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# Action Plan

## Instructions

Review the action plans that you have developed at the end of each step.

1) What three ah-has have you discovered today?

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2) What specific activities will you include in your action plan?  
What activities will you use to kick-start your action plan?

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3) What more do you need to learn?

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# WORKSHEET

## Conduct an Assets Audit

### Instructions

In the space below list your organization's assets that make it attractive to prospective supporters.

Accomplishments (core projects or programs, results or outcomes, statistics, awards, assessments by outside bodies)

Organizational history and distinction from other organizations

Human capital (core competencies of staff, leadership, board: skills, abilities, experiences)

Funding history and diversification (types of funding institutions, individuals, memberships, renewed funding)



# WORKSHEET

## Analysis of Other Agencies in the Field

This tool can be used to identify your nonprofit's strengths relative to those of other players in your field and geographical area. You will get the best result if a number of people with different perspectives participate in the completion and discussion of the template.

ASPECT OF OPERATION	OUR NONPROFIT	AGENCY: _____	AGENCY: _____	AGENCY: _____	OUR EDGE/ CONTRIBUTION
<b>Program</b> <ul style="list-style-type: none"><li>• Target group/ customers</li><li>• What program is</li><li>• Outcomes</li><li>• Success</li></ul>					
<b>Funding</b> <ul style="list-style-type: none"><li>• Main sources and proportions</li><li>• Main strengths in income generation</li></ul>					
<b>People</b> <ul style="list-style-type: none"><li>• Skills</li><li>• Motivation</li></ul>					
<b>Management</b>					
<b>Physical Assets</b>					
<b>Financial Health</b>					
<b>Reputation</b>					
<b>Impact/Results</b>					
<b>Other Areas of Potential Advantage</b>					

## EXERCISE

# Blowing Your Own Trumpet

Please reflect on the assessment tool on the preceding page. We know that you won't have all the data you need at hand, but please identify what you believe are the aspects of your nonprofit that enable it to make a bigger impact than other agencies or a unique contribution or to raise more money. Think about how you would articulate this "competitive edge" to someone outside your nonprofit. Write down a few key words to capture the essence of your explanation. Please be willing to share this explanation with the class.

1. The main/unique strengths of my nonprofit

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2. How I would articulate this to people outside my nonprofit

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# WORKSHEET

## Demonstrating the Need for Support

### Instructions

Answer the following questions to build your case for support.

What is your organization trying to achieve? (organizational goals and objectives)

What is the future direction of your organization?

What additional funding is needed for your organization's programs and services?

What will the additional funding enable your organization to accomplish? (outcomes)

Where can you find the information to build your case for support?

# WORKSHEET

## Mission-Money Matrix

Here are instructions on how to complete the matrix after the workshop, if you want to use this tool in developing your nonprofit's sustainability.

**NOTE:** This tool and its application can be found in books on strategic management and planning by Sharon Oster, and Michael Allison and Jude Kay, respectively (see the resource section of this workbook for the full references).

### Instructions:

#### Step 1: Calculate mission contribution

Divide your nonprofit's work into distinct activities (e.g. Afterschool program, Counseling Services, Fundraising).

Identify 4–5 people from different parts of the nonprofit. Ask them to individually judge what level of mission contribution each program/activity makes on a simple rating scale (1 = low, 10 = very high). Encourage them to use reports and data on each program to base their opinions. Share the results and as a group agree on the place of each program/activity in terms of mission contribution.

#### Step 2: Assess the financial contribution of each program/activity

Calculate the surplus/deficit for each program by using a table like the one below. As a group agree on the place of each program/activity on financial contribution axis.

- Surplus = right of the horizontal line
- Deficit = left of the horizontal line

	PROGRAM: _____	PROGRAM: _____	PROGRAM: _____	PROGRAM: _____	PROGRAM: _____	FUNDRAISING	TOTAL
INCOME <sup>1</sup>							
DIRECT EXPENSES							
MGT. & ADMIN. EXPENSES							
SURPLUS/DEFICIT							

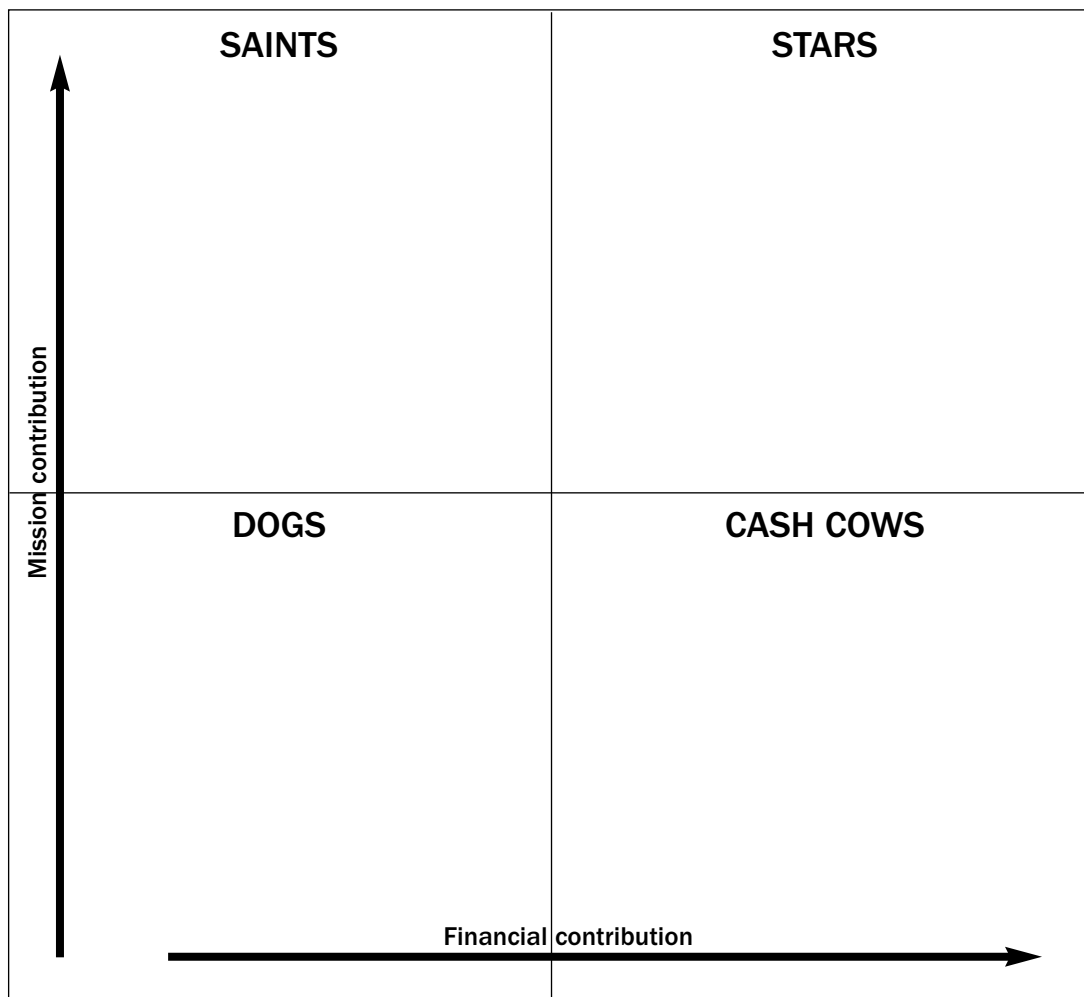
<sup>1</sup>Income to be recorded under each program is revenue that is directly related to the program, in the form of earned income, a contract for the program or a restricted grant. Unrestricted income should be entered under fundraising.

# WORKSHEET

## Mission-Money Matrix, continued

### Step 3: Complete the Mission-Money Matrix

Place each program activity and fundraising in the appropriate space in the matrix.



# WORKSHEET

## Your Current Funding Mix

Where exactly does your support come from, and what's your net?

The starting point for any development in your income strategy is obviously where you are now. If you are in any doubt about what and how much exactly your nonprofit receives from whom, this template may be useful. Your main interest will be in the net amount from each activity and in how much unrestricted net revenue you receive.

**Name of Nonprofit:** \_\_\_\_\_

SOURCE OF SUPPORT <sup>1</sup>	\$ GROSS INCOME	% OF GROSS INCOME	\$ DIRECT COSTS <sup>2</sup>	\$ NET INCOME <sup>3</sup>	% OF TOTAL NET INCOME	% RESTRICTED	% UNRESTRICTED
<b>TOTAL</b>							

**Notes:**

<sup>1</sup>Source of support include small individual contributions; major donors; foundations; government grants and contracts; fees for service, gifts-in-kind, etc.

<sup>2</sup>Direct costs = ongoing expenses on people and equipment and items directly needed to secure funds from a given source.

<sup>3</sup>\$ net income = \$ total gross income minus \$ direct costs.

# WORKSHEET

## How Diversified Is Your Current Funding?

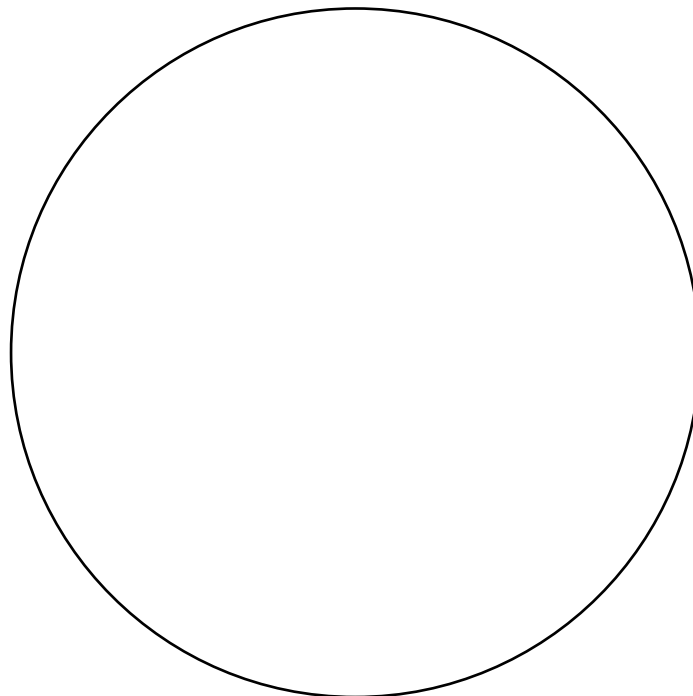
### Instructions

List your current funding sources. How diversified are they? Have there been any significant changes in recent years?

Funding category	Dollar amount	Percentage of budget
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
	Total \$ _____	

### Instructions

In the circle below, draw a pie chart of your organization's current funding mix. Be sure to include all sources—both revenue and support—and corresponding percentage in the budget.



# WORKSHEET

## Next Year's Funding Mix

1) Now you need to estimate how much money you think you can raise. List the questions you need to ask yourselves or the information you need to analyze in order to make these decisions.

2) Review your goals for each partner and enter that goal in the "Estimates for next year" column. Determine if you think you can actually make that goal and revise the goal if necessary after considering the questions you listed above.

	Current year's revenue	Estimates for next year	Realistic goal
Individuals, major donors			
Associates of individuals & religious organizations			
Foundation grants			
Corporate contributions			
Earned income (includes events)			
Investment incomes			
Government			
In-kind contributions			
Other (specify)			
<b>TOTAL BUDGET</b>			
To Raise			



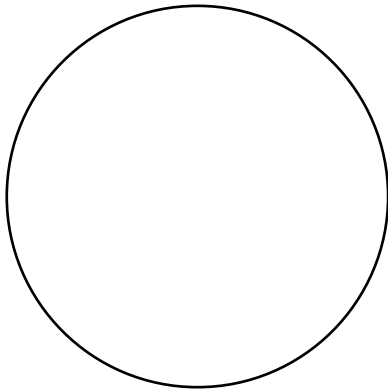
# WORKSHEET

## Next Year's Funding Mix, continued

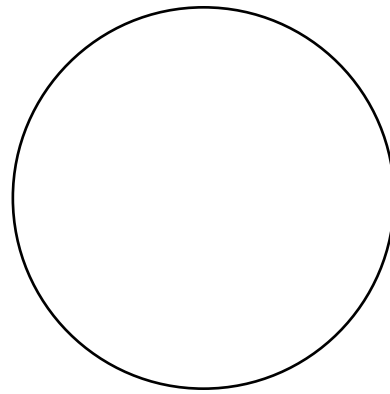
### Instructions

- 1) Review the pie chart of your organization's financial state (page 83) and discuss how you would like to adjust the chart through next year's fundraising efforts and why you would like to make these changes.

How will this new funding mix look compared with the current year's?



**Current year**



**New funding mix**

- 2) What advantages do you see to these changes?



# WORKSHEET

## Strategies to Find the Match with Institutional Funders

### Instructions

Write some keywords in the categories below to describe your organization. These keywords can later be used to search for institutional funders that have similar interests.

Mission:

Services/Programs:

Populations Served:

Type of Organization:

Geographic Focus of Activities:

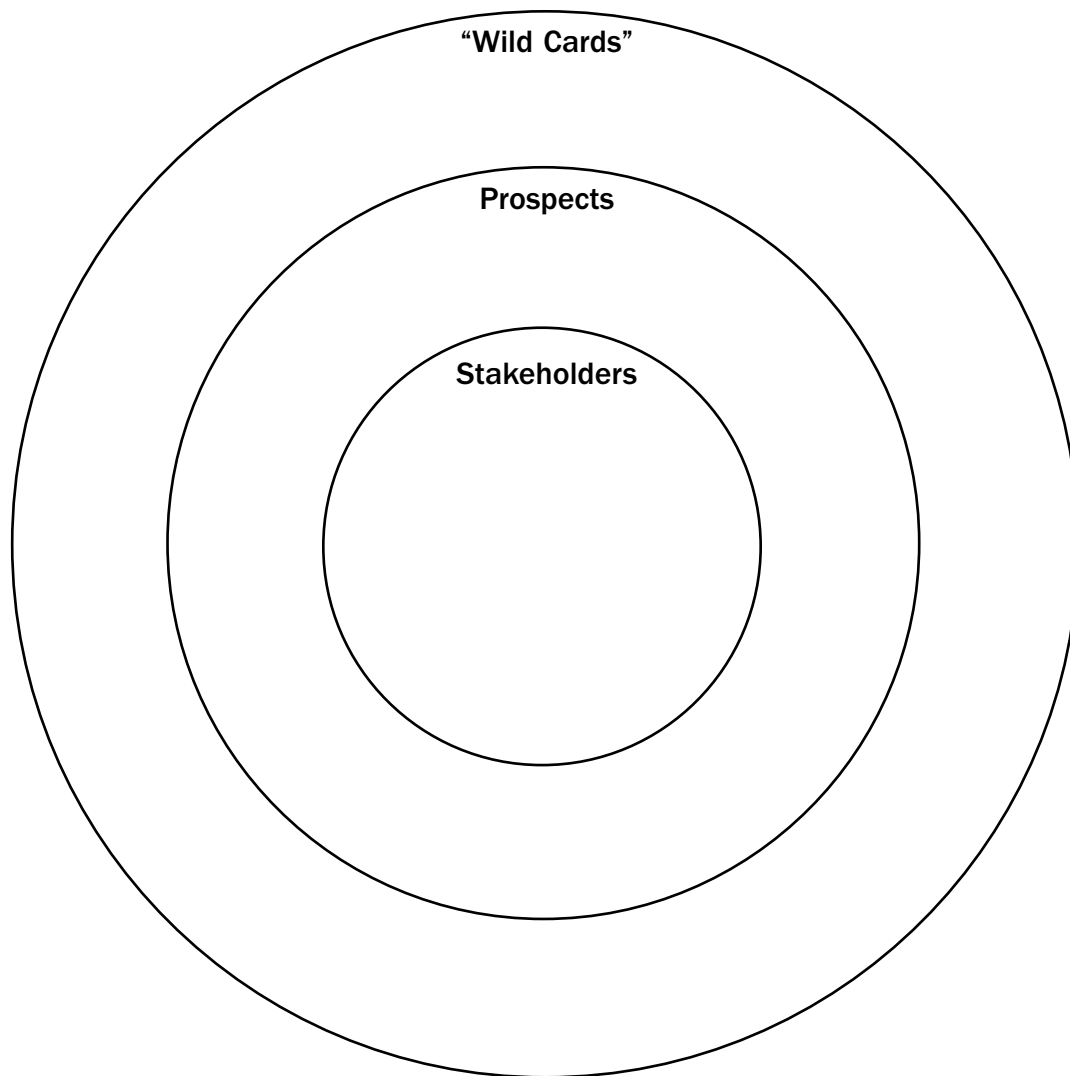
Types of Support/Organizational Needs:

# WORKSHEET

## Identifying Institutional Funding Partners

### Instructions

- 1) Innermost circle of the bull's eye—list your organization's stakeholders (current institutional funders—foundations, corporations).
- 2) Middle circle—list your organization's prospects (e.g., specific types of institutional funders that have or previously had a relationship with your organization).
- 3) Outermost circle—list some suspects or "wild cards"—prospects with whom your organization has never had a relationship.

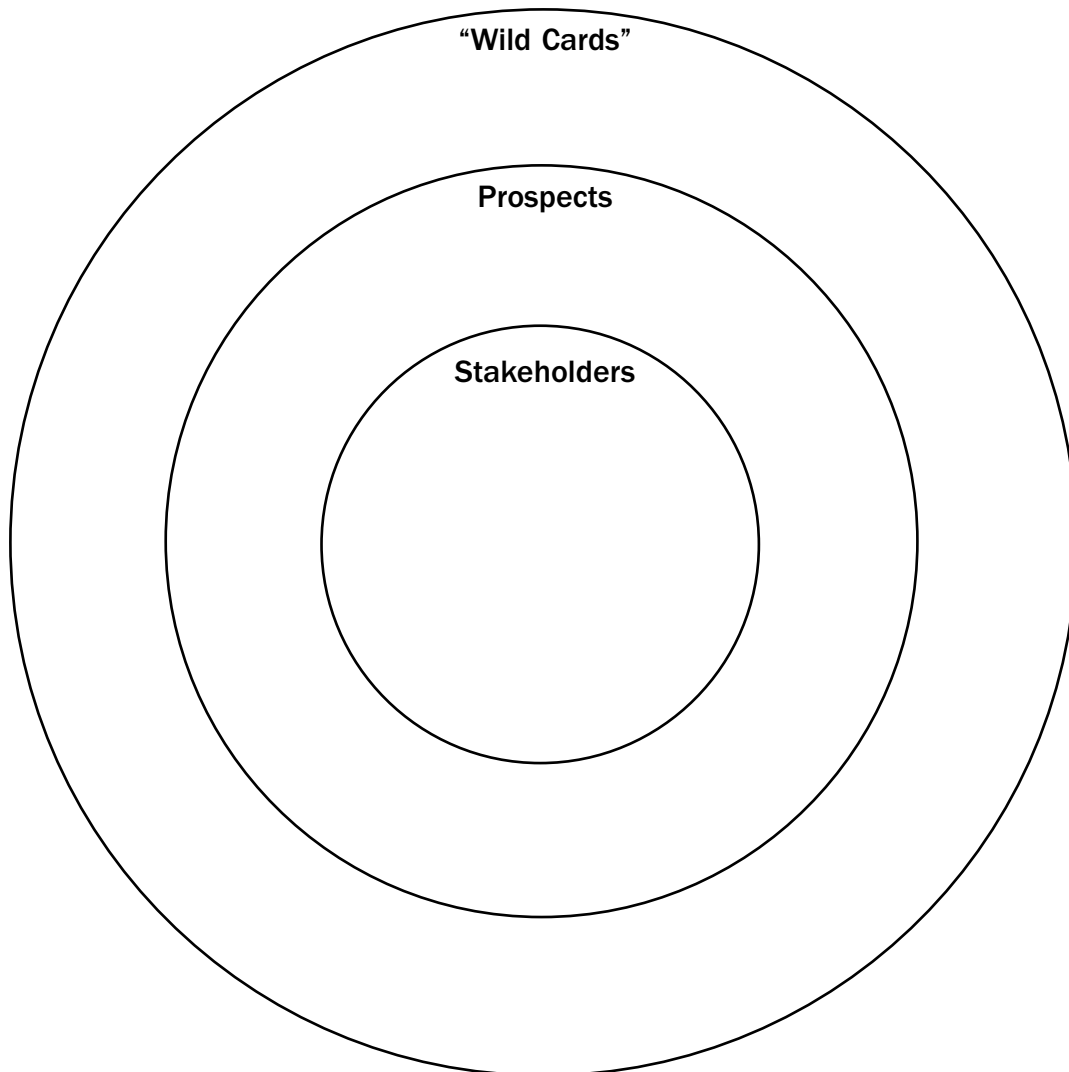


# WORKSHEET

## Identifying Individual Funding Partners

### Instructions

- 1) Innermost circle of the bull's eye—list your organization's stakeholders (board, current funders, staff, volunteers, etc.).
- 2) Middle circle—list your organization's prospects (e.g., specific types of individuals who have or previously had a relationship with your organization).
- 3) Outermost circle—list some suspects or "wild cards"—those individuals of means and/or fame whose profile suggests an affinity to your organization's mission, and with whom your organization has never had a relationship.



# WORKSHEET

## Strategies for Approaching Individuals for Support

### Instructions

Brainstorm ways to include various individuals and associations of individuals in your fundraising plan.

	Category of individual	Approaches
1.		
2.		
3.		
4.		
5.		

# WORKSHEET

## Creating a Gift Table for Individual Supporters

A gift table sets specific targets for the number of individuals the organization needs and the level of support that they will be enlisted to provide. This chart is based on the simple premise that a few people will give big gifts, some people will give medium-sized gifts, and most people will give smaller gifts.

A gift table is generally calculated as follows:

- 1–2 gifts = 20% of the goal
- 2–4 gifts = 20% of the goal
- 5–10 gifts = 15% of the goal
- 10–20 gifts = 10% of the goal
- 20+ gifts = 35% of the goal

### Instructions

Refer to your list of individual supporters and the approaches on the previous page. Categorize (or segment) the different types and try and estimate how much could be raised from each category.

Gift size	Prospects (3x what you need)	# of actual gifts	Total \$	% of total
_____	_____	_____	\$ _____	20%
_____	_____	_____	\$ _____	20%
_____	_____	_____	\$ _____	15%
_____	_____	_____	\$ _____	10%
_____	_____	_____	\$ _____	35%
<b>Your total goal for individual support:</b>			\$ _____	

# WORKSHEET

## Strategies for Identifying Earned Income Opportunities

### Instructions

Answer the following questions to identify possible earned income opportunities for your organization.

What programs and services does your organization currently offer that generate income?

What does your organization currently give away to current constituents that you might charge them a fee for instead?

What does your organization currently give away to current constituents that you might charge a fee to a new group of customers?

What new product or service might your organization develop and market to current constituents?

What new products or service could be developed and marketed to new customers?



# WORKSHEET

## A Real Value vs. Real Cost Analysis and Comparison

Use this tool to capture the value and costs and as the basis for making decisions about which sources of support in which to invest.

	SOURCE ONE: _____	SOURCE TWO: _____	SOURCE THREE: _____
<b>Potential gross \$ value per year</b>			
<b>Adjustments:</b> <ul style="list-style-type: none"> <li>• "crowd-in"</li> <li>• "crowd-out"</li> <li>• direct mission impact</li> </ul>			
<b>Adjusted gross value per year</b>			
<b>Direct costs of generating funds per year</b>			
<b>Predicted annual net \$ value</b>			
<b>Start-up and new working capital needed</b>			
<b>"Transaction costs":</b> <ul style="list-style-type: none"> <li>• Attracting and managing new relationship</li> <li>• Managing independence/control:               <ul style="list-style-type: none"> <li>—External</li> <li>—Internal</li> </ul> </li> <li>• Managing reliability               <ul style="list-style-type: none"> <li>—Planning</li> <li>—Building Reserve</li> </ul> </li> </ul>			
<b>OVERALL RATING OF VALUE OF SOURCE TO NONPROFIT</b>			

# WORKSHEET

# Setting Realistic Goals for Individual Support

### Instructions

Identify potential individual donors for your organization.

- Start with donors who are currently providing support or did so in the past.
- Look for donors that are similar to others that have supported your organization.

Through research:

- Look for prospects who connect with your organization’s mission
- Look for prospects that will be interested in the locale or constituency
- Identify prospects that are similar to those who have supported your organization in the past or have supported similar nonprofits

For each donor, estimate the level of support you could ask for based on your previous experience with them or based on your research

List contact persons that might connect you with these individuals

Names or groups of individuals	Amount of previous support	Amount of potential support	Rationale for potential support	Contacts to connect with individuals
Stakeholders				
	Subtotal	\$		
	Percent of total	%		
Prospects				
	Subtotal	\$		
	Percent of total	%		
Wild Cards				
	Subtotal	\$		
	Percent of total	%		
<b>TOTAL</b>		\$		

# WORKSHEET

## Setting Goals for Institutional Support

Identify potential institutional funders for your organization.

- Start with current or previous funders and similar funders.

Through research:

- Look for prospects whose mission or program areas match with yours.
- Look for prospects who will be interested in your locale or constituency.
- Identify funders similar to those who have supported you or similar nonprofits.

Estimate each funder's potential level of support based on previous experience with them or based on your research. Subtotal each section and calculate the percentage the section represents of the total amount you need from institutional funders.

Name of Institution	Amount of previous support	Amount of potential support	Rationale for potential support	Access to decision-makers or contacts
Stakeholders				
	Subtotal	\$		
	Percent of total	%		
Prospects				
	Subtotal	\$		
	Percent of total	%		
Wild Cards				
	Subtotal	\$		
	Percent of total	%		
<b>TOTAL</b>		\$		

# WORKSHEET

# Setting Realistic Goals for Individual Support

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- Look for donors that are similar to others that have supported your organization.

Through research:

- Look for prospects who connect with your organization’s mission
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For each donor, estimate the level of support you could ask for based on your previous experience with them or based on your research

List contact persons that might connect you with these individuals

Names or groups of individuals	Amount of previous support	Amount of potential support	Rationale for potential support	Contacts to connect with individuals
Stakeholders				
	Subtotal	\$		
	Percent of total	%		
Prospects				
	Subtotal	\$		
	Percent of total	%		
Wild Cards				
	Subtotal	\$		
	Percent of total	%		
<b>TOTAL</b>		\$		

# WORKSHEET

## Setting Goals for Earned Income

### Instructions

Review your ideas for earned income activities (page 92) and decide which ideas are most feasible and the amount of revenue that each can generate.

Earned income activity	Amount of previous income	Amount of potential income	Rationale for potential income	Who can help?
<b>TOTAL</b>				

# FUNDRAISING GOAL REALITY CHECK

Compare your initial fundraising goal with your organization's revenue needs.

\$ \_\_\_\_\_ Total anticipated operating expenses

– \$ \_\_\_\_\_ Total anticipated revenues  
already committed/pledged

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= \$ \_\_\_\_\_ Total required revenue for budget

After analyzing the goals from each fundraising strategy, determine a realistic fundraising goal for the year.

\$ \_\_\_\_\_

Amount short of your projected revenue needs.

\$ \_\_\_\_\_

If you anticipate that there will be a difference between the budget requirements and what you can realistically raise, what issues must your organization now address?

# EXERCISE

# Build a Fundraising Team

## Instructions

Identify the tasks which you are currently doing. Check whether you are the primary person responsible or if you support someone else to perform the responsibility.

Tasks	Mine		Others-Who?
	Primary	Supporting	
1. Conduct assets audit			
2. Educate board about fundraising role			
3. Institute board rule on donations			
4. Gain agreement on board role in fundraising			
5. Know overall budget			
6. Know breakdown of funding sources			
7. Write case statement			
8. Compile all previous funders			
9. Decide which funding sources to increase			
10. Research potential donors			
11. Identify institutional prospects			
12. Identify funder contacts: board, staff, volunteers			
13. Determine individual fundraising strategies			
14. Develop donor lists			
15. Set institutional fundraising goals			
16. Set individual goals			
17. Identify earned income activities			
18. Set earned income goals			
19. Set total fundraising goal			
20. Develop fundraising plan			
21. Assess team capabilities			
22. Assign responsibilities			
23. Enlist volunteers for fundraising			
24. Enlist program staff for fundraising			
25. Enlist board in fundraising			

# EXERCISE

## Build a Fundraising Team, continued

Tasks	Mine		Others-Who?
	Primary	Supporting	
26. Develop a campaign calendar			
27. Implement the fundraising plan			
28. Write proposals			
29. Prepare solicitation materials			
30. Coach others to cultivate and solicit gifts			
31. Set meetings with funders			
32. Cultivate prospects			
33. Solicit board gifts			
34. Solicit general gifts			
35. Organize fundraising events			
36. Plan events			
37. Prepare campaign and event mailings			
38. Generate publicity			
39. Attend events			
40. Send thank you letters			
41. Track income			
42. Monitor activities and results			
43. Evaluate fundraising efforts			
44.			
45.			

Where are the gaps?

Who else could you add to the team?



# WORKSHEET

## Risk Management: How well diversified is my nonprofit income portfolio?

The 'right' level of diversification of income streams will vary by nonprofit field and by circumstances and times, but this basic checklist can be used to stimulate discussion about the amount of risk cover you have and more research into exactly how effectively diversified your nonprofit really is.

INDICATOR	YES	NO	COMMENTS
Our nonprofit has at least three of the main sources of support available.			
Within each main source there are a significant number of separate payers whose decisions to support our agency are unrelated.			
Our nonprofit has one dominant source of support; we have a significant level of expertise and/or particularly strong funder relationships in relation to this source.			
Unrestricted and unconstrained funding forms at least 20% of our net income.			

# WORKSHEET

## Write an “Ask” Script

According to Aristotle, rhetoric is “the ability, in each particular case, to see the available means of persuasion.” He described three main forms of rhetoric:

- Ethos is an appeal based on the character of the speaker. An ethos-driven Statement relies on the reputation of its author in the eyes of the prospect.
- Logos is an appeal based on logic or reason.
- Pathos is an appeal based on emotion.

### Instructions

Keeping Aristotle’s counsel in mind about effective communication, write down the elements of a script that you can use in approaching a prospective supporter.

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- ◆ Major donors

**Subtotal major donors = \$**

- ◆ Individual donors

**Subtotal individual donors = \$**

- ◆ Foundations

**Subtotal foundations = \$**

- ◆ Local businesses and corporations

**Subtotal local businesses = \$**

- ◆ Associations of individuals and religious institutions

**Subtotal associations = \$**

- ◆ Earned income strategies

**Subtotal earned income = \$**

- ◆ Government grants

**Subtotal government grants = \$**

**Total strategies = \$**

# FUNDRAISING CALENDAR

## Worksheet

## JANUARY thru JUNE

	Person responsible	To be completed by	\$ Projection						Subtotals
			January	February	March	April	May	June	
<b>Individual Fundraising</b>									
<b>Foundation and Corporation Fundraising</b>									
<b>Government Fundraising</b>									
		<b>Subtotals</b>							

# Worksheet

# FUNDRAISING CALENDAR JUNE thru DECEMBER

	Person responsible	To be completed by	\$ Projection						
			July	August	September	October	November	December	Subtotals
<b>Individual Fundraising</b>									
<b>Foundation and Corporation Fundraising</b>									
<b>Government Fundraising</b>									
		<b>Subtotals</b>							