NOTES

Module 6

Promotion and Fundraising

NRGize Workshop - Kickstart and Strengthen your Mentoring Program

Handouts

Handout #1: Session Goals and Basics

Handout #2: Agenda

Handout #3: Developing a Long-Range Fundraising Plan

Handout #4: Attracting Individual Donors: Conducting a Fundraising Campaign

Handout #5: Holding a Fundraiser: Developing a Plan

Handout #6: Why Should Anyone Give You Money?

Handout #7: Reading Selection: From the *Guide to Research on Funding*

Handout #8: Reading Selection: From the *Short Course in Proposal Writing*

Handout #9: Resources for Promotion and Fundraising

Handout #1

Session Goals

Participants will explore strategies for diversifying their funding base and promoting their program. By the end of the workshop, they should:

1. Know how to develop a long-range fundraising plan

2. Have begun to develop a plan for a fundraising event or annual campaign

3. Understand the importance of consistently Promotion their program

4. Have begun to write a "program statement" that can be adapted for each of their fundraising efforts

The Basics

1. Diversify your funding base is one strategy for ensuring the sustainability of your program.

2. Develop a fundraising plan that is phased in gradually to ensure consistent funding.

3. Create visibility for your program: market it consistently. When you approach potential donors, you will be at an advantage if they already have a positive awareness of your program.

Handout #2 *Agenda*

Activity #1 Diversifying Your Funding Sources (20 minutes)

Participants identify the extent to which their current funding base is diversified.

Activity #2 Developing a Fundraising Plan (20 minutes)

Participants explore key elements of developing a more diverse funding base.

Activity #3 Developing Fundraising Strategies – 2 examples (35 minutes)

Small groups develop plans for a fundraising event or an annual campaign.

Activity #4 Creating Visibility (10 minutes)

Participants generate ideas for promoting their programs.

Activity #5 Writing a Program Statement (30 minutes)

Small groups identify key "selling points" of their programs.

Activity #6 Now What? (5 minutes)

Participants revisit the goals of this session.

NRGize Workshop - Kickstart and Strengthen your Mentoring Program

Handout #3 *Developing a Long-Range Fundraising Plan*

The Need to Diversify

Many Mentor programs are dependent on a single source of funding. When that source cuts back or dries up, new funding sources need to be generated. Programming is compromised—or ended. If more than 30 percent of your budget is dependent upon one source of funding, you should think seriously about diversifying your funding base. This does not mean you should give up a dependable source of revenue. But it does mean you should remember that there are at least five major categories of funding:

1. Individuals

2. Special events

3. Private foundations

4. Corporate giving

5. Government

It is important to think about funding sources within categories that you have not fully developed. Cash-flow issues—paying for day-to-day expenses—often prevent programs from taking time to plan ahead by forcing them to focus on "quick fixes." It requires discipline to invest time and resources in fundraising activities that may not produce income immediately while you are also raising money to meet current demands.

But keep these points in mind:

- Integrating new strategies gradually, rather than waiting for a crisis, makes it possible to "fund" change. Basically, you are using current income to invest in the future.

- Building a stable, diversified funding base will ultimately give you a little "breathing room."

- A stable, diversified funding base is very desirable in the eyes of prospective donors, particularly foundations and corporations, who often look carefully at an organisation's financial stability before deciding whether to invest their money in it.

- Individual donors are the most underdeveloped source of income for most nonprofit agencies.

Planning for Success

Following these steps will help you create a long-range development plan:

1. Raise awareness in your organisation to see the benefits of and commitment to diversification of funding sources.

2. Consider forming an advisory group of influential people in your community who would be willing to advise your organisation on fundraising strategies.

3. Develop a clear picture of your current sources of funding.

4. Determine your program's future needs.

5. Gather information on a range of potential funding sources, including individual

    donors, fundraising events, government grants and contracts, corporate-giving programs, and private foundations.

6. Identify which funding sources you can reasonably target.

7. Determine the extent of the resources you can "invest" in developing and implementing a long-range funding plan, including time,

8. Develop a 3-to-5 year plan that is realistic yet optimistic. Establish goals that are attainable,

9. Prepare a plan with an implementation schedule.

10. Regularly monitor the plan to ensure that you are on schedule.

Use the two "Planning for Diversified Funding" charts on the following pages to help you get a snapshot of your current funding, set goals, and begin to develop a work plan for achieving those goals.

[Adapted from "Planning for Diversified Funding," in *Fundamentals: A Guide to Fundraising for Local Affiliates.*1996. Big Brothers Big Sisters of America.]

Planning for Diversified Funding: Setting Goals

Use this table to help you get a clear picture of your past funding efforts and to set future fundraising goals. It also provides a quick snapshot of how your fundraising efforts relate to the number of people in your program.

Source of income	3 years ago	2 years ago	Last year	Current year	Next year's goal	Year 2 goal	Year 3 goal
Special events							
Individual donations							
Government							
Foundations							
Corporations							
Others (list)							
Total Budget							
Number of staff							
Number of clients							

Planning for Diversified Funding: a worksheet

Which fundraising options are available to you?

Who will do the work to develop these potential options? How much will it cost?

You can use this chart to help you allocate responsibilities, set timelines and identify costs involved in reaching your fundraising goals.

Source of income	Current Funding	Goals for the next 2 years	Who will do the work?	What costs are involved?	Timeline
Special events					
Individual donations					
Government					
Foundations					
Corporations					
Others (list)					
Total Budget					

Handout #4: *Attracting Individual Donors: Conducting a Fundraising Campaign*

Guidelines for Group Work

Instructions

1. Select a group leader and a recorder/reporter.

2. Read this handout

   Have a brief discussion about the strategies and processes described on the handout. Discuss any experiences that members of your small group have had with this strategy. Discuss their successes and challenges.

3. Using the information on the handout, and any ideas and strategies members of the group want to add, begin to develop an implementation. Be sure someone takes good notes because your small group will be making a brief presentation (approximately 3 minutes) about your plans to the full group at the end of this activity.

Consider these issues:
- Decide on specific goals for the fundraising campaign (the number of people contacted, the percentage contacted who contribute, the amount of money raised, and any other goals).

- Decide on the strategies you will use to contact potential donors (mail? telephone? personal solicitation? other? a combination of some of these?).

- Identify information you may need to acquire—for example, information about tax-related or other legal issues.

- Identify potential challenges you might face in making the campaign a success. What strategies can you use to deal with these challenges?

Begin planning the fundraising campaign. For example:

What are the necessary first steps?

What are the major tasks involved?

When will the campaign take place?

How will you develop your list of potential donors?

How should board members be involved in the campaign?

Who else needs to be involved to make the campaign a success? How will you recruit them?

What will the budget be for planning and implementing the fundraising campaign?

Attracting Individual Donors: Conducting a Fundraising Campaign

Most professional fundraisers believe that an annual campaign soliciting funds from individual donors should be an essential component of any fundraising plan. If thoughtfully planned and implemented, an annual campaign has two major benefits:

1. It provides regular infusions of cash (the short-term benefit). Most of this money will come in the form of small donations from a large number of people.

2. It establishes a base of donors (the long-term benefit). If carefully "cultivated," at least some of these donors may ultimately contribute a major gift.

There are three major strategies for raising money from individual donors. They are:
• Personal solicitation
• Direct mail
• Telephone appeals

Because of the large number of sales and fundraising campaigns that are currently conducted over the telephone, many people tend to become annoyed at phone calls asking for donations. Thus, used alone as the only form of contact with potential donors, telephone appeals may be a less desirable strategy. The other two strategies are outlined below, but first it is useful to consider the reasons why individuals decide to contribute money.

American research conducted in 1996 by the Independent Sector (http://www.independentsector.org), asked people "How important is each of the following reasons to you for contributing to a charitable organisation?" Respondents identified the following reasons as "very important" or "somewhat important":

• 72.1 percent—someone I know well asked

• 60.7 percent—have volunteered at the organisation

• 59.1 percent—asked by clergy

• 43.3 percent—read or heard a news story

• 38.2 percent—asked at work

• 36.2 percent—someone came to the door asking me to give

• 29.7 percent—asked in a telethon/radiothon

• 28.6 percent—received a letter asking me to give

• 17.1 percent—read a newspaper or magazine advertisement asking me to give

• 16.9 percent—saw a television commercial asking me to give

(Source: Independent Sector Web site <www.indepsec.org>.)

Combining Direct Mail Appeals with Personal Solicitation

Assuming these findings are relevant to the Australian context, people are far more likely to donate money to a nonprofit organisation when they are asked by someone they know or they have a personal connection with the organisation. Thus, mass mailings using purchased lists of names and addresses are generally not a good idea. They are expensive and promise little in the way of return—in fact, they generally have a return of fewer than 2 percent. Instead, consider a more personalised approach to a more limited audience. The return on your investment is likely to be much higher. While annual campaigns can become rather elaborate, you can use the following process to help you plan a straightforward initial annual giving campaign to solicit donations from individuals:

1. Decide when you want the campaign to take place. Some times of the year are likely to be more fruitful than others. From late October to mid-December is generally the best time to conduct annual campaigns. People are in a "spending mood" and are feeling generous. They are also thinking about end-of the-year tax deductions. January and

February are the worst times to conduct fundraising drives: people are paying off the debts from their holiday spending.

2. Identify prospects. This includes past donors (including anyone who has attended a fundraising event), board members, people identified by board members, past and current volunteers, and others who have expressed interest in your organisation.

3. Decide if you want to suggest categories of giving: for example, $25.00, $35.00, $50.00, $100.00. One advantage of having categories is that, in future campaigns, you can say to people, "You generously contributed $25.00 last year.

4. Develop a fundraising letter that can be mailed to each person on the list. Decide if you want to include other information about your program, such as a fact sheet or brochure, when you send out each letter. If so, you can keep the letter relatively short (one page). If not, you may want to make the letter as long as two pages so you can include more information.

5. Wherever possible, include a brief handwritten note on the letter. For example, if the letter is being sent to a current or former volunteer, the program director should write and sign a personal note. If the letter is going to someone identified as a prospect by a board member, that board member should write and sign a note. In addition, you can use a "mail merge" feature in your word-processing software to personalise every letter so that each recipient is addressed by name.

6. Include a return envelope, preferably postage paid.

7. Wherever possible, have a staff member, board member, or volunteer personally ask the prospect for a donation, along with sending a letter. (This can be done in person or by telephone.)

8. Prepare in advance the thank-you letter you will send to each donor.

9. Keep track of each donation in a master log.

10. Send the thank-you letter immediately.

11. Update your mailing list, noting donations.

12. Evaluate the results of your direct mail campaign. Identify the percentage of letters or personal requests that resulted in donations, the total amount raised, and the total cost.

13. Use the results of the evaluation to identify strengths you should build on for next year's campaign, what you should change, and reasonable goals.

14. Be sure your donors feel connected to your organisation throughout the year. Send them invitations to special events. If possible, produce a newsletter at least once during each year that updates your donors on the organisation's most recent activities and successes.

Handout #5: *Holding a Fundraiser: Developing a Plan*
Guidelines for Group Work

1. Select a group leader and a recorder/reporter.

2. Read this handout

   Have a brief discussion about the strategies and processes described on the handout. Discuss any experiences that members of your small group have had with this strategy. Discuss their successes and challenges.

3. Using the information on the handout, and any ideas and strategies members of the group want to add, begin to develop an implementation Be sure someone takes good notes because your small group will be making a brief presentation (approximately 3 minutes) about your plans to the full group at the end of this activity.

Follow the below process

Agree on your objectives for the event.

- Brainstorm a list of possible events that could achieve those objectives. Examples could include auctions, marathons, tributes to community leaders, fashion shows, movie screenings, golf tournaments, prize nights.
- Discuss the pros and cons of each possible event. Then decide on the one you are going to hold.
- Decide on specific goals for the event (the number of people attending/ participating, the amount of money it will raise, and any other goals).
- Identify information you may need to acquire—for example, information about insurance or other liability issues.
- Identify potential challenges you might face in making the fundraiser a success. What strategies can you use to deal with these challenges?
- Begin planning the event. For example:

   What are the necessary first steps?

   What are the major tasks involved?

   What committees will need to be formed?

   Where will committee members be recruited from?

   What will the budget be for planning and implementing the event?

Holding a Fundraiser: Developing a Plan

Special events should be part of your strategy for developing a balanced, diversified base of funding. When properly planned and implemented, special events can accomplish several key objectives. They can:

• Involve volunteers productively with your program

• Raise the visibility and expand the constituency of your program—leading, in turn, to opportunities for additional fundraising and volunteer recruitment

• Bring in significant amounts of money

Do not, however, try to use special events as a quick fix for cash shortages. When hurriedly planned, special events can lead to disappointing results and disillusioned volunteers; produce a disappointing return on your investment of extensive time, effort, and money; and be all-consuming, distracting staff and volunteers from program activities and other, potentially more cost-effective fundraising efforts.

The Planning Process

The key to a successful event is careful planning. For a major fundraiser, it is a good idea to begin at least 12 months in advance. To develop and implement a comprehensive plan, you can follow this process:

Select the event

1. Decide on your primary objectives for the event. Are they:

• To gain publicity for your program?

• To provide an opportunity for your current constituency to feel connected to the program?

• To enlarge your constituency?

• To raise significant amounts of money?

2. Brainstorm ideas for potential events that are likely to meet your objectives. To be successful, it is best to be original, or to be innovative with "borrowed" ideas.

3. Ask yourself these questions:

- Will the event appeal to the constituency you are trying to attract?

- Are the logistics of the event doable?

- Do you have the "people power" to plan the event and make it a success?

- Will the cost-benefit of the event be meaningful enough to motivate volunteers to participate in its planning and implementation?

- Is it the kind of event that can be repeated in the future? If it is repeated, are there opportunities for it to grow?

Develop a formal plan

1. Select a competent, committed person to chair the event—preferably someone with great connections in the community.

2. Develop a full description of the event—how it should look and feel. (Be sure that donor and volunteer recognition is part of the event.)

3. Set a specific goal for how much money the event should raise.

4. Select a date for the event. Consult community calendars to learn what other events are planned around that date; your own organisation's calendar; and the availability of the event site. Consider travel patterns of the people you want to attend. For example, if you plan the event for a weekend afternoon in the summer, are people likely to be away at the beach?

5. Develop a master checklist of tasks and a calendar of when they have to be completed.

Organise committees to complete the tasks. Be sure each committee has clear responsibilities and timelines. Recruit committee members from within and outside your organisation.

6. Expect the unexpected. Prepare for it by developing a contingency plan. For example, if it is an outdoor event, what will you do if it rains? If you are honoring a community leader, what will you do if he or she cancels at the last minute?

Prepare a budget

1. Budget categories might include:

• Venue Hire

• Design and printing

• Food service

• Postage

• Decorations

• Prizes and recognition items

• Equipment rental

• Office expenses

• Entertainment

• Insurance

• Publicity

• Miscellaneous

• Staff time, possible temp hire

2. Be attentive to cost control. Set up budget controls and reporting procedures.

3. Be realistic. If this is a first-time event, it may do little more than break even. But it may be worth repeating if the response was positive and you can identify strategies for growth.

4. Try to have major costs underwritten. This is a key to maximising profits. For example, look for business sponsorship to cover publicity and printing costs. When you approach a business to ask for sponsorship, be sure you can tell them what they will receive in return (for example, positive visibility in the community).

See Example at the end of this handout "Plan-It Youth Proposal"

Evaluate the outcomes of the event

The evaluation will serve at least three purposes. It will:

• Provide hard facts (for example, on attendance and money raised) that let you know if you made strong decisions in planning and implementing the event

• Help you determine whether you should hold the event again

• Provide a springboard for an improved event if you decide to hold it again

Keep in mind that doing an event the first time is much more time-consuming and often less profitable than a repeat performance.

[Adapted from "Special Events," in *Fundamentals: A Guide to Fundraising for Local Affiliates.*1996. Big Brothers Big Sisters of America.]

FOLLOWING IS AN EXAMPLE SPONSORSHIP PROPOSAL FROM PLAN-IT YOUTH

PLAN-IT YOUTH
Supporting young people at risk

PROPOSAL FOR SUPPORT

Alliance for Mentoring Youth at Risk

Plan-It Youth

The Plan-It Youth project operates on the Central Coast of NSW. It provides support, through mentoring, to young people at risk, exposing them to other experiences of life and increasing their opportunities.

It brings together community groups and agencies who work together for the benefit of the young people of the area.

Research indicates that those young people who leave school prior to completing Year 12 are twice as likely to become unemployed by the age of 24.* Plan-It Youth offers young people who are at risk of early termination of their formal education and training, the opportunity to plan for their future careers and find a positive way into the workforce.

The following agencies are already committed to this program and work together for its success:

- NSW TAFE Commission Board
- NSW Department of Education & Training
- Hunter Institute of Technology
- Central Coast Active Retirees and Mentors Incorporated (ARM)
- Dusseldorp Skills Forum

Jason was a year 10 student (aged 16) who was performing at below standard level at school. He was often picked on by other kids – he's a skinny kid with a "nervous" personality – very lacking in confidence. Jason's mum and dad don't work and didn't seem to have much of an idea of how to help him. He volunteered to go into the program because he thought it might help him get a job. He hated school – and was intent on leaving at the end of year 10

Jason was matched with Peter – a quiet, gentleman of about 70. Peter had years of experience at managing his own business and employing staff. After completing the Mentor Training course at TAFE, Peter was ready to participate in the program with Jason. They spent 10 weeks (a couple of hours each week) going through the program – trying to work out what Jason was good at and what he liked doing. Peter arranged for Jason to visit a few worksites so that he could actually see what the work involved and talk to the people doing the job – find out what was good or bad about it. He also arranged some work experience at a local retail outlet. Jason completed the program and decided that he did want to go to TAFE – he's studying Business Management – and really enjoying it – especially the computer work – he thinks that's the sort of work he'll go into. Jason believes Peter's involvement has opened doors for him and opened his eyes to what's out there. He also feels more confident having the support and attention of someone like Peter. They keep in contact regularly and Peter has agreed to continue to mentor Jason until he gets into the workforce.

How Plan-It Youth Works

There are 4 phases to the Plan-It Youth project that are integral to the successful outcomes for those young people who are selected to participate.

<u>Phase One:</u>	Mentor Recruitment & Training

Volunteer Mentors (mature-aged unemployed people, retirees and possible secondees from business and education) complete a 27 hour Mentor Training Course (over a three month period) offered through TAFE Outreach.

<u>Phase Two:</u>　　Introductions and Matchings

Students are selected for the program based on their indication to leave school at the end of year 10. Participation is entirely voluntary and student numbers are only limited by numbers of mentors available. Information sessions are held for students, parents and the mentors. An activity session is held with potential mentors and students. Personnel assess the dynamics and possible matching of mentors with young people.

<u>Phase Three:</u>　　Pathways Planning and Career Investigation Projects

Students and mentors participate in the project (weekly, at school) and then work together on the student's career investigation. Mentor debriefing sessions are held at the completion of each session of the project. This vital phase concludes with a "celebration of learning" event where students present their project findings.

<u>Phase Four:</u>　　Ongoing Mentor Support (6-12 months)

Each young person is offered personal mentor support for a period up to 12 months. The mentor will keep a record of the career development of the young person and look out for opportunities and contacts. There may be a need for mentors to offer a second chance experience if the young person remains confused about their transition. This support is monitored and encouraged by the project co-ordinator.

Megan was a 16-year-old student in year 10. Megan's mum is divorced and Megan has one younger sister. Her school grades were only average and she was keen to leave school to work in the hospitality industry. She works an average of 20 hours per week at a local coffee shop. Megan joined the program because it sounded like it would be helpful and one of her friends had done it. Megan's mentor Faye, herself a single mum with teenage daughters, worked through the planning and goal setting activities with her and together they planned excursions to the TAFE and various worksites.

After talking to lots of people in the industry, Megan wasn't sure her decision to leave school was such a good idea. Faye noticed that Megan seemed really interested in the welfare course at TAFE and suggested that they investigate that as an alternative career. Faye arranged for them to visit a women's refuge and talk to the residents and the social workers there.

Megan was really interested and thoroughly enjoyed this new perspective. Megan has now decided to stay at school and complete her HSC – she's studying the Hospitality CEC course but has also kept her options open regarding what she'll do when she finishes school.

Plan-It Youth Patrons

Discussions are currently underway with a number of high profile people to join us as Patrons of Plan-It Youth.

The support of our Patrons will provide valuable role models for the young people who participate in the program. It is envisaged that they will assist us promotional sense at key stages in the program such as presentation of awards to graduating students.

Benefits to sponsors

Our approach to sponsorship is to develop a partnership so that we can work with your company to achieve your goals in being involved in the Plan-it Youth project.

As a starting point, specific benefits to your company include:

Strong positioning as a community supporter

As a sponsor of the Plan-It Youth, your company will be strongly associated with a positive and successful community program that helps young people. Your role as a good corporate citizen will be visible through the promotion, publicity and communications associated with this program.

Company identification

Your company will be identified on all printed material produced in association with the program; this includes:

- correspondence to schools, students, families and participating organisations such as Active Retirees and Mentors

- promotional material aimed at securing involvement of mentors for the program

- invitations produced for special events and functions

- certificates to participating and graduating students

- signage at special events such as students' graduation ceremonies

Media profile

The NSW Department of Education and Training and the Dusseldorp Skills Forum, are working together to develop a media strategy designed to generate publicity for the program. Strategies will be developed to incorporate media profile for your company as the sponsor of the program.

We are currently negotiating with local media organisations to join us in this program; their support will not only provide promotion for the project, but also allow your company to gain valuable exposure in association with this positive community project.

Participation

Representatives of your company will have the opportunity to directly participate in all special functions and events relative to the program; these include the annual celebration, end of project presentation to graduating students and assisting employers, together with other media and special events that are planned during the year.

Plan-it Youth also provides your company with the opportunity to have staff involved in the program; your employees can actively participate through the use of their skills or time in assisting young people at risk.

Ability to leverage your investment

The Plan-it Youth project provides an excellent opportunity to leverage your investment as a valued community supporter; your company will be in a strong position to target specific community groups, such as the education community and retirees, and provide messages relative to your involvement in the project.

Develop a strong link with local education and community organisations

The Plan-it Youth project is a partnership between the following:

- NSW TAFE Commission Board
- NSW Department of Education & Training
- Hunter Institute of Technology
- Central Coast Active Retirees and Mentors Incorporated (ARM)
- Dusseldorp Skills Forum

Your investment in the program links you with these organisations and provides the opportunity to expand your partnership in other ways to assist your business.

Options for investment

The following options are available for investment in Plan-It Youth. Specific packages can be developed to assist your company in achieving its objectives through involvement in the project:

Principal Sponsor (one only)	$50,000
Major Sponsor (max. of 2)	$25,000
Contributing sponsor (up to 5)	$10,000
Supporter	$5,000

For further information on sponsorship options or opportunity to link with Plan-It Youth, please contact:

Lesley Tobin

Project Manager

Tel: 02 43883392

Fax: 02 43882440

Email: ltobin@ozemail.com.au

Handout #6: *Why Should Anyone Give You Money?*

How do you make your program stand out in a pile of grant applications? In a stack of fundraising letters? There *are* good reasons why a foundation, corporation, government agency, or individual donor would want to "invest" in your program. But you have to let people know what those reasons are.

It is a good idea to write a brief paper (1 to 3 pages) that describes the needs your program is meeting, its strengths and successes, and its plans for building on those strengths. This paper can be adapted for a wide range of approaches to fundraising. You can use it as the basis of:

• An outline of "talking points" for discussions with foundation and corporation officers, in person solicitations from individual donors, and conversations with reporters
• "Needs" statements and program descriptions for grant proposals
• Solicitation letters mailed to potential donors
• Publicity for special events
• Press releases intended to keep your program visible in the community

The time you invest in writing this "program statement" is well worth it. Use these questions as a guide to help you decide what your program statement should include and to develop your argument:

1.What problems in the community is your program helping to solve?

Why is what you are doing important?

Present the facts that support the need for your program. Presenting this information also helps identify you as an authority—it establishes that your organisation understands the issues and, therefore, can reasonably address them.

2.What are your most convincing "selling points"?

What do your staff, board, and other volunteers know about solving the problem?

What successes have you already had?

Have outcomes evaluations been conducted on your program?

If so, how can you use the findings to help "sell" your program?

What are your future plans?

How can your program build on its current strengths and successes?

What precisely do you need in order to sustain and build on your successes?

Does your organisation have PBI status? (Public Benevolent Institution status is decided by the ATO and allows donors to claim their donation as a tax deduction).

Remember:

• Be persuasive. Why should the person you are approaching want to invest in your program?

• Be scrupulously accurate in describing the problem you are solving, your approach, and your successes. Use statistics as well as anecdotal evidence.

• Convey quiet confidence and a sense of purpose.

• At the same time, be upbeat and action-oriented. Show clearly what a donor is "buying" and the difference this investment will make in solving the particular problem your program is addressing.

• Catch the reader up in the possibilities you offer for a better community—but don't use overstatement or make an overly emotional appeal.

• Pull at their heart-strings but don't appear desperate.

People like to go with a winner, to be part of an action team that is making a difference. Your job is to convince people you are that winner, and that you have the capacity to use their donation to make a substantial difference.

A good way to begin developing your program statement:

Use the questions and tips on this handout as a guide to help you develop a page or two of "talking points"—information and ideas you want to be sure you get across to potential donors (including foundation or corporate officers) during conversations about your program. The "talking points" can then be developed into a fuller program statement that you can adapt for many other fundraising purposes.

Handout #7: *Reading Selection: From the Guide to Research on Funding*

Copyright, The Foundation Center http://fdncenter.org

Funding Sources

Researching funders that will turn out to be good prospects takes time, but the results should be well worth this investment. Be realistic in your expectations. Foundations and other grant makers cannot meet all of your financial needs. In the USA the vast majority of the money given to nonprofit organisations is actually donated by individuals. Foundations and corporations combined currently provide approximately 12 percent of all philanthropic gifts, but their grants can make up an important part of your support.

Approaching a funder for support is a highly individualized process that should be conducted in a businesslike manner. There is a range of growing print and electronic resources now available to grant seekers. This guide targets materials that should contribute to an efficient, productive funding research effort.

Basic Approaches to Research on Funding Opportunities

Choose prospective funders by examining their descriptive profiles and recent giving histories. Foundations that have already supported projects similar to yours, those that award the type of support you seek, and/or those in your geographic area should be considered for your prospect list.

To help you match your nonprofit's needs with the interests of a potential funder, see the "Prospect Worksheet" on the next page. After you have answered the questions about your own organisation, you may wish to make several copies of the worksheet and use one for each prospective funder.

The next step is to research carefully and exhaustively the funders you've identified. To research foundations' giving patterns and trends, some of the best sources are: annual reports, published directories, and CD ROM products. Remember, research is hard work; it takes time, but it always pays off.

Prospect Worksheet

Focus on funders whose priorities closely match your project.

Application Information:

Does the funder have printed guidelines/application forms?

Initial approach requested by funder (letter of inquiry, formal proposal):

Deadline(s):

Sources of above information:

- Directories and grant indexes
- Annual Report (Year:)
- Foundation's Web site
- Other:

Notes:

Follow-up:

PostScript Picture

(Promotion-Prospect Worksheet)

Like the individuals or companies who established them, philanthropic foundations and businesses differ dramatically from each other in their giving interests. Your organisation has a much better chance of securing funding if you do careful research and focus on those potential sources whose funding priorities most closely match your project. The most effective results come from using the following three approaches to funding research:

Information Available from Grant makers Themselves

Information directly from the source is much appreciated by grant seekers. Generally this type of information tends to be more up to date than what you find in directories or database files. By studying information from the funder, you can pick up subtle clues as to what motivates the funder, along with specific hints as to preferred styles of approach and actual restrictions and limitations.

Sources of Information on Corporate Giving

Typically, corporations give to nonprofits whose programs benefit the communities where their employees live and work. They provide philanthropic support through a company-sponsored foundation, a separate corporate giving program, or both. Cash donations are not the only type of corporate support.

Ask yourself: Can the project be handled by the corporation as a business expense rather than as a grant?

Would in-kind support such as the donation of equipment, use of corporate facilities, printing, design services, or access to executive expertise be helpful to my nonprofit organisation? And remember, when approaching corporate grant makers, always consider the self-interest of the funder. A proposal to a corporation should emphasize how its support of your project will help it achieve its goals.

Handout #8: *Reading Selection: From the Short Course in Proposal Writing*

Components of a Proposal

A proposal generally has these six components:

1. Executive Summary (1 page): an umbrella statement of your program and summary of the entire proposal.

2. Statement of Need (about 2 pages): an explanation of why this project is necessary.

3. Project Description (about 3 pages): the nuts and bolts of how the project will be implemented.

4. Budget (about 1 page): the financial description of the project, plus explanatory notes.

5. Organisation Information (about 1 page): the history and governing structure of the nonprofit; and its primary activities, audiences, and services.

6. Conclusion (about 2 paragraphs): a summary of the proposal's main points.

1. The Executive Summary

This first page of the proposal is the most important section of the entire document. Here you will provide the reader with a snapshot of what is to follow. Specifically, it summarises all of the key information and is a sales document designed to convince the reader that this project should be considered for support. Write the Executive Summary *last*, after the rest of the proposal has been written and revised. Be certain to include:

• **Problem**—a brief statement of the problem or need your agency has recognized and is prepared to address;

• **Solution**—a short description of the project, including what will take place and how many people will benefit from the program, how and where it will operate, for how long, and who will staff it;

• **Funding requirements**—an explanation of the amount of grant money required for the project and what your plans are for funding it in the future; and

• **Organisationand its expertise**—a brief statement of the name, history, purpose, and activities of your agency, emphasizing its capacity to carry out this proposal.

2. The Statement of Need

If the funder reads beyond the executive summary, you have successfully piqued his or her interest. Your next task is to build on this initial interest in your project by enabling the funder to understand the problem that the project will remedy. The statement of need will enable the reader to learn more about the issues. It presents the facts and evidence that support the need for the project and establishes that your nonprofit understands the problems and therefore can reasonably address them. The information used to support the program can come from authorities in the field, as well as from your agency's own experience. You want this section to be succinct, yet persuasive. Like a good debater, you must assemble all the arguments. Then present them in a logical sequence that will readily convince the reader of their importance. As you marshal your arguments, consider the following points:

First, decide which facts or statistics best describe the problem or need.

Be sure the data you present are relevant and accurate. There are few things more embarrassing than to have the funder tell you that your information is out of date or incorrect. Information that is too generic or broad will not help you develop a winning argument for your project. Information that does not relate to the project you are presenting will cause the funder to question the entire proposal. There also should be a balance between the information presented and the scale of the program you are proposing.

Second, give the reader hope.

The picture you paint should not be so grim that a solution appears hopeless. The funder will wonder whether an investment in a solution will be worthwhile. Here's an example of a solid statement of need: "Breast cancer kills. But statistics prove that regular check-ups catch most breast cancer in the early stages, reducing the likelihood of death. Hence, a program to encourage preventive check-ups will reduce the risk of death due to breast cancer." Avoid overstatement and overly emotional appeals.

Third, determine whether it is reasonable to portray the need as acute.

You are asking the funder to pay more attention to your proposal because either the problem you address is worse than others or the solution you propose makes more sense than others. Here is an example of a balanced but weighty statement:

Australian Bureau of Statistics data shows that approximately 2400 Australians die by suicide each year. The number of people who are left behind is substantially greater, and the number of people who attempt might be 10 times greater. These attempted suicides often result in serious injuries. Suicide is now the leading cause of death among young people under the age of 30. Men are 4 times more likely to commit suicide than women and they usually use more violent means to end their own lives (Australian Institute for Suicide Research and Prevention, Griffith University, 2003 online). Hence our specific mentoring program for youth at risk of suicide could make a valuable contribution to the priority communities identified (see appendix 1) where youth preventative suicide strategies do not currently exist.

The above scenario about a mentoring program for youth at risk of suicide at the time of writing is hypothetical i.e. there is no appendix 1. However, it is based on credible information found at the Australian Institute for Suicide Research and Prevention. It is important to note convincing arguments for funding are based on up to date research that is cited in the proposal or application. References to the research underpinning the rationale for the funding also need to be clearly listed in the application so that potentially the funder can check out the validity of the claims for themselves. There is nothing worse than having applications knocked back because the need for the program was not clearly established i.e. based on sound research. Here is a hypothetical example of a dubious argument for funding:

Child abuse is a national problem. Each day, children all over the country suffer emotional, physical or sexual abuse. In Sydney the problem is worse. More children suffer child abuse than any place else. It is epidemic. Hence, our child abuse prevention program is needed in Sydney more than in any other part of the country.

Think about the above scenario. Can you find the flaws with this argument? It is a fairly emotional argument about child abuse. However, it would be inappropriate of us to suggest a funder was callous or insensitive if they were not interested in funding a child abuse prevention program based on the above argument. Why? Let's look at the

scenario and ask some pertinent questions: What is the source that can provide the evidence to demonstrate that Sydney has the worst rate of child abuse? You might think it sounds fairly reasonable to think Sydney would have the highest rates of child abuse because it is the largest city in Australia. But without the evidence this kind of logic is not enough to be convincing. For example, Sydney could have the highest rates of child abuse because more people report it to the police in Sydney than they do in other places, meaning Melbourne might have greater rates of child abuse reported to government departments, but it was a collection of national police statistics that were used to find Sydney has higher rates of child abuse. Further, how are the rates of child abuse calculated? If they are being calculated on a per capita basis then Darwin, for argument's sake, could have fairly high rates of child abuse.

In sum, evidence for your claims need to be clearly provided by referencing the source of the information if you want your applications for funding to be credible.

Fourth, decide whether you can demonstrate that your program addresses the need differently or better than other projects that preceded it.

It is often difficult to describe the need for your project without being critical of the competition. But you must be careful not to do so. Being critical of other nonprofits will not be well received by the funder. It may cause the funder to look more carefully at your own project to see why you felt you had to build your program by demeaning others. The funder may have invested in these other projects or may begin to consider them now that you have brought them to their attention.

If possible, you should make it clear that you are cognisant of, and on good terms with, others doing work in your field. Keep in mind that today's funders are very interested in collaboration. They may even ask why you are not collaborating with those you view as key competitors. So at the least, you need to describe how your work complements, but does not duplicate, the work of others.

Fifth, decide if you want to put your project forward as a model.

This could expand the base of potential funders, but serving as a model works only for certain types of projects. Don't try to make this argument if it doesn't really fit. Funders may well expect your agency to follow through with a replication plan if you present your project as a model. If the decision about a model is affirmative, you should document how

the problem you are addressing occurs in other communities. Be sure to explain how your solution could be a solution for others as well.

3. The Project Description

This section of your proposal should have four subsections:

- objectives,
- methods,
- staffing/administration,
- evaluation.

Together, objectives and methods determine staffing and administrative requirements. They then become the focus of the evaluation to assess the results of the project. Taken together, the four subsections present an interlocking picture of the total project.

Objectives

Objectives are the desired measurable outcomes of the program. Your objectives must be tangible, specific, concrete, measurable, and achievable in a specified time period. Grant seekers often confuse objectives with goals, which are conceptual and more abstract. For the purpose of illustration, here is the goal of a project, with a subsidiary objective:

Goal: Our after-school program will help children read better.

Objective: Our after-school remedial education program will assist 50 children in improving their reading scores by one grade level as demonstrated on standardised reading tests administered after participating in the program for six months.

The goal in this program is abstract: improving reading. The objective is much more specific: it is achievable in the short term (six months) and measurable (improving 50 children's reading scores by one grade level).

With competition for dollars so great, well-articulated objectives are increasingly critical to a proposal's success.

In reality, there are at least four types of objectives:

• *Behavioral*—A human action is anticipated.

Example: Fifty of the 70 children participating will learn to swim.

• *Performance*—A specific time frame within which a behavior will occur, at an expected proficiency level, is expected.

Example: Fifty of the 70 children will learn to swim within six months and will pass a basic swimming proficiency test administered by a Red Cross certified lifeguard.

• *Process*—The manner in which something occurs is an end in itself.

Example: We will document the teaching methods utilised, identifying those with the greatest success.

• *Product*—A tangible item results.

Example: A manual will be created to be used in teaching swimming to this age and proficiency group in the future.

In any given proposal, you will find yourself setting forth one or more of these types of objectives, depending on the nature of your project. Be certain to present the objectives very clearly. Make sure that they do not become lost in verbiage and that they stand out on the page. You might, for example, use numbers or bullets to set off the objectives in the text. Above all, be realistic in setting objectives. Don't promise what you can't deliver. Remember, the funder will want to be told in the final report that the project actually accomplished these objectives.

Methods

By means of the objectives, you have explained to the funder what will be achieved by the project. The methods section describes the specific activities that will take place to achieve the objectives. It might be helpful to divide the discussion of methods into the following: what, when, and why.

• *What*—This is the detailed description of the activities that will take place from the time the project begins until it is completed. The activities should result in the previously stated objectives.

• *When*—The methods section should present the order and timing of the tasks. It might make sense to provide a timetable so readers do not have to map out the sequencing for themselves.

NRGize Workshop - Kickstart and Strengthen your Mentoring Program

•*Why*—You may need to defend your chosen methods, especially if they are new or unorthodox. Why will the planned work lead to the outcomes you anticipate? You can answer this question in a number of ways, including using expert testimony and examples of other projects that work.

The methods section enables the reader to visualize the implementation of the project. It should convince the reader that your agency knows what it is doing, thereby establishing its credibility.

Staffing/Administration

In describing the methods, you will have mentioned staffing for the project.

You now need to devote a few sentences to discussing the number of staff, their qualifications, and specific assignments. Details about individual staff members involved in the project can be included either as part of this section or in the appendix, depending on the length and importance of this information.

"Staffing" may refer to volunteers or to consultants, as well as to paid staff. Most proposal writers do not develop staffing sections for projects that are primarily run by volunteers. Describing tasks that volunteers will undertake, however, can be most helpful to the proposal reader. Such information underscores the value added by the volunteers as well as the cost-effectiveness of the project.

For a project with paid staff, be certain to describe which staff will work full time and which will work part time on the project. Identify staff already employed by your nonprofit and those to be recruited specifically for the project. How will you free up the time of an already fully deployed individual?

Salary and project costs are affected by the qualifications of the staff. Delineate the practical experience you require for key staff, as well as the level of expertise and educational background. If an individual has already been selected to direct the program, summarise his or her credentials and include a brief biographical sketch in the appendix. A strong project director can help influence a grant decision.

Describe for the reader your plans for administering the project. This is especially important in a large operation, if more than one agency is collaborating on the project, or if you are using a fiscal agent. It needs to be crystal clear who is responsible for financial management, project outcomes, and reporting.

Evaluation

An evaluation plan should be built into the project. Including an evaluation plan in your proposal indicates that you take your objectives seriously and want to know how well you have achieved them. Evaluation is also a sound management tool. Like strategic planning, it helps a nonprofit refine and improve its program. An evaluation can often be the best means for others to learn from your experience in conducting the project.

There are two types of formal evaluation. One measures the product or outcomes; the other analyzes the process. Either or both might be appropriate for your project. The approach you choose will depend on the nature of the project and its objectives. For either type, you will need to describe the manner in which evaluation information will be collected and how the data will be analyzed. You should present your plan for how the evaluation and its results will be reported and the audience to which it will be directed. For example, it might be used internally or be shared with the funder, or it might deserve a wider audience. A funder might even have an opinion about the scope of this dissemination.

4. The Budget

The budget for your proposal may be as simple as a one-page statement of projected expenses. Or your proposal may require a more complex presentation, perhaps including a page on projected support and revenue, and notes explaining various expense or revenue items.

Expense Budget

As you prepare to assemble the budget, go back through the proposal narrative and make a list of all personnel and non-personnel items related to the operation of the project. Be sure that you list not only new costs that will be incurred if the project is funded but also any ongoing expenses for items that will be allocated to the project. Then get the relevant costs from the person in your agency who is responsible for keeping the books. You may need to estimate the proportions of your agency's ongoing expenses that should be charged to the project and any new costs, such as salaries for project personnel not yet hired. Put the costs you have identified next to each item on your list.

Your list of budget items and the calculations you have done to arrive at a dollar figure for each item should be summarised on worksheets. You should keep these to remind yourself how the numbers were developed. These worksheets can be useful as you

continue to develop the proposal and discuss it with funders; they are also a valuable tool for monitoring the project once it is under way and for reporting after completion of the grant. (See the sample worksheet on the next page.)

With your worksheets in hand, you are ready to prepare the expense budget.

For most projects, costs should be grouped into subcategories, selected to reflect the critical areas of expense. All significant costs should be broken out within the subcategories, but small ones can be combined on one line. You might divide your expense budget into personnel and non-personnel costs; your personnel subcategories might include salaries, benefits, and consultants. Subcategories under non-personnel costs might include travel, equipment, and printing, for example, with a dollar figure attached to each line.

A portion of a worksheet for a year-long project might look like this:

Budget Narrative

A narrative portion of the budget is used to explain any unusual line items in the budget and is not always needed. If costs are straightforward and the numbers tell the story clearly, explanations are redundant. If you decide a budget narrative is needed, you can structure it in one of two ways. You can create "Notes to the Budget," with footnote-style numbers on the line items in the budget keyed to numbered explanations. If an extensive or more general explanation is required, you can structure the budget narrative as straight text. Remember though, the basic narrative about the project and your organisation belong elsewhere in the proposal, not in the budget narrative.

PostScript Picture

(Promotion-Year Long)

5. Organisation Information

Normally, a resume of your nonprofit organisation should come at the end of your proposal. Your natural inclination may be to put this information up front in the document. But it is usually better to sell the need for your project and then your agency's ability to carry it out.

It is not necessary to overwhelm the reader with facts about your organisation.

This information can be conveyed easily by attaching a brochure or other prepared statement. In two pages or less, tell the reader when your nonprofit came into existence; state its mission, being certain to demonstrate how the subject of the proposal fits within or extends that mission; and describe the organisation's structure, programs, and special expertise.

Discuss the size of the board, how board members are recruited, and their level of participation. Give the reader a feel for the makeup of the board.

(You should include the full board list in an appendix.) If your agency is composed of volunteers or has an active volunteer group, describe the functions that the volunteers perform. Provide details on the staff, including the numbers of full- and part-time staff, and their levels of expertise.

Describe the kinds of activities in which your staff engage. Describe the audience you serve, any special or unusual needs they face, and why they rely on your agency. Cite the number of people who are reached through your programs.

Tying all of the information about your nonprofit together, cite your agency's expertise, especially as it relates to the subject of your proposal.

6. Conclusion

Every proposal should have a concluding paragraph or two. This is a good place to call attention to the future, after the grant is completed. If appropriate, you should outline some of the follow-up activities that might be undertaken, to begin to prepare your funders for your next request. Alternatively, you should state how the project might carry on without further grant support.

This section is also the place to make a final appeal for your project. Briefly reiterate what your nonprofit wants to do and why it is important. Underscore why your agency needs funding to accomplish its project with cited evidence.

Ground Rules for Preparing a Proposal Packet

Always address your cover letter to an individual. Never start out with "Dear Sir" or "To Whom It May Concern." Verify the spelling of names, titles, and addresses.

You can usually get that information over the phone. If not, consult a directory of foundations or relevant Web sites.

And keep these points in mind:

• **Be sure your proposal is readable and concise.** Use active rather than passive verbs. Do not use jargon or acronyms unless absolutely necessary; if you must use them, provide explanations. Use simple sentences; keep paragraphs short; employ headings and subheadings.

• **After you have written a draft of your proposal, read it from the point of view of your audience.** If you were the funding officer, what questions would you have? Where are the holes in the argument? What would be difficult for you to understand? Would you be convinced that the program merits an investment of the foundation's money? Then revise your draft so that you have answered any potential questions, filled in the holes, and cleared up any possible confusion. Again cited references that contain research evidence for your arguments will add strength to your application.

• **Use large (usually 12 point), easy-to-read type.** Don't use fancy bindings; use paper clips instead.

• **Number the pages.** If the proposal is longer than 10 pages (most should not be), provide a table of contents.

• **Use charts and statistics only where appropriate.** Otherwise, they will disrupt the flow of the narrative. Put footnotes on the same page as the text to which they refer, not at the end of the document.

• **Add a limited number of attachments, such as press releases, news clippings, and resumes.** Keep appendices to a minimum.

• **Be sure to include all attachments requested by the funder.** The most commonly requested are:

- a copy of your organisation's PBI details including the number.

- a list of your organisation's trustees and their professional affiliations,

- a copy of your organisation's budget and most recent audit,

- a brochure describing your agency.

What Happens Next?

Grant review procedures vary widely, and the decision-making process can take anywhere from a few weeks to six months. During the review process, the funder may ask for additional information either directly from you or from outside consultants or professional references. Invariably, this is a difficult time for the grantseeker. You need to be patient but persistent. Some grant makers outline their review procedures in annual

reports or application guidelines. If you are unclear about the process, don't hesitate to ask. If your hard work results in a grant, take a few moments to acknowledge the funder's support with a letter of thanks. You also need to find out whether the funder has specific forms, procedures, and deadlines for reporting the progress of your project. Clarifying your responsibilities as a grantee at the outset, particularly with respect to financial reporting, will prevent misunderstandings and more serious problems later. Nor is rejection necessarily the end of the process. If you're unsure why your proposal was rejected, ask. Did the funder need additional information? Would they be interested in considering the proposal at a future date? Now might also be the time to begin cultivation of another prospective funder. Put them on your mailing list so that they can become further acquainted with your organisation. Remember, there's always next year.

This short course in proposal writing was excerpted from *The Foundation Center's Guide to Proposal Writing*, revised edition (New York: The Foundation Center, 1997), by Jane C. Geever and Patricia McNeill. Additional useful resources include:

Burns, Michael E. *Proposal Writer's Guide*. New Haven, CT: Development & Technical

Assistance Center.

Coley, Soraya M., and Cynthia Scheinberg. *Proposal Writing.* Newburg Park, CA: Sage Publications.

Gooch, Judith Mirick. *Writing Winning Proposals*. Washington, D.C.: Council for Advancement and Support of Education.

Hall, Mary. *Getting Funded: A Complete Guide to Proposal Writing*. 3rd ed. Portland, OR: Continuing Education Publications.

Kiritz, Norton J. *Program Planning and Proposal Writing*. Expanded version.

Los Angeles, CA: The Grantsmanship Center.

NRGize Workshop - Kickstart and Strengthen your Mentoring Program

Handout #9: *Resources for Promotion and Fundraising*

Handout #7, "From the *Guide to Research on Funding*," includes the titles of a number of resources that will help you identify private foundations and corporate funders who might be interested in providing support for your program.

Handout #8, "From the *Short Course in Proposal Writing*," includes a list of books that focus on writing grant proposals.

Numerous other books are available that describe everything from how to write a fundraising letter, to planning a special event, to fundraising over the Internet. A useful resource for finding books and brief descriptions of them is the "Volunteer Marketplace Catalog," developed by the Points of Light Institute. To obtain a copy, visit the Web site at www.PointsofLight.org

Some useful Web sites

The Internet is a rich source of information on funding. You can get access to information on available public and private grants, and on charitable foundations. The following Web sites are a good place to start your searches:

http://www.ourcommunity.com.au is a rich source of Australian information. They also issue a quarterly review of state and national funding sources called Easy Grants

www.philanthropy.org.au/links/links.htm is a useful list of on-line resources and websites.

Reference for hypothetical scenario:
http://www.gu.edu.au/school/psy/aisrap/index.html Australian Institute for Suicide Research and Prevention, Griffith University cited 1st October, 2003.