Grassroots Fundraising Journal

VOLUME 36 NUMBER 1 • JANUARY–FEBRUARY 2017

A PUBLICATION OF
GIFT
Grassroots Institute for Fundraising Training

Throwing a Fun, Profitable and Mission-Aligned Event

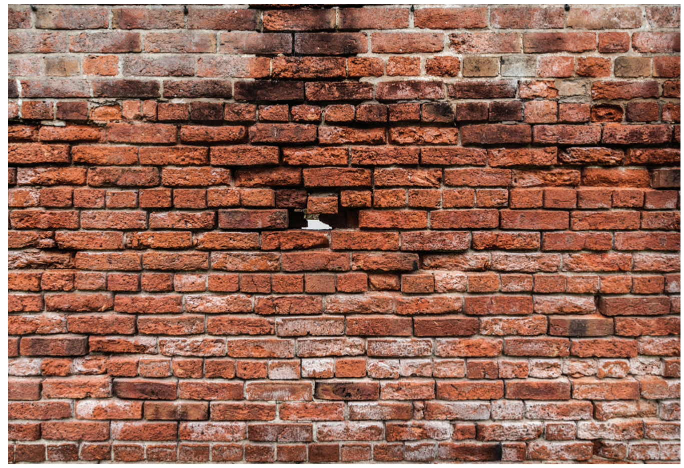
Growing Mid-Level Donors

Reclaiming Your Power with Funders

Contents

Volume 36 | Number 1 • January–February 2017

FEATURE



ON OUR COVER

Tennessee Immigrant & Refugee Rights Coalition (TIRRC) staff and board members wear TIRRC's specially branded T-shirts at the fourth annual InterNASHional Food Crawl. Read more about TIRRC's Food Crawl in this issue's feature article.

Grassroots Fundraising Journal

A PUBLICATION OF

GIFT
Grassroots Institute for Fundraising Training

The *Grassroots Fundraising Journal* is a bimonthly publication of GIFT.

PUBLISHER EMERITA
Kim Klein

EDITOR
Jennifer Emiko Boyden

GRAPHIC DESIGN
Chris Martin

COPY EDITOR
Sonny Singh

COVER PHOTO
Tennessee Immigrant & Refugee Rights Coalition

For subscription inquiries, to request permission to reprint ***Journal*** articles, and for advertising information, please contact: jennifer@grassrootsfundraising.org

GIFT: 1904 Franklin Street, Suite 808
Oakland, CA 94612

info@grassrootsfundraising.org
grassrootsfundraising.org

PHONE: 510.452.4520

Periodicals postage at Oakland, CA 94615 and additional mailing offices 023-243.

Postmaster: Please send address changes to
1904 Franklin Street, Suite 808
Oakland, CA 94612

We Belong

IN ADDITION TO SPENDING PRECIOUS TIME with family and friends, a lot of my time off over the holidays was spent packing up my family's belongings to move out of our home of nearly 14 years. It has felt wonderful to pare down to the bare necessities. I've found comfort in being reminded of earlier stages in our lives through photographs, artwork and family artifacts.

Stored away in our attic, I had almost forgotten that I requested War Relocation Authority Internment files for my family members through the National Archives 17 years ago. As I flipped through my grandmother's file—through medical records and written correspondence (including her application—and subsequent cancellation filed two weeks later—to repatriate to Japan)—my eyes focused in on the transcript of her Leave Clearance Hearing in January 1944. Aside from the absurdity of asking internees to declare their loyalty to the United States from behind barbed wire, the questions around loyalty serve as a stark reminder that then—like now—our fights are fundamentally over who belongs here.

I grew up hearing stories about my family's experiences in camp—of having to leave pets behind, living in horse stalls, and losing babies who would have had access to lifesaving medicine if it weren't for being interned—but there hasn't been a lot of talk about how terrified they must have been. It's easy for me, 75 years later, to wonder how that fear may have extinguished any sparks of resistance, and how things may have turned out differently if a groundswell of public opposition had risen up against Executive Order 9066.

As Inauguration Day unfolded, I was so grateful to be attending the MLK Jr. Oratorical Festival at my son's elementary school. Witnessing young people exhibit such bravery as they shared their vision for a kind and inclusive world, supporting and encouraging each other when they forgot a line or shed tears from on stage, is an endless source of inspiration. And to stand united with tens of thousands in Oakland—and millions around the world—for the rights of communities under attack, to say to the world, "We ALL belong," affirmed that we are the majority, our resistance is fierce, and ultimately, we WILL win.

In that spirit, we'd like to feature inspiring stories of solidarity, networks of care, and creative resource building during times of intense struggle like these. If you have a story to share from the past or present day, please reach out to me via email at jennifer@grassrootsfundraising.org. I'd love to connect with you.

Meanwhile, I am excited to share the articles in this issue with you. We open the issue with an article by Lindsey Harris and Karla Vazquez of the Tennessee Immigrant & Refugee Rights Coalition. After the group's annual banquet started to feel disconnected from their mission, Lindsey and Karla share how they transitioned to hosting the InterNASHional Food Crawl—an event they have improved upon and grown every year. Next, Beth Raps summarizes a report by Alia McKee and Mark Rovner of Sea Change Strategies that underscores our need to pay more attention to an often overlooked segment of supporters: mid-level donors. Finally, Dalya Massachi reminds us that funders need nonprofits as much as we need them, and offers tips for interrupting power dynamics that often plague those relationships.

Last but not least, we extend our deep appreciation to those of you who joined our year-end campaigns. 106 of you collectively gave $22,667 to help keep our subscription rates affordable. And a warm welcome (or welcome back) to the 130 *Journal* subscribers who signed up in the last 35 days of 2016. We'll have GIFT's "Guide to the Archive" ready to share with you soon. Thanks to all for celebrating 35 years of the *Grassroots Fundraising Journal*!

Yours in solidarity and struggle,

Jennifer

TENNESSEE IMMIGRANT & REFUGEE RIGHTS COALITION

Volunteers and business owners serve food to participants outside one of the Food Crawl restaurants.

Throwing a Fun, Profitable and Mission-Aligned Event

The InterNASHional Food Crawl

By Lindsey Harris & Karla Vazquez

IN NASHVILLE, MANY IMMIGRANT ENTREPRENEURS and small business owners have set up shop along a five-mile stretch of a main thoroughfare just south of downtown. The road is known locally as Nashville's international corridor, and it is home to markets and mosques serving the largest Kurdish community in the US, along with businesses representing more than 30 countries. Tennessee actually has the fastest-growing immigrant population in the US, and Nashville has become a new destination city for immigrants and refugees to settle.

Our organization, the Tennessee Immigrant & Refugee Rights Coalition (TIRRC), has its main office along this international corridor. Within a month of moving to this location four years ago, we hosted our first InterNASHional Food Crawl (NASH as in Nashville) to encourage Nashvillians to get to know their neighbors from around the world through sampling food from a few nearby businesses. We thought as many as 50 people might come, and when 250 showed up, we realized we might be onto something.

That is how our new annual fundraiser, the InterNASHional Food Crawl, was born, and we want to share a few of the lessons we've learned along the way.

Our fundraising consultant Marjorie Fine always says that fundraising is organizing, and that couldn't be more true of the food crawl. It brings together hundreds of people to learn more about other cultures and build relationships, while raising thousands of unrestricted dollars for our work.

For several years before we launched the food crawl, we experimented with different fundraising events, but they didn't feel like they were a good fit for us. Our annual banquet started to feel unnatural for our team. We struggled, feeling like we were implementing fundraising strategies that felt disconnected from our programs, didn't play to our staff strengths, and departed from our organizational culture of innovation and boldness. Year after year, our banquet was bringing in less and less. Ultimately in 2012, we decided to stop hosting the event and shift our energy into finding fundraising strategies that were a better fit for TIRRC.

Welcoming Tennessee

The InterNASHional Food Crawl emerged from our one of our programs, the Welcoming Tennessee Initiative. Welcoming Tennessee is a nationally recognized collaboration of concerned Tennesseans who work to increase understanding of how people and families new to Tennessee share the same values, contribute to our economy, enhance our combined culture, and strengthen our communities. We started this program in 2005 as a proactive communications campaign to create spaces for constructive dialogue on immigration, restore civility to the immigration debate, and highlight the contributions that immigrants and refugees make to our communities. In the south, as with many new gateway destinations, immigrants often face hostility. While Tennessee has long been home to those who promote anti-immigrant and anti-refugee policies, the 2016 presidential election made this dangerous rhetoric socially acceptable again here. The Welcoming Tennessee Initiative is one of our tools to change that dynamic.

The InterNASHional Food Crawl still serves as our biggest and best Welcoming Tennessee event. Converting it into a fundraiser has actually made it better fulfill the programmatic goals of the event. By making it our signature fundraising event each year, we can devote full staff capacity and significant organizational resources to the event. This allows us to better prepare the restaurant owners to tell their personal stories, provide the extra supplies they might need to be successful for the food crawl, and spend money on marketing to reach a wide audience.

How It Works

Tickets: We offer two different ticket levels for the food crawl. The General Ticket level ($12) gets participants a wristband and map to between five and eight different restaurants and markets along the corridor. The Curated Tour Ticket ($55) comes with a seat on a charter bus, a TIRRC staff member as a tour guide, adult beverages, and stops at five different exclusive locations. In year one, we sold tickets in person on the day of the event with no presales. In year four, 2016, we sold 650 tickets before the event using Eventbrite, selling out of general tickets by the day of the food crawl! We sold more than 800 tickets total, but including performers, volunteers, and business owners, we had more than 1,000 participants. We decided to increase the Curated Tour Tickets by $20 in 2016 but left the General Ticket at $12 to keep the event accessible.

Tracks: Restaurants are organized into groups called tracks. After year two when we sent all 500 participants to all 10 restaurants, we realized something had to change. Many of the markets were not equipped to provide 1,500 samples (three per customer) over a four-hour window. It was financially burdensome, and the parking lots were designed for 10 cars, not 150. Now restaurants choose whether they can take 100, 200, or 1,000 food crawl guests, depending on the size of their establishment. We divide the restaurants into diverse groupings based on cuisine and location. In 2016, we had 30 restaurants and markets divided into five tracks (yellow, blue, red, green and orange) with at least five unique restaurants each, and three restaurants that were visited by all 1,000 food crawl ticket holders.

Transportation: General Ticket holders drive themselves to the different stops using maps we provide. Stops are not more than a mile apart from one another along the corridor. Curated Tour ticket holders hop on one of the 55-passenger charter buses we rent and then ride to the stops while learning fun facts about Nashville's thriving immigrant community and the restaurants they are about to visit. TIRRC staff, board members, interns and leaders serve as tour guides on the charter buses. Their role is one part guide, one part time keeper. We try to have two tour guides on each of the four buses. One person usually gives the tour while the other makes sure the bus driver parks in the right stop and that we don't fall behind schedule.

The Hub: In year three, we thought it would be fun to try and make the ticket pick-up location a little bit more of a destination, where participants could purchase merchandise, listen to music, and hang out. We held it outside under tents, but the weather wasn't agreeable. So, in year four we moved it indoors into a location with enough space and parking to host hundreds of people along the corridor. It's an innovative combination of retail, restaurants and services geared toward the immigrant community that is set to open in early 2017. The location is ideal, fits with our mission, and adds value to the participant experience. This year we added cultural performances every half hour for people to enjoy as they picked up their wristbands, maps and InterNASHional Food Crawl T-shirts. It was a big hit!

Restaurants: Our organizing team now takes the lead on recruiting and building relationships with restaurants. We start building the list of potential restaurants six months before the event through a mixture of maps, lists of previous participating locations, and driving up and down the road looking for new stops. We then try the restaurants over lunch. This involves eating out a couple of times a week for a few months, which helps us build relationships and earn the trust of the owners. Our whole staff is usually willing to help evaluate the new potential restaurants. We share materials about the event, and eventually have the owners sign a basic contract with all the expectations. The business owners promote the event in the lead up, and on the day of the event they set up their banner and serve at least two to three samples over a four-hour window. They also talk to participants about their experiences as immigrants and entrepreneurs. This year we also encouraged participating restaurants to offer coupons in our event booklet as a way to track return customers.

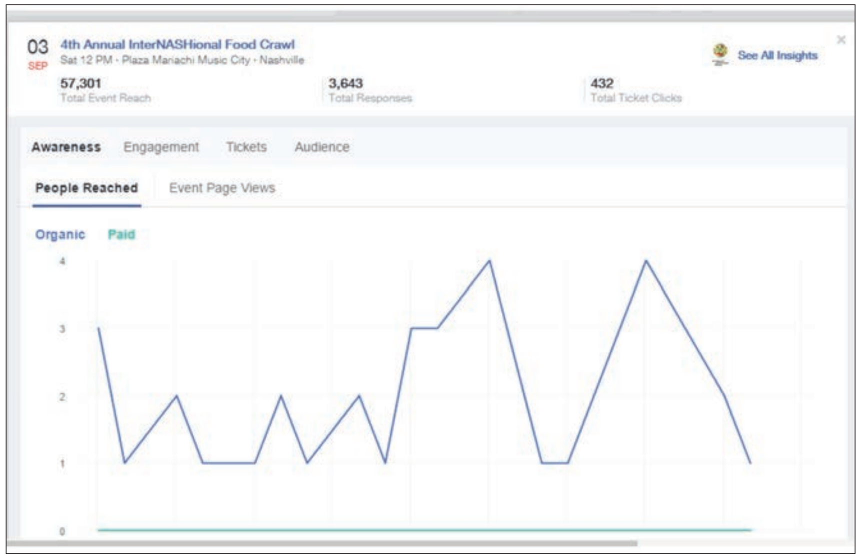


Figure 1

Revenues: In year one, the food crawl brought in $0. In year two, it brought in $7,000. In year three it brought in $23,000, and in the fourth year we raised nearly $40,000. Eventually, we hope the event will bring in $80,000 annually, and our goal is to continue to grow it incrementally. Eventually, we would like 50 percent of the money raised through the food crawl to come through sponsorships; in 2016 it composed 37 percent. We sent out our 2017 sponsorship asks 10 months before the event, with an special emphasis on businesses who have a stake in the business success of the restaurants, like food and beverage providers. We also made a shift to approach sponsors from a marketing angle, not just a mission angle. This year we will lift up the reach of the event on social media and the number of times each guest sees a sponsor's logo. The remainder of the funds raised for the event come from ticket sales, T-shirt sales, and the occasional donation. We sold out of our InterNASHional food crawl T-shirts, and we also sold many of our organizational T-shirts.

Marketing: Our main marketing methods are our email list, social media, event calendars, and Nashville's alternative weekly magazine. Being featured in the alternative weekly magazine was crucial the first few years. In 2016, we ran a half page ad (discounted) and several posts on their Facebook page, which helped boost ticket sales. We also did multiple ticket giveaways for the first time in 2016 to promote the event to new audiences. We partnered with local food bloggers and local event promotion sites and apps, offering ticket giveaways for their audiences and/or free tickets for the promoters in exchange for featuring the event. We also boosted the Facebook event page using Facebook ads, which helped our Facebook event receive more than 50,000 views.

EIGHT LESSONS TO MAKE YOUR EVENT A SUCCESS

Connect your fundraiser to your mission.

We needed our fundraiser to be fully mission focused in order to achieve full staff engagement. We are each so passionate about organizing and advocacy that it used to be hard to press pause on that work to focus on fundraising. The food crawl has an impact on our community that we couldn't achieve through our other programs, so all staff participate enthusiastically. Each staff member relates to the food crawl in the way that most closely responds to their day-to-day responsibilities. They all get to engage the base that they normally work with—volunteers, youth, students in English class—to participate in the food crawl.

Guests enjoy feeling like they're a part of something more than raising money. They love meeting the business owners, discovering new favorite foods, and supporting the restaurants by returning to dine or shop later on. They feel like they're really participating in the mission of TIRRC by going on the food crawl.

The whole community benefits from the food crawl. Many of the restaurants are filled with repeat customers in the weeks following the event, and businesses leave the banners and signs up following the event because they want their customers to see how proud they are of their participation.

Appeal to an audience beyond your current circle of supporters.

Our base of donors was not and is still not large or wealthy enough to donate the amount of funds we need to raise through a lone annual event. Many wonderful organizations can fill a room each year with nearly 1,000 people who love their work, but we are still in the phase of trying to build that list.

At least half of the people who buy food crawl tickets each year are completely new to our organization. They see our event on

2016 InterNASHional Food Crawl Supplies List		
	Item	**Cost**
Rental	Charter buses	$2,900.00
	10 x 10 Tents (Rental)	Inkind
	Folding Tables (Rental)	Inkind
	Folding Chairs (Rental)	Sponsor
	AV equipment for stage & buses	Inkind
Printing	Large Vinyl Banners	Sponsor
**	18 x 24 Event Signs	Sponsor
	Yard Signs for parking	Inkind
	Food signs	In House
	Event Booklets	In House
	Event flyers	In House
	11 x 17 Event Posters	In House
Supplies	Custom Wristbands	$154.07
	Table Cloths	Sponsor
	General supplies: table cloths, balloons, etc.	$51.35
	Restaurant supplies: cups, plates, napkins, plasticware.	$649.00
SWAG	Food crawl T-shirts	$1,072.50
	Food crawl wine plastic holders	-
Food/Drink	Food for volunteers	Sponsor + $240
	Snacks, water bottles.	$378.79
	Beer	Sponsor
	Wine	$607.95

Figure 2

Facebook or are invited by friends to go. We have grown our email list as a result of food crawl ticket sales, and many of them opened our year-end appeal and made a donation.

The food crawl has been a great way to appeal to the next generation of donors. College students and young adults make up a big percentage of participants, and they engage in a variety of ways. We average at least one laptop donation each year from a young adult who came to the food crawl and wants to help out. These new supporters end up being great candidates for small donations during our annual giving day.

One of the best parts of the food crawl is that it sells itself. With other events, we've had to call and beg people to fill tables or send multiple emails to try and convince people to participate. But with the food crawl, people look forward to coming. We often hear that it is their favorite fundraiser, and one of the best activities in Nashville—fundraiser or not!

Recruit a village to help with your event.

We've realized that the smoothness of the event and participants' satisfaction level are in direct proportion to the number of team members and volunteers we have for the event. We were blown away when we did the math for the 2016 event and realized that we would need 100 volunteers for the event to flow as easily as we wanted. We try to provide each restaurant two volunteers to check wristbands and serve samples, and when you add in volunteer captains and the team at the hub, that number grows quickly.

With large events and festivals, volunteer attrition is high. Nearly one-third of our volunteers end up not being able to make it or volunteer their whole shift. We are experimenting with a new volunteer model of orienting volunteers and assigning their roles weeks before the event so that people feel more invested. We also established a captain system, similar to a phone tree. Each captain is responsible for their volunteers being trained, showing up, and feeling supported.

Secure in-kind donations.

As the event continues to grow, so have the expenses. We created a list of all of the possible expenses during the planning stage, then circulated it to our friends who could connect us to someone who could donate the product or help cover the cost.

Not all of our in-kind donations were fully free. We paid a small amount for advertising in our local alternative weekly magazine, which resulted in a half page ad across from the cover story. We also got 75 percent of our volunteer lunches donated, and the caterer only charged us for 25 percent of them. Our list of in-kind donations for 2016 appears above as Figure 2.

Spend time and energy on logistics before it is too late.

The food crawl has a lot of moving pieces. Our first step in planning every January is to make a mind map of all the different components of the food crawl, grouping the different categories, and assigning an owner to each of them. One person will be responsible for all of the pieces that relate to restaurants, another for the mechanics of ticket sales and pickup, etc.

In 2016, the event had outgrown our internal database, so we made the switch to EventBrite for ticket sales. EventBrite allows staff to use their smartphones to scan tickets, and the site also serves as a local event listing, which helps increase sales. We use Google Sheets to track our lists of sponsors and participating restaurants so that multiple people can make notes and update progress to keep everyone on the same page.

GUESTS ENJOY FEELING LIKE THEY'RE A PART OF SOMETHING MORE THAN RAISING MONEY.

We're not professional event planners, so we have partnered with consultants and experts who are willing to give us pro bono advice. In 2016, we finally hired a festival consultant to advise us. We knew that we needed to provide a professional event experience for participants because they treat it like attending a festival—they want to get their money's worth. Attendees have some grace with us because they know it is for a good cause, but they expect and should receive an event that delivers on its promises.

Each year we have good ideas that we just can't make happen on our timeline or because of financial constraints, and those go on the list for the next year. Our 2017 good ideas list was well developed by the time the 2016 event occurred!

Take risks and use unconventional strategies.

During our last strategic planning process, we realized that as an organization we are always drawn to bold and innovative ideas. We like to take calculated risks and explore new ways of meeting our goals. This mindset has allowed the food crawl to grow and evolve over time to the event it is now.

We decided to spend the money and hire an outside consultant who is a professional festival manager for the first time in 2016. It felt like a lot of money to spend without knowing how much we would get in return at first. But we knew we had to tighten up our logistics and raise the quality of the event if we wanted to be able to recruit higher-level sponsors in the future. It was definitely worth it, and we feel the consultant helped us achieve our goals.

We decided to rent an additional charter bus a few weeks before the event. This came with an additional $1,000 cost, but allowed us to make an additional $5,000. This income helped us cover the gap in revenues due to a shortage of sponsors. At the point when we had to make the decision to rent the fourth bus, we were not sure it would pay off, but it did.

Instead of being satisfied with the size of the event each year, we continue to push and grow. We feel like it still has untapped potential, and we won't stop growing it until we think we have maxed out.

Treat it like a business.

We treated food crawl sponsors the same way we treated gala sponsors at first, approaching businesses who want to support our work and send a few staff. We tried to sell them on the importance of the event and our work. Then our consultant showed us how to pitch to sponsorship as a marketing opportunity. Now we use a multi-page booklet that shows the number of Facebook impressions, hits on the event website, and times participants viewed sponsor logos at the event. We also include screen grabs of all of the event's media coverage and special pictures for each sponsor of participants interacting with the sponsor signs.

	General Admission	GA price	GA $	Curated tour	CT price	CT $	TOTAL $	TOTAL #
2013	250	$0	$0	0	$0	$0	$0	250
2014	500	$10	$5,000	0	$0	$0	$5,000	500
2015	500	$10	$5,000	250	$30	$7,500	$12,500	750
2016	600	$15	$9,000	400	$55	$22,000	$31,000	1000

Growth of the InterNASHional Food Crawl, 2013-2016

We're trying to market each component of the event as a branding opportunity. Each Curated Tour bus has the opportunity to be sponsored by a different business. We also placed sponsor marketing booths near food samples so that sponsors could interact with participants as they stood around eating.

Scale up over time.

As we said earlier, our goal is to eventually bring in $80,000 through the event. Each year after the event, we try to strategize about what we can feasibly add on or do differently that will allow us to incrementally scale up. In 2016, we decided to invest more in the quality of the event over growing substantially larger. As the event grew beyond our networks, ticket holders expected a professional, high-quality festival experience. So we decided to invest more in areas that would increase participants experience without altering to the format of the event.

Don't do more than you can do well.

Each year we're tempted to add in new components at the last minute or pursue a new strategy that could be great. But, if we feel like it will dilute the quality of the event for other participants or spread staff too thin, then we have to say no. We try to stay focused on our main goals even though we get excited about all of the possibilities.

Our first brainstorm meeting about the event is to envision four scenarios the food crawl might resemble that year. The first version was the most basic, and we worked our way up to level four, which was our dream scenario. We used this framework to plug in ideas and opportunities throughout planning.

Conclusion

The winning combination of a fundraiser that is loads of fun, profitable and mission-aligned is do-able. After our fourth sell-out year, the InterNASHional Food Crawl has grown to be a widely recognized and much-loved event. Participants often say the food crawl is the best event they've attended in Nashville, and events like this make them proud to call Nashville home.

For the fall 2017 food crawl, we're thinking about how we can explore new streets adjacent to the international corridor and provide people with a party-like atmosphere to come back and mingle at the Hub after the event. We're also looking to recruit more sponsors, and of course, increase the number of tickets available. The food crawl has grown into a huge event with many moving parts, but don't let that scare you—try a pop-up food crawl in your city and see how it goes! ■

Lindsey Harris is a Nashville native and the co-executive director of TIRRC. She grew up on the international corridor, blocks from TIRRC's office. Karla Vazquez is TIRRC's community relations manager. She was born in Mexico City and moved to Nashville with her family at the age of 12.

The Middle Way

By Beth Raps, RAISING CLARITY

I WAS READING UP ON FUNDRAISING RECENTLY, and this jumped out at me:

> *"...Among the groups participating in the 2008 study, donors at the $1,000 to $10,000 levels represented roughly one percent of the donor population, but were giving more than a third of the dollars."*

I began to read with more zest. THIS was what I'd been waiting for. Of course I liked it in part because it was a report that proved me right. For years, I've told clients to pay attention to mid-level donors. People often behave in the ways they're treated, so if we want larger donors, we need to treat smaller donors a bit more like mid-level ones and stop paying all our personal attention to large donors.

> *"[W]e've studied the mid-level giving space ever since.....At organization after organization, [mid-level donors] appear lost in an institutional chasm between two distinct fundraising cultures—major gifts and direct marketing..."*

I was hooked. I'm obviously excerpting to get you hooked on reading the full report, *The Missing Middle,* by Alia McKee and Mark Rovner of Sea Change Strategies, which you can download free at seachangestrategies.com/missing-middle.

> *"The habit of using baubles and banal techniques to solicit donations has infected online fundraising as well—faux-personal subject lines, fake for-*

*wards, and ad nauseam resends. These practices dominate the landscape because they "work"—in the short term, at least. But we continue to wonder whether [they] can really **lead to long-term committed donor relationships."*** (Emphasis mine.)

Who could I share the news with? GFJ readers are people who want long-term committed donor relationships—but may not have time to read the full report. In this article, I want to bring the report's findings to your attention in a way that is immediately actionable and cuts through any resistance you might feel upon seeing what is considered "mid-level" in the report (more on that later).

"Mid-level" and "high-level" are relative. What they really indicate is *how much time you spend* on each level.

Surely you devote more time and attention to some donors than others. *How do you choose which ones?* My article's intention (just like the report it summarizes by Sea Change Strategies) is to get you to rethink how you choose which donors you spend time on.

There's a Retention Crisis—and Mid-level Donor Cultivation Can Help

*"New donor acquisition has fallen every year since 2005. A decade ago, overall donor retention was an anemic 33 percent—that means only one in three newly acquired donors was still giving a year later. Today, the decline has accelerated and overall retention is hovering around 25 percent....**Most believe that neglect of middle donors is fueling the retention crisis.**"* (Emphasis mine)

Behind these words are 12 months of interviews, research and analysis by report authors Alia McKee and Mark Rovner (the principals of Sea Change Strategies). McKee and Rovner are saying we are encouraged too much and too often to spend time focused on offering fundraising "baubles" and email resends that bring in initial gifts while neglecting to cultivate mid-level donors. But, according to the report, "[It's mid-level] prospects [who] represent significant income potential and greater retention stability—probably even more than major donor prospects."

Why do we neglect mid-level donors? First, we may not know there is a retention crisis. A long, slow decline over years—especially given how quickly many of us change jobs—is not going to be noticed unless we set out to track it. And how would we think to track it? So many of us tend to think it's just our issue, it's our fault, it's something other organizations have no problem with.

Second, it's the internet. The fast and furious fundraising on the internet makes us we feel like we're behind the times if we don't jump into that stream. So many of my clients want crowdsourcing before they have considered who their crowd is—and long before they have one. And crowdsourced gifts are often much smaller than cultivated mid-level gifts.

Third is a factor Sea Change Strategies emphasizes: the influence of organizational leadership on rank-and-file fundraising staff. The report emphasizes that upper-level staff and board members need to be educated about how important mid-level donors are: They are the missing middle of the donor pyramids we are all so fond of.

UPPER-LEVEL STAFF AND BOARD MEMBERS NEED TO BE EDUCATED ABOUT HOW IMPORTANT MID-LEVEL DONORS ARE: THEY ARE THE MISSING MIDDLE OF THE DONOR PYRAMIDS WE ARE ALL SO FOND OF.

Fourth is a funny kind of factor that just might make sense:

"No one much respects the middle of things. Middles are bland and boring. In politics, Jim Hightower famously said that the only thing in the middle of the road are white stripes and dead armadillos."

McKee and Rovner even suggest (in passing) that it could help us, our executive directors and boards if we "re-label" mid-level donors:

"What we are really talking about is committed donors—individuals who believe in your cause, believe in your organization, and are prepared to make a substantial investment in your success for many years."

What to Do First

"[We] looked closely at organizations that appear to be bucking the trend and building successful programs. Our goal was to isolate and distill their success so it could be replicated. We hope this report will help spur on a small revolution in philanthropy; it's a revolution that is overdue."

WE HAVE TO REDISTRIBUTE NOT ONLY WEALTH BUT ATTENTION.

One of my favorite observations came from an organization big enough to have a special staffer dedicated to mid-level donors—but it's not the special staffer that makes them successful. It is their understanding that, as Cathy Finney, VP of Strategic Services at the Wilderness Society, says, "[M]iddle donors is sort of a no man's land between direct response and major donors, and not enough organizations have had the foresight to really focus a full-time employee on this audience."

For many of us, it has nothing to do with foresight and everything to do with budget. (And if this is the case, you will also love Stephanie Roth's webinar with slides downloadable from GIFT at grassrootsfundraising.org/webinars. It is packed with tips for smaller organizations).

But we can still learn not to leave mid-level donors in the unspoken middle of the fundraising pyramid, the "no person's land" between small and large donors. I like the way Jamal Harris sees his job at The Nature Conservancy: "...to provide that single, comprehensive view of all these donors, regardless of how or where they are managed." This unified approach is worthy politically, budgetarily, and transformationally. It's what feels right and good to us as social justice activists, it's what will transform our leadership's understanding of fundraising well done, and it makes sense financially. We have to redistribute not only wealth but attention. When we put all donors on more equal footing in terms of the attention we give them, we immediately see the "missing middle" deserves more of our focus. While "silo-smashing" may not be as urgent for GFJ readers as for other readers of the Sea Change Strategies report, we can smash our own inner silos.

For Sea Change Strategies, the silo problem breaks down to a problem of attribution: We focus on who gets credit for the gift, while no one even asks who gets credit for bringing in, cultivating, and keeping a donor over the long-term. We all know it takes a lot more time, energy, and actual cash investment to get a new donor than it takes to keep an existing donor. This means it makes sense to spend time cultivating donors' loyalty and being certain not to neglect mid-level donors in our cultivation of all donors, from small to large.

In smaller and more radical organizations like ours, we can easily redistribute not only attention but credit and appreciation for who brings in which gifts. We know perfectly well the person who brings in large gifts is not more valuable to our organization than the one who brings in small gifts. We also know that a donor who starts out giving small can, for many reasons, begin to give large gifts—but that is not why we should pay attention to them.

In smaller, radical organizations, we can redistribute our attention across all donors, consciously choosing a three-part cultivation strategy, studying:

1. what works to attract small gifts (which most of us know);
2. what works to attract large gifts (which most of us also know); and
3. what works to attract mid-level gifts (which most of us don't have a clue about).

Mid-Level Donors: What Works

> *"The ideal strategy for middle donor content hews closer to major donor than to low-dollar direct mail. Cultivation mailings, as opposed to solicitations, predominate. Letters and emails are meaty and substantive. Premiums are almost non-existent. A personal touch is a must."*

The report emphasizes:

1. **Deep substance:** In anything you send mid-level donors, assume they care not so much about your financial health as about your issues.
2. **Consistent narrative across all channels:** The authors repeat Roger Craver's belief that, "If the telephone people are doing one thing, the internet people are doing another thing and the mail people still another thing, the one certainty is that you'll lose those donors." This can mean we include more "deep substance" in all our asks—middle, large and small. And it means doing what Jamal Harris does at The Nature Conservancy: providing that "single, comprehensive view" across all donors.
3. **A major focus on stewardship:** Cathy Finney of The Wilderness Society shares an inspirational story: "We've got quarterly scheduled cultivation mailings, and there are a couple additional ad hoc things they'll get....There was a great *New York Times* editorial in February, which we just reprinted and sent with a little note. [It] didn't reference us. It was just all about our issues. We...said 'you may or may not have seen this, but this is why our work is important.' That brought in $26,000."
4. **A branded name:** All the successful programs studied had a special name for the mid-level donor "club" to encourage giving. The Nature Conservancy, for example, calls theirs "The Last Great Places Society."
5. **A personal point of contact:** A single staffer's name on appeals helps donors feel at home in the organization.

6. **Reduced ask frequency:** Fascinatingly, the report observes, "Middle donor fundraisers we spoke with send between two and eight solicitations a year—mostly via postal mail." And, at a successful organization studied, "One of the main differences between their 'low middle' program and their 'high middle' program is that the 'high middle' people receive fewer asks. This speaks to the importance of treating donors like we'd like them to behave—in this instance, treating mid-level donors like higher-level donors.
7. **A focus on listening:** Ask what donors want and need. This is something Sea Change Strategies offers in creative ways well known to organizers such as one-on-ones, surveys and focus groups.
8. **The internet is not the easy button:** The report states, "Successful middle donor programs are channel agnostic and rely heavily on highly personalized and substantive communications across channels. Good old phone calls, personal emails and note cards will come in mighty handy."

The report follows up these recommendations by showcasing two "Profiles of Success," the Human Rights Campaign Fund and the Rainforest Alliance, and a brief sketch of a "30-Day Plan" to revamp your mid-level donor program. It closes with a table showing 10 larger, progressive nonprofits' mid-level fundraising data as compared with overall fundraising.

Practical Tips and Resources

In closing, in addition to this report's strong, well-researched case for redistributing attention to the middle, I would highly recommend McKee and Rovner's spin-off, *How to Treat Mid-Level Donors Like Major Donors Without Breaking the Bank* (seachangestrategies.com/resources/). If your organization doesn't want or need the research of the entire report, you might prefer their quicker how-to or GIFT's webinar, also called "The Missing Middle," by Stephanie Roth.)

Finally, here are some practical tips to cultivate mid-level donors, which are fleshed out in more detail in the report:

1. Give them a personal touch:
   - include a business card
   - write a handwritten note
   - call them to say thank you
2. Get face to face:
   - small gatherings
   - focus groups
3. Postal mail cultivations:
   - send articles
   - send a hard-copy newsletter
   - share press hits
   - send a brand-appropriate gift
4. Invite them to virtual meetings
5. Listen:
   - online focus groups
   - surveying
   - interviews
6. Digital recognition of their loyalty online
7. Invitations to learning experiences.

I hope this inspires you to cultivate relationships with your own mid-level donors, whoever they are, and however much they give. ■

Beth Raps is the founder of RAISING CLARITY: your practical and intuitive guide to money, integrity and other resources for change. She specializes in seeing radically simple solutions inside apparently complex problems: www.raisingclarity.com

Find More Tips for Deepening Donor Relationships in the *Journal* Archive

$3 each or free if you're a current Journal *subscriber! Don't have your password? Email jennifer@grassrootsfundraising.org.*

11 Steps to a Great Donor Cultivation Event by Jean Van't Hul, Jan-Feb 2008, v27 n1.

Strategic Communications for Year-Round Donor Engagement by Joleen Ong, Sep-Oct 2014, v33 n5.

Love & Systems by Nisha Anand, May-June 2014, v33 n3.

After the Gift: How Many Relationships Can You Manage? By Andrea Kihlstedt & Andy Robinson, Jan-Feb 2014, v33 n1.

Donor Perspectives on Giving by Marjorie Fine & Ryan Li Dahlstrom, May-June 2013, v32 n3.

Using Surveys to Strengthen Donor Relationships by Stephanie Roth, May-June 2013, v32, n3


VERONICA GARCIA

Grantees of Haymarket People's Fund and Hyams Foundation at a grassroots fundraising training with GIFT in Boston. Haymarket People's Fund strategically allocates grants through a volunteer grantmaking panel made up of organizers from across the region who are actively working for change in their own communities and know where resources are needed most.

Time to Reclaim Your Power in Funder Relationships

By Dalya F. Massachi

GRANT FUNDING HAS A LOT TO DO WITH POWER. Who has the money, who gets the money, and what are the dynamics between the two groups?

At first glance, it can definitely appear that foundations and other funders hold all the cards when it comes to their relationships with grantseekers. After all, grantmakers control the funds and seem to have complete discretion over how the money is doled out.

As a grantseeker, you may feel like you're begging with a virtual tin cup. By accepting this position of powerlessness, you may hope funders take pity on you. Or maybe you will learn to answer their questions with the answers they want to hear. If they visit your organization, you often find yourself bending over backwards to please them. You would never think of biting (or even challenging) the hand that may feed you.

After all, beggars can't be choosers, right?

If you are somehow successful in winning the grant, your eternally grateful (and dependent) stance will continue: one that looks up to the grantmaker as the one calling all the shots.

I have seen this attitude run rampant throughout the many years I have been conducting grantseeking trainings. Participants are eager to learn how to "play the grant game" with their mysterious opponents. Students often get nervous when practicing one-on-one conversations with funders because it feels like one wrong move can seal a decision to deny funding.

But do we have to stay locked in this traditional power arrangement, or can we move toward a more equal relationship? Let's examine the situation more closely.

Who They Are

First of all, it is important to realize that many foundation program officers used to be grantseekers. They often come from the nonprofit sector themselves, and have histories as executive directors, board members, or other nonprofit managers. So they can often empathize with your sweaty palms.

But no matter what their background (and you should research that as much as possible before speaking with them), grantmakers know the inherent inequity of the current setup. They know that there are many more nonprofit grantseekers out there (approximately 1.5 million) than grantmakers (around 86,000). They understand that their relatively tiny supply of dollars is in extremely high demand. They occupy an enviable position that encourages them to pick and choose only a few grant winners.

Faced with this reality, you may be one of those nonprofit leaders who believe this lopsided situation automatically produces a necessary evil—just another challenging part of doing the work you need to do in your community. But it doesn't have to be that way.

As a nonprofit leader, you are an empowered, courageous, effective force in your community. Why shouldn't you bring that passion and confidence into the grantseeking arena?

Funders Need Nonprofits to Stay on the Right Side of the Law

The simple fact is that private foundations are required by law to annually make "charitable" expenditures of at least five percent of the value of their endowments (based on multi-year averages). While all of those expenditures don't technically have to be grants (they can be for other related expenses), this requirement means that they actually need to be charitable if they want to avoid an IRS penalty and continue to receive preferential tax treatment.

THE OVER-ABUNDANCE OF CHARITABLE OPPORTUNITIES LEAVES US SEEKING OTHER REASONS TO FEEL EMBOLDENED AND ABLE TO CHALLENGE THE TRADITIONAL POWER DYNAMICS.

According to the National Committee for Responsive Philanthropy (NCRP), that preferential treatment means that U.S. taxpayers are foregoing vast amounts of money that could otherwise be spent on the public good. In exchange, foundations are expected to contribute to our society through support for nonprofits. Thus, NCRP argues, philanthropic assets should be considered partially public, partially private dollars (and thus, accountable to all of us).

But tax matters aside, the over-abundance of charitable opportunities leaves us seeking other reasons to feel emboldened and able to challenge the traditional power dynamics. Luckily, those reasons are not hard to find.

Funders Need Nonprofits to Turn Dollars into Community Change

Just like grantseekers, virtually all grantmakers are dedicated to making our communities better places to live. They really want to contribute—especially in hard times. They look to the nonprofit sector for the tools and know-how that will help them make the biggest difference they can.

While they are great at providing resources, grantmakers need organizations like yours to turn their dollars into real changes in our communities. They simply cannot do so without your help. In a nutshell, you do great work. They want great work done. That should be the basis for a truly collaborative partnership.

As a grantseeker, your job is to show that working with you will offer the opportunity to make an effective contribution. Remember that only those organizations that can help funders accomplish their community missions will get funded. It's incumbent upon you to show that supporting you will be that wise investment.

Funders Need Nonprofits to Learn What Works (and Doesn't Work)

You may think that to interest a grantmaker in your work requires you to present your organization as one that has all the answers. That is, you need to know exactly how to turn their grant money into stellar community results.

ONLY THOSE ORGANIZATIONS THAT CAN HELP FUNDERS ACCOMPLISH THEIR COMMUNITY MISSIONS WILL GET FUNDED.

Actually, maybe you do hold the magic bullet they have been looking for. If so, by all means explain how you can forge a partnership with them along those lines. But you don't actually have to be 100 percent successful 100 percent of the time to be of great value to grantmakers.

Yes, we all want to succeed. But sometimes what we learn from "mistakes" can be even more valuable. Sometimes the results we end up with can teach us much more than the results we initially sought.

Funders know that. And they are interested in organizations that are constantly learning. They rely on nonprofits to show them what works and what doesn't work. They especially like to fund organizations that are actively addressing their weaknesses and finding new and better pathways to success. Indeed, an important role funders play is seeking out those lessons and sharing them across the sector.

Grantmakers are Changing…Slowly

Not all grantmakers are created equal. Some are looking for ways to moderate the crazy grant market and equalize the power dynamics. In fact, Grantmakers for Effective Organizations (GEO)—a national organization with a mission to "reshape the way philanthropy operates" —is highlighting the power discrepancy and supporting grantmakers to do things differently.

GEO President Kathleen Enright urges foundations to start by tweaking their basic practices in small but significant ways to try to tip the balance and start to develop relationships of mutual trust. Examples include:

- Providing more flexible grants
- Being accessible
- Making the grant-making process clearer so grantees aren't left wondering what has happened to their requests
- Not punishing grantees when they provide tough feedback or are vulnerable about their challenges

In fact, GEO members Blue Cross and Blue Shield of North Carolina Foundation, Episcopal Health Foundation, The Heinz Endowments, and The Winthrop Rockefeller Foundation are all participating in GEO's inaugural cohort of its Change Incubator. The group focuses on strengthening the grantor-grantee relationship because as GEO puts it, "authentic partner engagement leads to better results."

That is, some funders are realizing that they can be more effective if they build relationships with their grantees that are based on trust. It's becoming very clear that they can learn a great deal from listening to the needs and perspectives of the nonprofits they support.

A growing number of funders are also interested in strengthening the nonprofit sector as a whole. They know that without the internal capacity to carry out their best work, nonprofits struggle to make the most of short-term or project-based grants.

SOME FUNDERS ARE REALIZING THAT THEY CAN BE MORE EFFECTIVE IF THEY BUILD RELATIONSHIPS WITH THEIR GRANTEES THAT ARE BASED ON TRUST.

These foundations really want to be good partners. They want to talk strategy with you, and discuss how their broader work can have the most impact over the long term.

A good example is the Weingart Foundation in Southern California. In the introduction to their 2017 Program Plan, the foundation's CEO (Fred Ali) and chair of the board (Monica C. Lozano), wrote this refreshingly honest message:

> *"To advance equity requires an examination of privilege, including the power dynamics between funders and nonprofits. Our full commitment to equity will also require the Foundation to constantly examine our own internal policies, practices, and culture with regard to equity and inclusion. This is*

complex work, and the Weingart Foundation does not have all the answers. Nor are these issues going to be solved overnight. But we have a plan for how to begin and are committed to learning from, and partnering with, nonprofits and the people who experience inequity first-hand. We are also committed to challenging ourselves to work with a sense of urgency and to take risks."

Other organizations involved in this movement to shift the traditional power dynamics of the grantmaker-grantseeker relationship include the Center for Effective Philanthropy (with a 2014 report entitled *Hearing from Those We Seek to Help: Nonprofit Practices and Perspectives in Beneficiary Feedback*) and Emerging Practitioners in Philanthropy (the next generation of grantmakers).

Don't Forget Grassroots Funders

In addition to the larger and/or more traditional foundations getting interested in this work, several grassroots funders have also been working for some time to break the old dynamic. Many of them were members of The Funding Exchange, a now-defunct national network (the list of former members is still accessible on the web). By virtue of their work on the ground, these foundations understand what local communities need and how they are most effectively creating social change. These funders include grassroots activists in their grant-making decisions; several others around the country also follow this model.

JUST AS GRANTMAKERS BEGIN TO CHANGE THE WAY THEY INTERACT WITH NONPROFITS, NONPROFIT LEADERS NEED TO BE READY TO MEET THEM HALFWAY.

Nonprofit Leaders' Responsibilities

Just as grantmakers begin to change the way they interact with nonprofits, nonprofit leaders need to be ready to meet them halfway. Your attitude about the grantmaker-grantseeker relationship really matters. You can help challenge traditional funding dynamics in the way you relate to funders. For example:

- Are you honest and realistic with funders about the outcomes and impacts you can achieve with the grant size you are requesting? Or are you trying to impress them with unsustainable promises?
- Are you showing all of the true costs of a program and asking grantmakers to cover them? Or are you trying to show how thrifty you are by undercharging for your valuable work?
- Are you claiming your power by clearly and professionally explaining any situation where you feel you are being mistreated by a foundation? Or are you simply accepting the behavior as non-negotiable?
- Are you diversifying your funding base enough that you can walk away from a grant offer that does more harm than good to your organization (and being clear about that with the funder)?
- Are you open to discussing best practices for accomplishing the goals you share with the grantmaker? (NCRP has published its Criteria for Philanthropy at its Best, which you can share with grantmakers).

Nichole Maher, former executive director of the Native American Youth and Family Center, summed it up in an article about her community's unsuccessful experience with a funder: "The sharing of authority and ownership is paramount to successful community empowerment. For those experiencing historical trauma or the poverty mind-set, the reluctance to question authority is at times a pre-existing condition, especially where money is involved."

According to Enright of GEO, "Nonprofits that recognize their own power fare better and have the ability to mitigate the power imbalance."

More Articles on Grantseeking in the *Grassroots Fundraising Journal* Archive

Login @ grassrootsfundraising.org/archive to access over 450 articles for free as a Journal subscriber.

Gutsy Grant Seeking for Grassroots Organizations by Dana Textoris & Matt Carter, March-April 2016, v35, n2

Writing Stronger & Smarter Proposals by Randall Quan, March-April 2015, v34, n2

Building Relationships with Grantmakers by Sheryl Kaplan, Jan-Feb 2015, v34, n3

Grant Proposal Makeover: Can This Proposal Be Saved? By Cheryl A. Clarke & Susan P. Fox, March-April 2007, v26, n2.

Unfortunately, a lot of nonprofit folks feel that their organizations must be in extremely strong financial health to be able to operate from a place of power. They may see a need to compromise their autonomy because they think they are in no position to negotiate. But as a changemaker in your community, you have a responsibility to step up.

My point? Don't give away your power. Funders are there to support your ideas. But without strong organizations to implement those ideas most effectively, nothing changes.

Ultimately, if foundations and nonprofits improve their relationships, society as a whole benefits. Grantmakers and grantseekers are on the same team; all of the players should recognize that.

You both need each other. Start acting that way. ■

Dalya F. Massachi empowers nonprofits of all sizes to craft strategy and tactics for successful grantseeking. She has raised millions of grant dollars on a wide range of social and environmental issues, and is the author of "Writing to Make a Difference: 25 Powerful Techniques to Boost Your Community Impact." She is the creator of the Grantwriter's FastTrack Coaching Program, which builds the capacity of grantseeking teams via an online, customized multi-week course.

CONSULTANTS

affecting social and cultural change since 1996 through hands-on development consulting & design services

WINGO NYC fundraising studio

wingo.nyc
212.244.4880
doug@wingo.nyc

NATALIA LÓPEZ

25 years of practical, down-to-earth expertise for the Bay Area nonprofit sector

- Strategic Planning
- Management Coaching
- Facilitation
- Board Development
- Fundraising Training,
- Coaching & Consultation

(415) 282-6941 • lopez186@sbcglobal.net

We Heart Finance

Stephanie Daniels, MBA
Financial Consultant

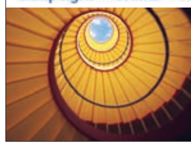
- Complete Finance Department Outsourcing
- Financial Management and Consulting Services
- Capacity Building Training

www.weheartfinance.com
sdaniels@weheartfinance.com
510-593-4453

LAPA

Campaigns • Grants • Planning

212.932.9008
lapafundraising.com



Taking your organization to the next level.

Topakian communications

Smart engaging writing and communications for non-profits and small businesses.

(415)987-4279 karen@topakian.com
www.topakian.com

Klein&Roth Consulting

Fundraising training & consulting | Board development | Meeting facilitation
Check out our books at www.josseybass.com/go/kimkleinfundraising
KIM KLEIN | STEPHANIE ROTH | NANCY OTTO | RONA FERNANDEZ | STAN YOGI
info@kleinandroth.com | 510·893·8933 | www.kleinandroth.com

We'll help you navigate current reality with bold strategy & leadership.

Coaching | Strategic Planning | Training | Fundraising Planning | Meeting Design and Facilitation
Third Space Studio | thirdspacestudio.com | 919.780.4117

"Focusing your life solely on making a buck shows a certain poverty of ambition. It asks too little of yourself. Because it's only when you hitch your wagon to something larger than yourself that you realize your true potential"
—BARACK OBAMA

DEVELOPMENT SERVICES
www.granthelper.com
...support for changemakers

Fundraising • Earned Income • Marketing • Facilitation
Board Development • Workshops & Coaching

Specializing in the needs of grassroots organizations like yours

Andy Robinson

802/479-7365/andyfund@earthlink.net
www.andyrobinsononline.com

FUN with FINANCIALS

Financial Consulting & Training for Social Justice
www.funwithfinancials.net

Contact me today! carol@funwithfinancials.net
twitter.com/funfinancials facebook.com/funwithfinancials

RoadMap
Strengthening Organizations. Advancing Social Justice.

RoadMap is a national team of seasoned capacity builders dedicated to ***advancing the power and promise of social justice organizations.*** Learn more about our **Consulting and Coaching Services**, visit **Resource Library** and browse our **Consulting Directory** at: **www.roadmapconsulting.org**

FundingChange
training & consulting

Helping grassroots groups raise more money for social change

- Individual Donor Fundraising
- Planning & Strategy
- Donor Communications
- Donor Relations
- Workshops & Coaching
- Board Development & Training

Tina Cincotti • tina@fundingchangeconsulting.com
www.fundingchangeconsulting.com • 617.477.4505

PEGGY MATHEWS
CONSULTANT
TRAINER • COACH

FUNDRAISING & ORGANIZATIONAL MANAGEMENT

35 years in fundraising and directing change organizations of all sizes. 30 years experience in training staff and boards.

FUNDRAISING PLANNING & COACHING • MAJOR GIFTS CAMPAIGNS
BOARD DEVELOPMENT • STRATEGIC PLANNING • EXECUTIVE COACHING

Helping you work smarter, not harder

pmathews.consulting@gmail.com • (276) 467-1706

DREAM BIG FUNDRAISING

Taking your nonprofit to new heights with exceptional funding research, grant writing guidance, consultation, and marketing tools

Affordable, flat-rate cost with unique membership structure

Specializing in assisting organizations and personnel that are new to grant writing

www.dreambigfundraising.com
Lindsey Britt – lindseyabritt@gmail.com – (203) 675-9726

Grassroots Fundraising Journal
A Publication of GIFT

1904 Franklin Street
Suite 808
Oakland, CA 94612

ADDRESS SERVICE REQUESTED