



Fundraising

Why do people give?

Citizens in the U.S. give 1.7% of its entire GDP to charity. Also, 65% of households that earn less than \$100,000 a year give to charity, and 70% of all adults in the U.S. donate money. More than just knowing that people can be generous, it is very important to understand why people give.

Common reasons for giving

- A personal relationship between the donor and the fundraiser.
- A personal affinity for a charity or cause.
- Sadness or concern over a difficult situation that can be addressed by supporting a cause dedicated to alleviating it.
- Knowledge that a donation will directly make a difference.
- The desire to take a stand on a particular issue.
- It makes people feel good about themselves and makes them feel like they are connected to a greater cause that does good things in the world.
- The number one reason people give? Because they were asked!

As a volunteer involved in fundraising, it is important for you to understand these motives so that you can better respond to your donors' needs. Be creative and personable with your fundraising; most people are willing to have a conversation about why you think they should donate money to your cause. You would also be surprised at how much some people are willing to give:

"Younger donors give about as much as older donors," according to a recent study by Campbell & Company at the Center on Philanthropy at Indiana University, donors across all generations give roughly the same amount to charity even when controlled for factors such as income, education, and religiosity...Young people are willing to give larger amounts, but they won't if they're under-asked. A lot of Millennials can easily give \$100, but in our experience, organizations are only asking them for \$25 or \$50 gifts.

What are your chapter's plans?

Without setting chapter plans and without outlining strategies to meet those goals, the everyday task of fundraising will have no direction. Think broadly, then focus on the details later in the discussion.

Setting realistic & specific goals

Fundraising goals and chapter goals must be set at the same time; each impacts the other. Too often, chapters set project goals that require funds far too great for the chapter to generate. When setting fundraising goals, many questions need to be answered, such as:



- How much money is needed to fund your chapter's projects as well as pay for day-to-day needs?
- Which income sources are the most reliable?
- Which income sources are the least reliable?

How effective is your current fundraising program?

Evaluating the strengths and weaknesses of your current fundraising plan will point you in the right direction for making any necessary changes. To evaluate the effectiveness of your current fundraising plan, you must identify strengths, weaknesses, threats and opportunities:

- Does your chapter have a fundraising committee?
- Is your chapter soliciting its entire networks (friends, family, work place, coworkers, etc.)?
- What type of fundraising vehicles is your chapter currently using? Could your chapter expand to use others? (website donations, mail, personal ask, grants and events)
- How does public relations/marketing fit into your chapter's fundraising effort?
- How does your chapter thank its donors? Are you sending them updates about the progress of their investment?
- Are you tracking your donor contact information?
- Does your chapter reach out to local companies and offer to make presentations about UNA and your chapter's projects?

Setting the fundraising budget

Your chapter must set a realistic budget for both the income generated from fundraising and the expenses entailed in fundraising.

Sources of Income:

- Gifts solicited by mail, email, phone, social network
- Major gifts (\$1,000+)
- Unsolicited gifts (unexpected)
- Corporate gifts
- Restricted gifts (donor designated funds to a specific project area)
- Unrestricted (funds to be used where most needed by chapter)
- Grants (EWB-USA, foundations, corporate, government)
- Special events
- In-kind gifts (non-cash gift of physical property or service)

Common Fundraising Expenses:

- Website design and maintenance
- Printed materials
- Postage and shipping
- Photocopying



- Travel
- Food and entertainment
- Event insurance
- Fees for gift processing

Setting an action plan

As you set your goals and budget and take into account the different fundraising methods available to you, a formal plan of action will begin to develop. As presentation opportunities, events, grant deadlines become known, they should be added to your plan. When setting the action plan, be sure to make your goals realistic.

Writing a case statement

A case statement is a concise document explaining your chapter's activities and funding needs to potential donors. The case statement tells potential donors who you are, what you do (and are trying to do), and why/how it connects to their mission or goals. It shows that your chapter will steward the donor's contribution in a responsible manner. Every prospective donor will (or should) ask, "Why should I support your project?" The case statement will provide the answer to that question in a concise, convincing manner. It also serves as a useful tool for self-assessment. The process of writing your case statement forces you to examine your chapter's projects and to develop convincing arguments that those projects are worth supporting.

Evaluating your successes and achievements

The most obvious measure of your fundraising success is the bottom line. Did you reach the fundraising dollar goals you set? It is important to remember, however, that there is more to evaluate than just the amount of dollars raised. Many issues that either contribute or detract from the process of meeting the financial goal need to be evaluated as well. For example:

- How diversified is the funding?
- Are there one or two sources that account for the majority of funds raised?
- Are marketing, PR and solicitation materials effective?
- Are you thanking and recognizing your donors properly?
- Are you providing feedback to your donors on the progress of your project?
- Are you communicating the impact of your donors' support and funding?
- How did chapter members perform in fundraising activities?
- Was new leadership discovered?
- Was the budget realistic?
- Are you keeping track and updating donor and prospect information (gift amount, address, etc.)?

Once you have evaluated your program, use the results to improve your fundraising planning in the future:

- Based on the results, how will the next set of goals be different?



- What budget items need to be changed?
- What could be done more effectively in the action plan?

Sources of funding

Sources of funding generally fall into four categories: foundations, corporations, individuals and community organizations. Some chapters may apply for grants from federal agencies, which is not covered in this toolkit because the guidelines vary considerably from agency to agency. An additional source not covered in this toolkit is state or regional agencies.

University Sponsorship

University Sponsorship aids campus groups by establishing a base of reliable funding, giving you an annual foothold for yearly activities. Oftentimes your group will have to argue why your funding should be approved, so make sure that you have an explanation as to why it's necessary and how it will positively affect the entire student body (and the reputation of the university as a whole).

Foundations

Foundations vary greatly in their purposes and interests. As a general rule, they have narrow purposes and strict guidelines. Once you begin your research, you will find only a handful matching both your interests and your geographical location. A great resource for searching for foundations that match your interests and geographical location is The Foundation Center's "Foundation Directory" www.foundationcenter.org/. There is a charge for this service, but to purchase one month's membership is worth it given the amount of time it takes to find these foundations otherwise. They can be broken down into four major categories:

- **Independent Foundations** are grant-making organizations with a very specific geographic focus and narrow purposes. Most will accept proposals from nonprofit 501(c)(3) organizations.
- **Operating Foundations** undertake their own social welfare, research or other programs. While some may make grants, most only fund their own projects.
- **Community Foundations** are grant-making foundations established within a locality or to support local projects. Funds come from a variety of donors, and funding decisions reflect the wishes of those donors. Getting to know staff at your city's community foundation is a good idea. They often advise donors on where to designate their money and if they are aware of your programs, they may recommend your program to a donor.
- **Family Foundations** are managed by members of the family donating the money. They typically do not accept unsolicited proposals.

Corporations



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Corporations donate money to nonprofit organizations in a number of ways: corporate foundations, corporate giving programs, marketing budgets, advertising budgets and even public affairs budgets. And companies give time (volunteers) and materials or goods (in-kind donations) as well as cash.

Corporate foundations have been established by the company for the specific purpose of funneling money to nonprofit organizations. The company may allocate funds to the foundation annually or it may give the foundation a one-time gift of permanent assets. The Foundation will establish very specific areas of interest for its funding, which are likely to have some connection to the company, such as a pharmaceutical company funding science education at the college level. The Foundation is usually run by an independent Board of Directors, although they may be company directors or family members.

Corporate giving programs differ from corporate foundations in that they are dependent on (usually pre-tax) funds allocated to them annually, so the amount available will depend wholly on how well the company does that year. Corporate giving programs also have specific giving interests, and may be run by a group of company employees.

Marketing, advertising, and public affairs budgets fit in the category of “who you know” rather than how dynamic or well-known your organization is. Sponsorships generally fall within the marketing budgets, and the people you approach for sponsorships are likely to be part of the marketing department. Special event funding generally comes from the marketing budget. Advertising budgets and public affairs budgets are a little harder to tap, however. If you are holding a special event and have a media sponsor who will advertise for you, you may be able to obtain advertising dollars from a company. Public affairs budgets will be a source only if you are doing an event or program with or for government officials.

Volunteer programs are encouraged by most corporations, as they like to see their employees participating in the community. Some companies will only give if their employees are involved with an organization as a volunteer.

In-Kind contributions consist of goods produced by the company – such as computers, office equipment, school supplies, etc.

Individuals

Over 73% of all donations come from individuals, and that number climbs to more than 80% when planned giving is factored in. Individuals provide the backbone of fundraising activities. They are the ones who attend your events, respond to your direct mail, become members, and volunteer their time to ensure your organization is successful.



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Be creative! Remember to be as unique as possible, while also making it fun for your group. Here are examples of successful fundraisers that we've seen work:

Late Night Pizza Sales
Raffles
Movie Showings

Dinner Donations
Kickball Tournaments
Singing Valentines

Share this!
5Ks

Community Organizations

There are times when you may be able to work jointly with other community organizations to undertake a special project. Service clubs such as Rotary, Lions Club, and others may either work with you or help fundraise for your program. Think about whether you can approach churches, hospitals, schools or other community organizations to help your chapter and/or program.

Fundraising ethics

All UNA chapters need to be aware of and pay attention to ethical issues. Without a clear ethical compass UNA can lose the trust of the communities we work with, our members and our donors; damage the UNA brand; and indirectly hurt the entire organization.

Honesty: Being honest is perhaps the most obvious ethical principle and the one that, when not followed, most quickly damages an organization's reputation. In theory, honesty is easy; in practice, it is more difficult. Are you being truthful when you present a rosy picture on a grant application, knowing that your chapter, like all others, faces some problems?

Transparency: UNA chapters must maintain the public trust by being particularly open about their operations. As part of the United Nations Foundation, UNA-USA is a registered 501(c)(3). Our Annual Report is available on our website. Information about UNA-USA and the UN Foundation including the most up to date 990 can be found at www.guidestar.com.

Donor Intent: Fundraising materials, grant proposals, solicitations and fundraisers must be honest and UNA chapters must use the funds for the purpose specified when the donation was made. Sometimes, especially when situations change, it becomes difficult to keep these promises, but they must be kept unless the donor agrees to the change.

Conflict of Interest: What if a donor makes unreasonable demands on a chapter, such as asking for benefits not accorded to other donors? Should you accept a large gift from someone for a purpose that veers from the UNA mission? What if the donor will give money only if you forego funds from a different source? These are not easy questions, but they are ones that nonprofits deal with frequently. Any questions in this regard should be reviewed by your chapter before such situations arise.



Respect: Finally, it should go without saying chapter members, volunteers, and donors should be treated with respect. Thanking donors, volunteers, and fellow chapter members for their involvement is very important. A simple thank you will go a long way.

Make sure you:

- Know your project/event: Who is attending? What's the purpose? What outcome do you want to have? How do you plan to promote and execute the project?
- How does this relate to the sponsor, why should they care? How can you make them team players rather than bankrollers?
- Different sponsorship/fundraising options so that potential partners can select which works best for them.
- Have a plan for how to summarize the event afterwards for the sponsor and show the impact.

Grants

Securing grants

Grants are sums of money awarded to finance an activity, project, or facility stated in the proposal. The types of organizations that make awards are community, private (or family), and corporate foundations. Each organization is motivated to give away money for reasons unique to itself. Grant proposals should be well organized, fully explanatory, and no longer than necessary.

Writing proposals

Please note that we write proposals, not grants! This module on preparing proposals will cover the steps to submitting a proposal to a foundation or organizational funder. While some of the proposals you write may not entail this much detail, many of the items will be useful regardless of the size of the proposal or the importance of the funder. Carefully prepared proposals will be useless without thorough research.

Responding to Requests for Proposals (RFPs)

Federal agencies and some private or community foundations will issue RFPs when they have a special project they wish to fund. Read them carefully. Take note of the specific project they wish to fund, the kinds of organizations they intend to fund, geographic locations where the project will take place, how your proposal should be outlined (it's usually clear what they want), budgets, and deadlines.



Sometimes the agency or foundation is willing to talk with you about your project prior to the time you put your proposal together. If so, don't pass up the opportunity to talk with the program officer about your intended project and goals, so that he/she can guide your work and make suggestions. If there will be an Embassy or USAID mission involved, call them to discuss the proposal. They can provide invaluable information.

Proposal contents

Here is a brief outline of what your proposal should contain. Typically, a grant proposal will cover the following ten elements:

- Executive Summary
- Organizational Overview
- Statement of Need
- Project Goals and Objectives
- Project Methods or Design
- Project Evaluation
- Plans for Future Funding
- Project Budget
- Conclusion
- Appendices

Executive summary

The Executive Summary provides a brief overview of the project. It should draw a clear picture of what you wish to accomplish, how you intend to carry out your work, and why this endeavor is important – all this is usually one page. It's often the first part of the grant that a reviewer will read, so it is therefore the most important. It must be compelling and tightly written. Many find that it is easier to write the executive summary after they have completed all other parts of their proposal.

Organizational overview

Usually a grant maker will want to know about your organization – its history, the composition of its board and key staff (paid and/or volunteer), who it serves. The data you provide in this section should establish your organization's credentials for administering the project.

Statement of need

With the statement of need, you are describing the problem your organization intends to overcome with the help of the grant funding. The statement of need is the time to reference research and statistics documenting the prevalence of the problem. With the statement of need, you are justifying your project's and/or organization's existence.

Project goals and objectives

Goals are the overarching, visionary aims of your project. For example, your goal may be to improve the number of schools participating in your city's Global Classrooms Model UN program by developing outreach materials to targeted school districts. Objectives are the measurable steps you will take towards meeting those goals. With your goals, you inspire the proposal readers. With your objectives, you convince them that your project is doable.



Project methods or design

The project method explains how the project goals and objectives will be reached. Often, the simplest and clearest way to present the project method is in the form of a time line: All tasks involved in completing the project are outlined chronologically. When readers look at the project design, they want to see that you have carefully thought out all the necessary steps to accomplishing your objectives.

Project evaluation

Funders want to know that their money has been put to good use. In your grant proposal, you must be able to demonstrate that you can evaluate your project. Project evaluation (or measurable outcomes) should be based upon your project objectives: clearly and concisely, in one or two pages, you should write out what you intend to accomplish and how you will know when you have reached this goal.

Future funding

Funders do not like to give money to a project and then see it fail due to lack of funding. If you intend for your project to continue beyond the grant period, you must explain to your funders how this will be possible. Whether you are relying upon funding from other sources, or whether you intend to request future funding from the same grant maker, make this clear in your proposal.

Project budget

All project expenses should be explained in detail in the project budget: travel, equipment, supplies, contract costs, etc. Make sure that your budget completely and accurately reflects the activities you have outlined in your proposal.

Conclusion

The conclusion should be short and inspirational. It is your final opportunity to convince the reader that your project will meet a compelling need in the community.

Appendices

These include supplemental materials such as financial statements, Board of Directors lists, newsletters, annual reports, and public relations and/or news that your Chapter has received. 3



Questions funders will ask

- Each funder will ask different questions, but here are some generic ones you can expect will be asked as your proposal is being evaluated:
- Is the proposal consistent with the objectives of the funder?
- Are the goals well defined? Is the organization clear about what it wishes to do?
- Will achievement be measurable?
- Will the benefit be long- or short-term?
- Is there evidence that the communities are concerned about this problem?
- Is the approach feasible? Can this organization do it?
- What experience does this organization have that will make success likely?
- If volunteers are used, what are their roles and are they reliable?
- Is there cost-sharing in the budget?
- How will the funder be recognized for the investment?

Why proposals are accepted

- You have identified goals that are common to both your organization and the funder
- Your program fits the programmatic objective of the funder
- You have laid the groundwork for your proposal by talking with the funder's program officer
- Your proposal has enthusiasm, vision, a solid work plan, achievable goals, strong organizational leadership

Why proposals are turned down

- You haven't done your research properly and the program you are seeking funding for is not within the interests of the funder
- Outcomes are not clearly defined
- Proposal is not clear or well written
- You have submitted a program that is mostly "boilerplate"
- They don't see a specific need for the program
- They don't believe your organization has the capacity to undertake the program (track record)
- Your budget is not detailed enough
- You didn't submit your proposal and/or materials by the stated deadline

You will notice there are many more reasons for turning down a proposal than for accepting and funding one. Foundations and other funding organizations are inundated with proposals, and their staffs are far more likely to glance at a proposal and discard it than they are to send it on up the line to a program officer and eventually the Board of Directors. In other words, they are looking more for reasons to throw it out than to accept it for consideration.



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The most important rule to remember is: ***Give the grant makers what they are looking for...be concise, clear, and succinct.*** That is, read the grant proposal guidelines carefully, and follow them scrupulously. Make sure that you complete all sections of the proposal application, that you adhere to the required format, that you include all necessary attachments and appendages. Most importantly make sure that your project meets the grant maker's objectives. Since giving guidelines change regularly, it is wise to call the grant maker's office and speak personally with a staff member. However, make sure that you have done your research before you make your call.