Fundraising in Uncertain Times

Presented by the Adirondack Foundation for the Adirondack Nonprofit Network
Once upon a time…

There was a fearless fundraiser who kept asking when everyone else was too afraid to ask … and got great results!
Poll: What’s your biggest fundraising concern right now?

Health is concern #1; after that, your biggest is:

- Uncertainty; difficult to plan
- Impact of COVID-19 on the economy
- Cancellation of events & in-person fundraising
- Logistics of moving everything virtual
- Competition for donations
- Other
Fundraising during a crisis: Three big myths

*Myth:* “Our work isn’t relevant now.”

*Truth:* More than anything else, people want **community** and **connection**.
Myth: Donors are giving to somebody else – nothing left for us!

Myth: Economic crash = less giving.
Truth: Partially true: during Great Recession, giving declined 10-15%. Tough times, but not catastrophic.
Fundraising lessons from the California wildfires

- Respond in ways that make sense; it’s not mission-creep to support your neighbors
- Get closer to your donors!
- Avoid freelancing
- Don’t freak out
In times of crisis, seek out and create

**Shared fundraising opportunities**

- Grant proposals
- Funder briefings
- Joint fundraising events (virtual?)
- “Giving days”
- Joint approaches to major donors
- Shared training
Where’s the money?
Income for US nonprofits

$427 billion  Philanthropy
$300-$400 billion  Public funding
$600-$700 billion  Earned income
$1.5 trillion  Total income
U.S. Philanthropy

$427 billion in 2018

18% Foundations
5% Corporations
68% Individuals
9% Bequests
• 50%-plus households contribute
• The typical household supports 5-10 organizations per year.
• The median amount contributed per household is about $900 per year
Kim Klein: “Most people’s instinct is to cut expenses rather than raise money. Resist this impulse as much as possible.”
Income sources for nonprofits

**Grants**

- Foundations
- Corporations
- Public charities
- Government
- Service clubs
- Faith-based
Individuals

- Membership
- Major gifts
- Monthly giving
- Online giving
- Benefit events
- Workplace giving
- Planned gifts
Earned income

- Goods
- Services
- Publications
- Investment income
- Cause related marketing
Pros and cons of income options

Because not all money is created equal…
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<th><strong>Pros</strong></th>
<th><strong>Cons</strong></th>
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<tr>
<td><strong>Grants</strong></td>
<td>• Large amounts</td>
<td>• Lousy odds</td>
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<td>• Program funds</td>
<td>• Restricted money</td>
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<td></td>
<td>• Get organized!</td>
<td>• Mission drift</td>
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<td><strong>Individuals</strong></td>
<td>• Lots of options</td>
<td>• Donor retention and upgrading takes effort</td>
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<td>• Unrestricted $</td>
<td>• Board resistance</td>
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<td>• Community support</td>
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<td>• “Lifetime value”</td>
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<td><strong>Earned Income</strong></td>
<td>• Improved financial systems</td>
<td>• Underpricing</td>
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<td>• Greater program impact?</td>
<td>• Some programs can’t be monetized</td>
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<td>• Diversification</td>
<td>• Risk</td>
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The key to successful fundraising: Income diversity

Focus on the revenue sources that have the greatest potential for growth
COVID-19 Federal relief funding

With thanks to:
National Council of Nonprofits, councilofnonprofits.org
The Agitator / Donor Voice, agitator.thedonorvoice.com

Overview

• Three programs
• Most relevant:
  Paycheck Protection
  Program, Emergency
  SBA 7(a) loans
COVID-19 funding (continued)

- For organizations with up to 500 employees
- Administered through local financial institutions, so talk with your banker!
- **Loan converts to a grant** if you retain staff
- Covers wages, 1099 compensation & benefits
- Start now – limited funding
- We will send more info…
Five ideas: Engaging your donors remotely

1. Online party or virtual happy hour
2. Donors-only presentation, performance, etc.
3. Virtual focus group or check-in
4. Donor interviews by phone, Skype, Zoom, etc.
5. Walk and talk (six feet apart!)

What would you add to the list?
Questions?
How will you implement what you learned today?
Good luck and stay in touch!

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