organization will also bring its own fundraising culture. To begin to understand this aspect of each other's functioning, we recommend asking the following questions:

• What is the organization's fundraising philosophy? In other words, do the fundraising strategies you're employing make sense for the kind of organization you are? What is the rationale for pursuing various sources — individual donors, earned income, government contracts, and so on? (For example, a social

3. Merging won't make a financially unstable organization more stable Although experts recommend considering other —

less drastic — forms of organizational partnership when an organization is in crisis, merging may be an idea that you are seriously considering precisely because of severe funding issues. But it's important to understand that merging is not a solution for funding problems unless you have a clear and realistic plan for financial solvency. Also, as you will see in point #6, a merger, done properly, actually costs money.

At GIFT we have learned that organizations whose fundraising isn't going well are often actually having a number of other problems that must be solved before their fundraising can improve. As Kim Klein says, "Just as a fever can be a symptom of any number of illnesses, so lack of money may point to a deeper distress. Rarely is lack of fundraising effort the main problem in a faltering organization, and never is it the only problem."

If you are looking to merge with another organization as a fix for funding problems, then you'd do well to look more deeply at your organization first to identify the reason(s) that your fundraising isn't successful. For example, if your staff is too busy to fundraise, then the fix perhaps isn't to merge but to reprioritize your workloads. Or if the problem is that there's a lack of engagement from your board, then your first need may be to work with your board members on developing their fundraising leadership before expecting them to take a leadership role in the complex process of merging.

Our own merger process suffered from greater financial instability in both organizations than we initially realized. We began to understand that bringing together two financially weak organizations doesn't create one strong organization — it creates one larger weak organization. To address this situation, we put a lot of time and energy

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into stabilizing funding for the new organization as well as generating more earned income.

What we didn't anticipate was that the financial instability would also make our office environment more tense. The financial strain plus trying to generate more funds while carrying out all the programs, contributed to growing stress and insecurity among staff. To help us get through this rocky time, we hired an organizational development consultant who helped us understand why we were feeling interpersonal tension, identify how we individually were

both reacting to and

adding to the stress,

communicate what we

this

service organization might seek as much government support as they can get, while a group advocating for universal health care will see individuals and foundations as the best sources, and an arts organization might develop a stronger earned income program.)

- What do you see as the role of donors and funders in your organization?
- What is the role of the board and the staff in fundraising? Who is responsible for and makes

decisions about fundraising? What are the roles of volunteers and members?

- Does either organization prefer not to solicit particular sources? For example, does one organization seek funding from corporations while the other has a tacit policy of not accepting corporate monies or funds from particular corporations?
- What is the annual fundraising budget? In other words, how much money (or what percentage of the budget) is it acceptable to spend on fundraising?
- How is fundraising tracked and communication about donors and funders shared?
- How are fundraising goals set, what are the expectations of individual staff members, and how is fundraising evaluated? For example, are staff members expected to raise a set amount of money or bring in a set number of donors?

The answers to these questions are just as important as financial and fundraising documents, sometimes more so, in helping organizations considering merging create a fundraising culture that has buy-in from all stakeholders.

In our case, the Grassroots Fundraising Journal was almost entirely supported by earned income and donated time and, because it had been for-profit enterprise until becoming a nonprofit in 2002, it had concentrated on projects that organizations would be willing to purchase. GIFT's budget, on the other hand, had significant support from foundations and focused on raising money from grants and donations to subsidize programs that did not generate enough money on their own. Although we saw the budget and the revenue plan of the new organization as incorporating all income streams, we soon realized that we also needed to come to agreement on how much income we wanted from each source to help us prioritize our revenue-generating activities.

5. Notify donors and funders in a timely way

Organizations often don't involve major donors and funders in their decisions to undertake something new or undergo a major transition. However, to help build

It's important to let your major stakeholders know what is happening, even if not everything is clear or decided yet.

or major donor who is funding both groups, they should be consulted first. They may also be a good candidate for contributing extra funding to help with the merger process. Two organiza-

tions — Make the Road by Walking and the Latin American Integration Center - merged in 2007 to create Make the Road New York. Before they made their final decision to merge, they each went to their most trusted funders and major donors to have investigatory discussions about the merger prospect with them. In one-on-one meetings they heard their funders' concerns and made sure that no one was surprised when the official announcement was made. "Make sure funders have ample warning," cautions Co-Director Oona Chatterjee.

stronger investment from your donors and funders, and to

help minimize the chance that they may pull their support

or adopt a wait-and-see attitude, it's important to notify

them about a merger in a timely way. If there is a funder

Sometimes there is a tendency to wait to reach out to donors and funders until all the kinks or issues have been ironed out. However, it's important to let your major stakeholders know what is happening, even if not everything is clear or decided yet, and especially if you're dealing with a sensitive or complicated situation. They will probably hear about it regardless — either through a third party that may be spreading inaccurate information or from you, after the fact, when you may have to deal with some hurt or shock from your donors and funders about being notified so late. To help avoid this, it's better that your donors and funders hear it from you first.

This was a challenge during the GIFT-GFJ merger. Moving quickly into merger negotiations and operating with very few staff, GIFT did not notify funders until after the merger had been agreed upon. We didn't experience any backlash from this delay, but we did lose an opportunity to strengthen our relationship with important donors and give them a chance to voice any concerns before it was a done deal. Because we did not send out a clear message before the merger, we also had to deal with rumors among our local constituency in Denver that GIFT was closing down.

6. Fundraise for your merger

There's a myth that merging is a great way to save money. This may or may not be true in the long run, but in the beginning, merging actually costs money. The Nonprofit Mergers Workbook can help you create a realistic budget and figure out how much staff time to allocate.

The new, merged GIFT is a relatively small organization with a budget of around \$500,000. Before the merger was officially completed, we spent more than \$30,000 on legal services, a consultant for negotiations, a consultant to help us merge our organizational cultures, moving the original GIFT office from Denver to Oakland, a new logo and collateral materials, a new website, and an accountant to get our financial books in order. Those costs don't include the substantial amount of staff and volunteer time spent on the merger.

At some organizations, expenses last beyond the merger process. At Make the Road New York, costs that have lasted beyond the merger include achieving salary parity and compensating several staff for new responsibilities in the merged organization by instituting salary increases. And since their merger resulted in multiple offices, they also needed a more sophisticated operations team and systems. "Being larger is more efficient, but it's not cheaper, especially when you're used to working on a shoestring. The whole is greater than the sum of its parts, but that doesn't mean the parts are less expensive," states Chatterjee.

Merging presents a great opportunity to reach out to your stakeholders. Go to current funders and ask for special funding. Go to your current donors and ask them to contribute to a special transition fund. Hold an event to celebrate the new organization or hold an appreciation event for staff who are departing and ask for money at each event. If you've been looking for ways to strengthen your relationships with major donors, this is a great opportunity to give them updates, get their advice, and ask them to be part of a special transition project. Also consider asking consultants to do some work pro bono.

Make the Road New York used this opportunity to hold a well-received funders' briefing. "In the community organizing world, mergers aren't that common, and some funders were taken aback because it was so unfamiliar. It generated a lot of interest, even from new funders," says Chatterjee. "Our annual event and grassroots fundraising have also grown during the past two years. Our supporters' enthusiasm has been amazing and inspiring to us. The message that people who are marginalized deserve an organization that is both grassroots and powerful resonates with them."

If it's just not possible to reach out to your donors before the merger, you can do it afterward. The Asian & Pacific Islander Wellness Center in San Francisco was created out of a merger in 1997. The merger ended up being a financial drain on the organization. When Executive Director Lance Toma came on in 2006, he prioritized building its fund development program and thoughtfully reached out to former donors of the pre-merged organizations. A&PI Wellness Center then began to hold small events, like house parties, to bring donors back into the organization by giving them a place to share their histories with each of the original organizations and to renew their commitment to the newer organization.

7. The merger will take longer than you think

Even if you're a small organization. Even if no staff are transitioning with one of the organizations, as was the case of GIFT. Even if you have a plan. Even if the merging organizations love each other. No matter how good the circumstances, it requires strong leadership and commitment to follow through with a merger and honor the intentions of both organizations. Don't undercut doing it well just because it takes more time.

Sometimes your constituents also need time to get used to the new organization. At A&PI Wellness Center, many donors were really attached to the pre-merged organizations and they needed time to build a new relationship with the new organization. Says Toma, "You can't spend enough time attending to stakeholders and being conscious of their attachments to the organizations. Putting energy into understanding and acknowledging this helps the community move through it. Merging is a grieving process and a birthing process at the same time."

Done right, mergers strengthen organizations and can have great rewards, such as a larger constituency, expanded programs and services, greater leverage with decision-makers, increased collaboration, greater financial stability, and more intentional processes and policies. At GIFT, after navigating the rough waters described here, we are indeed beginning to reap these rewards and hope the lessons we learned will help others embarking on this process.

PRISCILLA HUNG IS EXECUTIVE DIRECTOR OF GIFT.

Additional Resources

- The Nonprofit Mergers Workbook Part I: The Leader's Guide to Considering, Negotiating, and Executing a Merger | BY DAVID LA PIANA Packed with good information, case studies, and templates to help you decide what kind of organizational partnership is best for you and how to negotiate that path.
- Managing Transitions: Making the Most of Change | BY WILLIAM BRIDGES After you've decided to merge, this book provides a helpful perspective for leaders who are struggling to manage the resistance to change and the anxiety that comes with any major organizational shift.
- Non Profit Mergers and Other Deep Partnerships: Reflections on What Works and Why It Is So Difficult | BY SHERRY FERRONATO & GAVIN PERRYMAN A downloadable PDF containing short case studies, scenarios, and examples.
- La Piana Associates A national management consulting firm that helps nonprofits and foundations address strategic issues.
- N José Acevedo of New World Consulting A bilingual consultant, facilitator, and trainer with Rockwood Leadership Program, Coro's Immigrant Civic Leadership Program, and JPMorgan's Strategies for Personal Leadership.

Online Fundraising Strategies for Small Budgets

BY SAMANTHA MCGAVIN & RACHEL GOUIN

In the past ten years, more and more groups have developed an online presence; they have a website, they may be on MySpace or Facebook, and some even have an office in the virtual world of Second Life. In fact, for most people, going online for information about everything from nearby restaurants to nonprofits is second nature. As the Association of Fundraising Professionals notes in its report, *State of Fundraising, 2006*, online fundraising is growing each year, both in the possibilities for online giving and in revenues generated. Some large nonprofits have sophisticated online fundraising campaigns to raise funds for microenterprise projects in developing countries, environmental causes, child welfare, and more. But organizations with smaller budgets can also be successful soliciting funds online.

There are many reasons not to overlook the Internet as a rich resource for connecting people to the work you do and for encouraging them to make a donation:

• Online donors give more. In the 2006 donorCentric Internet Giving Benchmarking Analysis (2007), Flannery and Harris found that participants' median online gift was \$57, compared to a median offline gift of \$33; for most participating groups it was more than double.

• Online donors have a higher long-term value. The same study found that over a three-year span, online donors' higher giving levels more than compensate for renewing at somewhat lower rates than offline donors.

• *The Internet is a great way to reach new donors.* Acquisitions represent the majority of online donations for many organizations, according to the study.

• Organizations that are soliciting online are seeing a higher percentage of their annual fundraising budget raised this way each year, as reported in the Association of Fundraising Professionals' State of Fundraising 2006 (www.afpnet.org).

• Online donors are younger on average than direct mail donors, according to the donorCentric report. At a time when many organizations are worrying about the greying of their donor base, seeking new supporters online can be an important source of generational renewal. Even for small campaigns, the Internet provides a relatively inexpensive way to find new supporters, especially compared to the up-front investment required to acquire new donors by direct mail. Nonetheless, there are costs to set up and maintain online fundraising, something we discuss under Tip Two.

This article is meant to give small-budget organizations a few options for raising money and acquiring new donors online. People who know about your organization but are not yet financial supporters may be convinced to give if you offer them an easy, accessible, and even fun online giving opportunity. Online giving is not only a great way to get new donors — it's also an effective way to encourage existing donors to give more.

SIX TIPS FOR RAISING FUNDS ONLINE WITH A SMALL BUDGET

Tip One: Make it easy for people to donate when they are visiting your website

It is crucial to have a "donate now" button on your website — not just on the home page, but on all pages of the site. The button should take the visitor directly to a page where they can make a donation. The more clicks on the way to make a gift, the less likely a person will be to follow through with their intention to give. A direct link from your home page makes giving easy. If your site has a navigation menu (a list of options, usually near the top or along the left side of the page), adding a "donate now" button will ensure that supporters are only one click away from making a gift at any time, no matter what page of your site they are visiting.

Tip Two: Drive traffic to your website, and give visitors good reasons to go there

As you begin to drive traffic to your website, you will want to make sure it is kept interesting, accurate, and most important, current — this will add to the enticement for a visitor to give, not just once, but perhaps whenever they visit the site. The tips that follow offer some initial ideas, but driving people to your site requires constant creativity. As well, it requires knowing your public. Your offline work in getting to know your current and potential supporters can help you decide what website content would be useful or interesting to them.

Each update to your site requires deciding what will be posted, drafting (and possibly translating) text, and finding the right images or pictures. While determining and maintaining the content of even a basic website does take time, volunteers or students in a college or university programming course are often willing to offer some help. Weekly updates to your website will require a part-time staff person or very dedicated volunteer, whereas monthly updates may take a day or two's work, depending on how much new content is included. If your organization would like to add or remove content frequently, consider investing in a content management system (CMS), which allows non-programmers to upload text and images into a predesigned page template. That way, staff or volunteers have the flexibility to post time-sensitive material like press releases or news items without having to ask a programmer for frequent and fast turnarounds. If you have a good relationship with an affordable or free programmer, and you update your site less frequently, you may decide that this investment is not worthwhile.

The cost of maintaining a website can vary considerably depending on what route you've taken: whether a staff member is producing content and programming the site, whether you've hired a consultant to manage the programming and/or content, whether you've used a CMS or not, or whether a reliable volunteer is involved. Retrofitting a site with a CMS can cost thousands of dollars up front, depending on the complexity of your site, but save money in the long term on programming fees.

Consider the various roles a website plays in your organization's life when deciding what resources it will need. If you don't have those resources already, there are some out there. TechFoundation (*www.techfoundation.org*) offers grants to help nonprofits use technology and matches nonprofits with businesses that can donate materials and services. If you're just getting started, check out TechSoup, a great technology resource for nonprofits (*www.techsoup.org*) that lists service providers who offer website design. To find out which are free or discounted, use TechFinder's advanced search page, under "Find Services." If you are deciding whether you need a CMS, keep in mind that it is much easier, and thus less expensive, to install one when a site is first designed than retrofitting down the road.

Tip Three: Send electronic updates and make an ask

An electronic newsletter or e-mail updates are a great way to update donors on your work on a regular basis. Electronic bulletins and e-newsletters can also generate donations, but you should consider e-appeals and e-newsletters as separate strategies. When asking people to donate via an e-appeal, include a link to your giving page (ideally one link at the top and another at the bottom of the message). You can expect 1-2% of people who have never contributed to you before to respond with a gift, and a greater response from people who are already donors.

This strategy only works, of course, if you have people's e-mail addresses! Start collecting them from people who have expressed interest in your organization. Include people you have met at events and even direct mail donors who have provided you with an e-mail address. Be sure to gain their permission to send them e-mail first: send a group message to current supporters asking them to sign up to receive your e-newsletter, and invite new supporters to join up when they make their first gift. At events, make it clear that when people provide you with their contact information, they are signing up for your e-list. Then, be sure to include a way for them to opt out, or unsubscribe, on each email you send, so they don't feel they're being spammed.

Your e-mail list will require maintenance and management of e-mails that have bounced back, but it should pay off in the long term as an inexpensive way to communicate quickly with a large group of people who are interested in what you do. There are also e-mail marketing services that can help you manage your e-list and develop and evaluate e-mail campaigns; TechSoup and The Nonprofit Matrix list many services, including some with sliding-scale fees based on volume. For example, the e-newsletter producer Constant Contact (*www.constantcontact.com*) is free for e-lists with fewer than 100 addresses.

Tip Four: Go where your supporters are engaging online

Social networking sites such as Facebook, MySpace, and Friendster are popular not just among the 18- to 30year-old set, but increasingly among older people as well. As of July 2008, Facebook reported being the sixth-most trafficked site in the country, with 80 million users; its fastest-growing demographic is aged 25+. ComScore reports that MySpace continues to be the largest social networking site, with more than 110 million users around the world; more than half of its members are over 35. Social networking sites have also sprung up that are aimed at specific racial or ethnic groups, such as BlackPlanet (www.blackplanet.com), MiGente (www.migente.com), MyBatanga (http://my.batanga.com/), and AsianAve (www.asianave.com), as well as religious lines, such as (www.faithbase.com) and MuslimSocial FaithBase (www.muslimsocial.com). Just as in "real life," social networking sites offer a way to reach and form groups of people based on common interests. Our experience in raising money through social networking sites is primarily with

Facebook, which seems to be the most well-adapted to being used as a fundraising tool.

Organizations with 501(c)(3) status can raise money using Facebook with a special application from the site called "Causes." By registering your organization under "Start a cause," you can provide an interactive page where your supporters can donate, recruit their friends, and raise money by placing a fundraising "widget" on their profile. The "Hall of Fame" (top recruiters/donors/fundraisers), discussion board, and box showing your friends who share this cause, encourage participants to feel part of a community of people who care about the same issue.

Organizations without 501(c)(3) status (or without a fiscal sponsor with this status) can set up something similar with a new service called ChipIn (*www.chipin.com*). Any group or individual with a PayPal account can create a ChipIn page and a widget. The ChipIn widget asks for and accepts funds, which are then transferred into a group's PayPal account. ChipIn is also a Facebook application which, like Causes, allows users to place a fundraising widget on their profile page. Unlike Causes, ChipIn can also be used on MySpace, blogs, or any other Web page.

If you have invested in an online campaign based on an interactive website, such as a fundraising marathon where participants set up their own fundraising page, or a holiday card campaign where donors donate and send cards, you will want to drive traffic to your site rather than encouraging people to donate right in Facebook through Causes or ChipIn. Groups can still use Facebook to publicize these and other campaigns by setting up a Facebook "page." Pages allow you to profile your cause, post photos, videos, links, and upcoming events. Since supporters can't give directly to you while on Facebook, you'll have to provide a link to your organization or campaign's Web site where they can donate. (Remember to include a link to a giving page, whether on your own site or on another site — see Tip One). Once people have signed up as "fans," a message goes out to their friends about it, and you can send campaign messages to all of your page's fans. To create a page, go to www.facebook.com/pages/create.php. (The "nonprofit" listing is under "brand or product.") To publicize a page, you can "share" with your personal contacts or spread the word to groups you think would be interested by writing on their "wall" to tell them about your page. You might also want to consider buying paid "social ads" on Facebook, which are inexpensive compared to display ads on other commercial sites and can be targeted geographically, by age range, gender, or other factors.

As those who use social networking sites know, it is easy to become inundated with information. People who were eager to find out about your group eventually could tune out so set a deadline for each fundraising campaign, for instance a holiday or event, and create a new page for each activity. Then invite fans and friends of previous campaigns to subscribe to the new page.

There are other ways to use social networking sites to create online community — setting up a "group" for your organization, publicizing events, sharing photos and videos, and more. These ways of creating affinity (and thus cultivating and stewarding donors) are now just as effective for many people as offline strategies.

Tip Five: Use free resources to facilitate online giving

It can be challenging for organizations to set up the capacity to offer their own online receipts or personalized giving pages (for weddings or birthdays, for instance) on a shoestring budget. Donation portals such as Network for Good (www.networkforgood.org) and JustGive (www.justgive.org) in the US, or CanadaHelps (www.canadahelps.org) in Canada, allow donors to donate to one or more charitable organization and receive an instant electronic receipt. Increasingly popular as a place for "one-stop" giving, these sites offer a range of options for donors: they can donate to their favorite charities, schedule giving ahead of time, make gifts of stock (in the case of CanadaHelps), create a personalized giving page, tell their friends, and offer and redeem charitable gift cards. These sites also make it possible for people to make anonymous gifts and receive a charitable receipt. These are donors who may not have sent you a check by mail or who may not have given as much money by mail as they will with an online gift.

All you need to do is register your charity (for free) with these sites, keep your profile up-to-date, and direct online traffic to your page. Donation portals usually offer a graphical "donate now" button that can be placed on your organization's website, which will take visitors directly to your page on the portal's site. These sites are a gem for charities with small budgets.

Charitable organizations that are looking to turn inkind donations into cash online may be interested in MissionFish (*www.missionfish.org*), which allows nonprofits to sell items on eBay for no selling fees. As this would be reselling items that have already been donated, no charitable receipt is issued, however.

If your group does not have charitable status, PayPal (*www.paypal.com*) offers an easy way to accept online donations, paying only transaction fees. As PayPal has become a popular service for making online transactions from bank accounts or credit cards (largely through its use by eBay, which owns it), its reputation may allay concerns of people who have not donated online. PayPal also offers a graphical "donate" button that can be placed on your site that links directly to your account on the PayPal site.

Organizations with a bit more money to spend may be interested in upgrading from a free, standardized donation page to a more personalized giving page that will blend seamlessly into your own website. There is now a wide variety of online fundraising services and e-commerce providers, many of which are quite affordable or who have sliding rates based on the size of your database. Places to start looking are TechSoup or The Nonprofit Matrix (*www.nonprofitmatrix.com*), whose site includes listings of service providers for the nonprofit sector.

Tip Six: Make it viral

When do you decide to forward something to your friends? Chances are when the email contained something funny, unusual, time-sensitive, a call to action, or a warning. Chain letters and jokes are classic examples of viral marketing, where each person voluntarily passes an item or message to several other people, who in turn do the same. When you cannot afford online and offline ads for your organization or campaign, viral marketing is all the more important.

For nonprofit or advocacy organizations, one of the most famous viral examples is a 4-minute campaign film called The Meatrix (*www.themeatrix.com*), which called attention to industrial farming practices. The video's cleverness — mapping a well-known film plot onto an important contemporary issue — combined with its humor caught so much interest that within three months of its release, The Meatrix reports that 4.2 million people had watched it.

While most of us would be hard-pressed to copy The Meatrix's success, it illustrates well elements to include in viral marketing strategies. What strategy would fit well with your organization's culture? Maybe your e-newsletter can include stories so touching that recipients will forward them to others. Perhaps your community center can post photos from its annual block party on Facebook and "tag" (label) the attendees you know — a message will go out to each of their friends about the photo and the party. "Tagged" people usually tag other people in a photo who have not been labeled. This is a way not only to spread the word even farther, but also to put missing names to faces and create a sense of community. If the kids' performance in your talent show was priceless, post the video to your website or to YouTube (www.youtube.com), and spread the word by e-mail or by a social networking site — YouTube allows "sharing" or embedding videos into personal pages on Facebook, MySpace and more. With any luck, recipients will pass on the video link to others who will be just as charmed as they were. Be sure to include a link back to your website, so that new people can find out more about your work.

Think about how to best incorporate a fundraising element into your viral marketing. In the talent show example, the link to the video could be within an e-mail update to your members about how well the show went, its importance as a community event, and your need for funds to keep it going. Be sure to include a link to a giving page. Set measurable goals that match your tactic, such as increasing your website traffic, raising your e-newsletter open rate, or multiplying the number of websites that link to yours.

The key is to create something that will interest people enough that they will want to pass it along on your behalf. To learn more about the principles behind viral marketing, download Seth Godin's free e-book, Unleashing the Idea Virus (*www.ideavirus.com*). To get ideas for social media marketing and other ways of using the Internet for your cause, visit the Nonprofit Technology Network's site at nten.org.

CAUTIONS AND TIPS TO MAKE IT WORK

It is common fundraising knowledge that about 35% of donors acquired by direct mail will make a second gift. Do not expect such a high renewal rate from your online donors. However, there are a few things you can do to encourage repeat giving:

• View online relationships with donors as an extension of your offline relationship. Ensure that your donation form asks for a phone number so that you can call new online donors to thank them.

• *Encourage supporters to relate to you in different ways.* Multi-channel donors give more than single-channel donors, according to the donorCentric report. When you call new donors, ask if they want to receive updates by e-mail or by mail (some online donors do migrate to direct mail).

• Call online donors again a few months after their first gift to ask them to convert to monthly giving. In their 2007 book chapter, "How the telephone and the Internet are beautiful partners for people-to-people fundraising," Johnston and Malach show how Web-to-phone conversions have reached 8.85%, whereas sending an e-mail request to convert will only get you 0.2%.

• *Try it again!* If you have not succeeded in securing that second gift to your organization, perhaps the person will be compelled to give to your next creative online campaign.

Remember that online campaigns work best when they have a clear end date or event. Your challenge is to find ways of sparking their curiosity again and again so your supporters come back to see each new campaign. It can be a fair bit of work, but it's also exhilarating especially when donations follow!

RACHEL GOUIN AND SAMANTHA MCGAVIN ARE PART OF THE FUND-RAISING AND COMMUNICATIONS TEAM AT INTER PARES, A CANADIAN ORGANIZATION THAT BELIEVES IT IS POSSIBLE FOR PEOPLE IN THE NORTH AND SOUTH TO WORK TOGETHER TO PROMOTE SOCIAL JUSTICE AS EQUALS. MORE ABOUT INTER PARES AT WWW.INTERPARES.CA

Shaping the Future:

Fundraising Evaluation to Build Capacity & Involvement

BY JUDY LEVINE

B rooklynites for Responsible Progress had finally closed its Spring Fundraising Drive. Although development director Maria Romo was happy with the results, she was also relieved that she was done with her frequent emails to the staff and board exhorting them to keep up their efforts. But Maria had one last activity to undertake: the campaign evaluation. Although she knew the total BRP had raised, she'd had trouble sorting out how much each activity had brought in and what had contributed to the campaign's success. Moreover, she needed to report to a funder on how the development assistant position they had funded had helped BRP bring in more funds.

Fundraising evaluation is the final stage of any fundraising effort and the one most often overlooked. But done properly, it's not just about what happened. The information unearthed can provide valuable groundwork for what's to come. Getting a clear picture of how you brought in what you did — and of the internal and external factors that worked both for and against you — can help you set better goals that will result not only in increased dollars raised but also in a healthier, more sustainable path to raising those dollars. And when structured correctly, fundraising evaluation can engage others inside your agency and out in thinking through your development strategy.

Especially in the kind of uncharted economic conditions we're in now, it is critical to have a full and accurate understanding of exactly where your dollars come from. You can't afford to waste efforts on fundraising activities simply because they've always returned in the past. In times like these, we simply don't have the resources to guess wrong.

WHO

At first, Maria thought she could do the evaluation with her development assistant and grantwriter at her weekly development department meeting. But she realized she should also involve the executive director. And what about the organizers who'd helped with the garden party fundraiser? Or the child care division staff who'd helped the parents organize a raffle? And there was also board involvement — some board members had hosted a house party, and one had accompanied Maria on visits to major donor prospects. And what about the phone-a-thon volunteers? And the funder who'd given the grant to hire the development assistant? Would it help their relationship if that funder felt more involved in the process? When fundraising evaluation is looked at as a tool to strengthen your fundraising program rather than simply as an information-gathering process, the question of whom to involve becomes more complex. Because this year's fundraising evaluation is the beginning of next year's fundraising planning, you want to heed the adage, "Ownership begets responsibility." In other words, getting people involved in figuring out what happened, and why, is more likely to lead to their feeling responsible for carrying out fundraising efforts in the future, and is a first step to getting them involved in fundraising without asking them (yet) to ask for money.

Consider involving the following groups (in addition to development staff) in your fundraising evaluation:

• *Program staff.* The process of educating program staff as to what fundraising is really about (relationshipbuilding) can help them see how the contacts they make for the organization can be brought to the fundraising process as well.

• *Board members.* How often have we asked board members to help us and then forgotten to tell them about the results of their help? This is a great opportunity to stroke active board members while showing less active ones what their peers' engagement has led to.

• *Volunteers.* Engaging individuals who are key to your fundraising efforts in analyzing the reasons for last year's success is a great, low-key way to line up assistance moving forward.

• *Donors.* A key fundraising precept is to ask your friends to lead you to their friends. The same rings true for donors — you want them to get so involved that they become askers on your behalf. Involving them in your fundraising evaluation gets more than just unvarnished information from the horse's mouth — it gets you a cadre of folks invested in seeing that your fundraising efforts succeed.

• Other organizational "friends." Consider involving your pro bono graphic designer, or a prospect for your board. There's no reason not to ask around for advice both for the helpful advice you might get and for the relationship-building bonus of this process. Sometimes, asking someone who's not in the inner circle will get you closer to what you need to know to reach new donor markets. • *Colleagues.* Sure, you don't want to let the organization across the street in on confidential donor info; on the other hand, if there's a colleague or two who have always been helpful when you asked for their advice, why not ask them to lend their expertise and help you figure out how you could strengthen your efforts going forward? You might even get a new donor or asker out of it!

Aside from making sure to keep confidential information (about donors or internal organizational issues) private, there's nothing to be lost and much to be gained by asking as many people as you can for strategic thinking and advice. Sometimes getting a fresh perspective from people who aren't as close to the work as your development staff can generate new and unexpected ideas and opportunities for growth.

WHAT

Maria gathered her evaluation team: development staff, the executive director, a senior organizer, a long-time volunteer, the chair of the board fundraising committee, and one of their most committed individual donors. The funder who had supported the development staff hire was flattered to be asked but declined. However, she said she'd be interested in meeting with Maria to discuss the results and talk about how to help BRP move ahead. Maria's next step was to pull the information together that could help the team make the assessment as growth-oriented as possible.

As in any program evaluation, the most important measure is progress made toward your fundraising goals.

What had you expected to accomplish? What happened in line with your expectations? What came out differently, and why? Consider environmental factors such as changes in the economic and/or political climate as well as internal factors such as changes in board composition, staffing, and so on. This framework could look something like the abbreviated chart below, which was put together to analyze the results from BRP's annual gala that had a corporate honoree heading up the ticket and donation drive: (see the full chart at *www.grassrootsfundraising.org/eval*).

A chart that measures progress against well-set goals can help organizations think institutionally instead of episodically about fundraising. In other words, it can help answer the question, "How do we as an organization strengthen our financial stability and future viability, regardless of economic conditions?" This chart can also supply clear marching orders for the development program — an opportunity-based follow-up plan is easy to draft from the information in the Comments column.

CYCLES OF DONOR DEVELOPMENT

It can also be helpful to use the evaluation process to study your agency's development function through the lens of the cycle of acquiring donors and building relationships with them. This approach can help you identify institutional factors that are slowing your fundraising efforts — and give you the information you need to start fixing them.

Primary Objective: Net \$100,000 from past and new individual Results		What Happened?	Comments			
lonors & corporate donors						
Lead Corporate Tables — Honoree Driven (2 X \$7,500 = \$15,000)	\$15,000	Honoree brought an entire table of health care industry big wigs				
Corporate Tables - Staff Driven (3 X \$5,000 = \$15,000)	\$5,000	HAP, Community Electric, Phone Central going through regulatory changes and decreasing contributions this year	Phone Central may consider a grant, rather than a table; HAP will fund our block festival instead; Community Electric not increasing its grant			
orporate Tables — Board Driven \$15,000 2 X \$5000 = \$10,000)		Sue Holliday, Marisa Lancia went above and beyond	Thank them publicly			
Individual Dinner Ticket — Board Driven (15 X \$500 = \$7,500)	\$13,350	Board members made great strides since last year				
General Contributions (non-attendees) (\$5,000)	\$14,860	Many used it to make annual contribution or gave in response to board members asking	Send a package of materials to those who contributed but didn't come			
Ad Journal (\$10,000)	\$8,000	Income from Journal ads down due to downturn in economy	Gave company a recognition vehicle for services donations			
Auction (\$10,000) \$7,045		Response not great — due to placement at event	Issue with auction planning/venue, not sure we showcased them right; start online two weeks out?			
Secondary Objectives:		What Happened?	Comments			
Re-build the agency's donor base		Made a good start; brought in a lot of people we'd been looking to interest				
Increase the number of people giving a \$250 and above	t	A few new ones (most have given before) Stacey brought in a lot of one-time folks; we took a big step in getting attention from international big wigs				
Increase the number of people raising fu	nds for us	Several after party hosts bought and distributed tickets; benefit committee members bought but did not necessarily ask	Said they loved the agency, interested in international cultural exchange. Are there other things we do with/get from them? Go through the list with Maria			
Involve board members in fundraising		New board members were engaged and did what they could	Had more people soliciting in the past; Stacey L. was also a major go-getter. Need team leader for Ambassador group of younger givers.			

Results of Annual Gala: Fundraising and Visibility

Here are some questions to ask for each phase:

Identification Phase

- Who is helping you find people?
- How many new prospects are being brought in and at what level (high-middle-low)?
- Are you reaching new markets (new groups/individuals)?
- How successful were you in reaching the people you had targeted?

Cultivation Phase

- How many mid-level and major donors did you move up?
- How did cultivating new donor prospects pay off in receiving new gifts?

Solicitation Phase

- How much was raised in total, but also broken down in various ways:
 - Donation size
 - Frequency of gift
 - Solicitation activity
 - Donor base longevity (how long have donors stayed?)
 - Number & percentage of donors increasing their gifts
 - High/middle/low-end growth
 - Donors' organizational contact
- How much staff time it took to get gifts
- The board's role in getting gifts
- Ratio of requests to gifts

Recognition Phase (donor stewardship)

- Are donors being brought closer to the organization?
- Are there other opportunities for relationship-building?

Capacity-building/Indirect goals

- Look at your development program's range
 - Do you have high, mid, and low-level donors?
 - Do you have a sufficiently diverse age range of donors? Other relevant demographic spreads?
 - Do you have donors and prospects at all phases of the development cycle?
 - Are there particular training/expertise needs to build up your solicitor base?
 - Are your board members and other volunteers participating sufficiently in fundraising? Can improving their participation increase your results?
 - Given your budget, do you have enough development staff? Can others (such as program staff) take on some development work?
 - Are your systems and infrastructure (website and database) supporting your fundraising, or is your fundraising working in spite of them?

Costs to raise a dollar for each activity

• Are your costs-to-dollar-raised for each fundraising activity reasonable in light of how long you have been engaged in each activity?

To figure out your costs to raise a dollar, add to your total direct costs (postage, paper, lunch, etc.) the proportion of paid staff time dedicated to that activity (or the cost of the actual number of hours, if your staff tracks their time accurately). Here's an industry-standard chart of what different development activities should cost once you've got them up and running:

Reasonable Fundraising Cost per Dollar Raised Guidelines

Category of Fundraising Activity	Reasonable Cost per Dollar Raised					
New-donor acquisition	Up to \$1.50					
Special Events	Up to \$0.50					
Donor renewal up to \$100 to \$250 gifts	Up to \$0.25					
Major gifts and capital campaigns	Up to \$0.15					
Planned giving	Up to \$0.15 (after 4–7 years of losses!)					
Corporate & foundation grant seeking	Up to \$0.20					

Note: The cost effectiveness of a particular fundraising activity should <u>not</u> be measured based on its first year's cost/income ratio, as many new fundraising activities require greater first-year investments.

TOOLS

A number of tools can help you get accurate and comprehensive information to feed into your evaluation process.

Surveys

There's no need to limit the information you can gather to the experiences of the people you can get in the room. At BRP, Maria developed an online survey that she sent to other staff and board members and also asked a few key donors for their input.

Asking donors for their ideas on how to reach people just like them is both flattering to the donor and a low-sell way to keep in touch. This survey should take place in a one-to-one conversation, perhaps in tandem with a brief phone update on the programmatic progress your organization is making, and, of course, with thanks to the donor for being part of making that progress happen.

To prepare to talk with a dozen of her most loyal donors, Maria developed a script for a 15-minute phone interview. The survey sought to gauge the donors' understanding of the group in order to give a sense of how successful BRP's donor cultivation has been. It also gave Maria a way to begin to discuss donors' willingness to get involved in BRP's development efforts. You can find the survey questionnaire on our website at *www.grassrootsfundraising.org/eval.*

Maria set out to survey 12 donors plus 3 individuals they'd been cultivating and 3 board members. She was able to connect with 12 of the 18, and learned some valuable information: two of the donors were willing to host house parties and one had connections to a foundation she'd wanted to approach. She also learned that BRP's annual appeal had arrived too late for two of the donors to make a meaningful gift last year and that although people had enjoyed BRP's annual gala, they'd felt unsure of what the impact of their support would be. With these rich responses, Maria's time on the phone had definitely been worth the effort!

Analyze Trends

Both internal and external trends can affect your fundraising success. For example, current economic conditions will certainly have an impact on individual giving, as people feel more uncertain about their personal financial situations. Likewise, if there's a major organizational change, such as a new executive director, individual giving may drop during the transition and you'll want to track whether the opportunity to "meet the new director" will re-inspire long-time donors and bring in new sources.

Spreadsheets

As best you can, put all this information into a spreadsheet so you can analyze the strengths and challenges of your development program. We've already looked at Maria's spreadsheet analysis by goals of BRP's annual event; below is the beginning of her assessment of BRP's individual giving base by donor level. You can find the complete version at www.grassrootsfundraising.org/eval.

All of these charts take the total amount raised and breaks it down to an idea of what could be done — with a scalpel, not a cleaver — to increase return. As a result, instead of forecasting a general increase (or decrease) of 10% in annual fund revenue, these charts give Maria the information to identify which board members to ask to step up their efforts, which donors would be worth a personal visit, and even what type of list BRP's annual appeal should use this year to reach out to new prospects.

WHEN

Once Maria saw how much useful information could be gathered through evaluating BRP's fundraising efforts, she wondered how often she should go through this process.

Although a once-a-year, full-blown goals-againstactuals assessment is invaluable, it's also time consuming. So it's helpful to develop a shorter process to use periodically, perhaps quarterly, that gives you more information than simply counting "how much is coming in" on a total basis. That way you have the chance to adjust your strategies to correct for unforeseen circumstances, strengthen low-returning efforts, and/or put more resources into what's proving to be most successful. But don't forget that sometimes you need to give an activity a chance to see where it can lead before imposing course corrections.

A FEW THOUGHTS TO SUM UP

• Evaluate and monitor against your original <u>and</u> revised goals. Often, we moderate our initial goals during the campaign. You'll want to look at both the initial goals and how you changed direction as the campaign went on, and why, to get a clear sense not only of your performance but also how the environment changed.

• *Identify mistaken assumptions.* In that vein, the purpose of evaluation is not only to measure what you've accomplished, but also to build your department's skill at assessing results. After all, your organization should be counting on — and spending against — your fundraising income. So the more accurate your projections can be, the higher your organization's comfort level will be with doing just that.

• *Involve planners and implementers.* You need as much information from as many angles as possible to help you shape the most effective development activities. The more someone is part of designing your development program, the more they'll be committed at the "above and beyond" level to carrying it out.

• *Meet with donors, participants, staff members.* Fundraising evaluation is a process of inclusion. If you're putting all this effort in — make sure it is as valuable as possible!

• Write down your findings and thoughts. Fundraising evaluation is an opportunity to share the knowledge of

Assessment of BRP's Individual Donor Base (Abbreviated)								
GOAL: \$35,000 TOTAL RAISED: \$36,800 TOTAL DIRECT COSTS: \$2,500 TOTAL NET: \$34,300								
INDIVIDUAL GIVING		FY08	FY 07	FY 06	AGENCY CONTACT	Solicitation Approach	NOTES	
\$10,000 - \$25,000 Donor	s							
Janet Smith		\$15,000	\$25,000		Nancy	1-1 ask	knows a Board Member; daughter is social worker	
Jonathan and Lillian Bu	urns	\$5,000	\$10,000	\$10,000	Jorge	1-1 ask	knows the founder; Lillian is ill	
\$1,000-\$9,000 Donors								
Edgar Garcia	Edgar Garcia				Jessica	1-1 ask	knows a Board Member; interested in education	
Norma and Jose Marcos		\$1,000	\$1,000	\$500	Jessica, Jorge	house party	knows a Board Member; also knows founder	
Harold Matteson		\$1,000	\$500	\$100	Jorge	house party	moved into neighborhood in 2006	
<u>\$250 - \$1,000 Donors</u>								
Gabi Byrne		\$500			Jessica	1-1 ask	Board contact	
Mark Penderson		\$500	\$250		Nancy	Mail	Board contact	
Beth Orion		\$250	\$250	\$100	Nancy	house party	Board contact	
Bernard Score		\$250				Mail	? Find out!	
Under \$250 Donors								
Bob Odens		\$100 \$100	\$100	\$100	Harold	mail appeal	Board contact	
Edward Soren	Edward Soren		\$100	\$100	Jessica	mail appeal	Board contact	
Sanford Nelson		\$75	\$75			mail appeal		
Deanne Walden		\$50	\$50			mail appeal		
ABBREVIATED DONOR	• Number	of Donors: 2	0	• Number of	Renewals: 15 •	Number of Lapsed: 5	• Gift Range: \$25 - \$15,000	
LIST TOTALS:	•Number	of New Dong	ors: 5	 Number of 	Upgrades: 3	(on separate sheet)	Median gift: \$200	

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Multi-Tear Dig-Ficture Assessment of Annual Tear-Lind Appear									
Year	Type of Appeal	Target Population	Numbers Sent	Numbers Donating	Response Rate	Total Revenues	Total Expenses	Net Income	
2007	3-page letter with donation envelope	Board & staff referrals plus previous donors	2,100	85	10.00%	\$4,330	\$1,233	\$3,097	
2006	One page, double-sided letter mailed Christmas week	Rented list of donors to a sister organization in the community	6,100	71	.90%	\$1,437	\$2,418	(\$981)	
2005	Green page 3 part of newsletter	Newsletter distribution list	2,200	29	1.32%	\$610	\$450	\$160	
2004	Special letter inserted into newsletter	Newsletter distribution list	2,000	46	2.30%	\$1,065	\$429	\$636	
2003	Special Care Appeal	About 50% new prospects from Charlotte's list and 50% donors and members	3,000	65	2.17%	\$2,100	\$3,300	(\$1,200)	

Multi-Year Big-Picture Assessment of Annual Year-End Appeal

how your organization's development function works and should work. There's always the "you-could-be-hit-bya-bus" scenario — or you could simply be hoping to share the expertise in order to decentralize the responsibility. In any case, human memory is fallible, so record the results of your evaluation process so the information lives in your organization — and not just in your brain.

Above is a multi-year big-picture assessment of BRP's annual year-end appeal. As you can see, BRP has changed directions on its appeal mailing several times in the past five years. Creating this chart allowed Maria to recognize what had been most successful so that she could build on past efforts instead of casting about blindly for a new approach every December.

With the economic capacity of Maria's donor base changing rapidly, her decision to undertake a full-blown fundraising

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ETAPESTRY, EVERYTHING FOR FUNDRAISING-EXCEPT THE DONORS

Database. Ecommerce. Website. Email. eTapestry is your single source for your fundraising database, online giving, website development and hosting, and advanced email services. Since its release as the first web-based fundraising software for nonprofits in 1999, eTapestry has grown to a leadership position with over 5000 nonprofit customers worldwide. To learn more, visit us at **www.etapestry.com**, or call us at **(888) 739-3827.** evaluation proved prescient. She was able to identify donors who'd been under-giving and to see exactly who had brought the money in. When she was asked to cut her department's spending, she was able to pinpoint which efforts to drop and which were critical to maintaining BRP's immediate or long-term fundraising health. While no process in and of itself can completely inoculate nonprofits against economic downturns, a fuller understanding of where your money is coming from — and why — is a critical tool for survivability, nowadays and every day.

JUDY LEVINE IS EXECUTIVE DIRECTOR OF CAUSE EFFECTIVE (WWW.CAUSEEFFECTIVE.ORG), A NEW YORK CITY-BASED NONPROFIT DEDICATED TO INCREASING THE CAPACITY OF COMMUNITY-BASED NONPROFITS TO PLAN AND IMPLEMENT INTEGRATED RESOURCE DEVELOPMENT STRATEGIES. WANT TO LEARN MORE ABOUT FUNDRAISING EVALUATION? SIGN UP FOR JUDY'S WEBINAR ON FEBRUARY 9, 2009 AT WWW.GRASSROOTSFUNDRAISING.ORG



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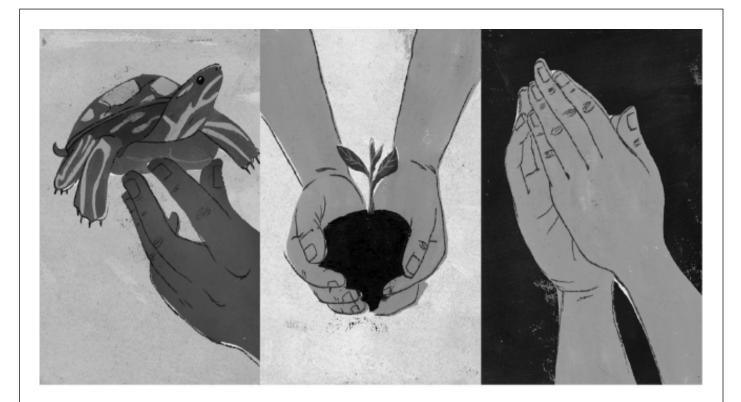
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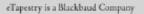
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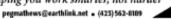
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