

Rainier Beach Neighborhood Capacity Project
Preliminary Fund Development Plan
February 2012

Members of the Rainier Beach neighborhood are at the threshold of an exciting point in their community development work, with the beginning of implementation of the new multi-year neighborhood plan just around the corner. As these efforts move forward, financial support will be among the many resources required to ensure successful execution of the plan's numerous strategies. The information presented here in this preliminary fund development plan is intended to serve as a guide to the start of a more extensive fund development planning process that should be engaged after identification of the lead entity that will oversee the plan's implementation.

Perhaps the most important notes to make about this document are that it covers all general areas of fund development work, and that strong fund development programs are built up over time. As the Rainier Beach community begins these efforts, there should not be undue pressure that it must do everything at once or perfectly from the beginning. It should start small and thoughtfully, and celebrate successes.

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This document is presented in three parts:

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| <i>This section covers the fund development plan in brief, compiling all recommended action tasks into one place for quick reference. Tasks are divided into two phases to facilitate implementation over time. Tasks fall into three categories: initial steps, infrastructure building and specific fundraising sources.</i> | |
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Section 1
Preliminary Fund Development Plan: Highlights

The table that follows is a summarized version of the narrative information that can be found in Section 2 (Initial Steps for Fundraising for the Rainier Beach Neighborhood Plan) and Section 3 (Preliminary Fund Development Plan: Details). Both this table and the corresponding narrative sections address:

- *initial steps* – This lists primary things that the lead entity should consider when getting ready to embark on fundraising efforts.
- *infrastructure of a fundraising program* – This discusses foundational items that should be put in place to support fund development work and to help ensure that efforts are conducted efficiently and effectively. This part makes reference to the different types of contributors that are involved in fundraising work. More detailed descriptions about these contributors are found in the next sub-section.
- *categories of fundraising sources* – This provides information about primary types of fundraising sources – individual donors, grantmakers, corporations/businesses and special events – and the general ways in which these contributors can be engaged.

It should be noted that the information in this preliminary plan contains core elements typically found in fundraising plans. The pre-existing fundraising experience of the lead organization – or group of organizations serving collectively as the lead – will determine if the elements presented below need more or less attention as an in-depth fund development plan is eventually created.

| | Phase I: Year 1 | Phase II: Year 2 and beyond |
|----------------------|---|---|
| | <i>If there is one 501(c)(3) organization serving as the lead entity...</i> | <i>If there is a coalition of groups serving as the lead entity...</i> |
| INITIAL STEPS | | |
| Infrastructure | | Select one organization to serve in a primary administrative role to manage fundraising tasks so that efforts are “housed” in one place and activities can be more efficiently tracked. |
| Infrastructure | Before pursuing funding: <ul style="list-style-type: none"> ▪ Clearly identify vision, mission, purpose, infrastructure, goals and plan before pursuing funding. | |

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| | <ul style="list-style-type: none"> ▪ Build meaningful community relationships. ▪ Assess your organizational capacity. | |
| Distribution of Funds Raised | Establish a system for how raised funds will be distributed in the community so that resources can be expended for specific activities. This could occur in many different ways. For example: | Engage all community stakeholders and evaluate the model being used for distribution of funds. Re-develop the process, if needed. |
| | <ul style="list-style-type: none"> ▪ This could be in the form of a request-for-proposal (RFP) process, where the lead organization serves as a sort of re-granting entity, inviting community groups to apply for funds through regular granting cycles. ▪ A lead entity (that has 501(c)(3) status) could serve as the fiscal sponsor for smaller neighborhood groups who conduct their own fundraising. ▪ A lead entity could establish formal agreements with a number of community organizations where each is responsible for a sub-set of the plan's implementation, and funds raised by the lead for those activities will be allocated out according to pre-determined contracts. | |
| | Any model used to handle and re-distribute funds should reflect community priorities and values for equity, accessibility and engagement. | |

INFRASTRUCTURE OF A FUNDRAISING PROGRAM

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| Planning | Identify current fundraising activities. | Identify major fundraising activities currently being mounted by the partner groups. | |
| | Do short-term planning. Look at a specific activity and determine what needs to be done from start to finish, when tasks need to be accomplished and by whom. | | Continue to engage stakeholders in planning. |
| | Integrate program activities. Look at how a | | Continue to engage |

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| | particular activity fits in with other fundraising and program activities. | stakeholders in evaluation of efforts. |
| | Plan for the longer-term. Look at how a given activity might be strengthened over time, from one year to the next. | Review goals and strategies regularly and update plans at least annually to ensure that work is relevant. |
| Designated Team | Identify the team of people who will manage activities. | |
| | <ul style="list-style-type: none"> ▪ This might be one or more development staff, the executive director and some board members. ▪ This might be a committee of representatives from the different community groups. <p>If so:</p> <ul style="list-style-type: none"> ▪ Roles should be established about who is involved in bigger-picture leadership and who manages day-to-day tasks. ▪ Establish clarity about accountability and communications structure. | |
| | Even with a small group of people identified to guide fundraising strategies, however, it is important to emphasize that everyone involved with the organization or project has some role that s/he can play in fundraising. Everyone can – and should, in some way – represent the organization and be a cheerleader for its work to potential and current supporters. | Continue encouraging and supporting all staff to be involved in fundraising. |
| Systems | <i>Processes – How the information is handled.</i> As with program or other administrative work throughout an organization, it is critical to have clarity about who is doing what in fundraising work, and when this work is done. | Evaluate and refine processes. |
| | <i>Technological support – Where the information is tracked.</i> It is critical to have a way to track gifts, regardless of whether they come from individual | Evaluate and refine technology needs. |

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| | donors or private foundations. | |
| | <i>Policies – Why you do things the way you do.</i> Having fundraising policies in place aids organizations in being able to make decisions about the types of gifts they are willing to receive and/or how they can receive them. | Evaluate and refine policies. Establish new policies as needed. |
| Communications | Establish a schedule for communicating with funders, donors and other stakeholders (over and above thank-you notes following meetings or reports that may be required by foundations.) | Continue strong communications. |
| CATEGORIES OF FUNDRAISING SOURCES | | |
| Cultivating and Stewarding Individual Donors | Potential individual donors (people identified as having a strong connection to or believed to have a strong affinity for the organization) should be strategically identified by board members, the executive director and, if there is any, development staff. | Continue this effort, leveraging existing relationships to continuously reach new potential donors. |
| | Draw up a plan to cultivate these people, identifying specific strategies for specific people. Bring them in for a tour of your facility. Invite them to chat with youth in your after-school program. Perhaps, once or twice each month, the executive director in partnership with the appropriate board member goes out for a coffee with one of these people. | Continue deepening relationships with potential and current donors. |
| | Anyone who makes a donation should be thanked and should be, at the very least, added to a mailing list to receive communications. Major supporters should additionally be intentionally stewarded – with occasional phone calls, handwritten notes, articles that may have appeared in the newspaper about an issue that pertains to the organization or neighborhood, face-to-face chats, etc. | Continue deepening relationships with potential and current donors. |
| | Once a year and/or after a major fundraising event, board members (and other high-level volunteers) can further engage in stewarding donors by making thank-you calls to major supporters (“major” can be defined in a number of ways: by size of gift, regularity of giving, etc.). | Continue deepening relationships with potential and current donors. |
| Cultivating and Stewarding | Conduct research to identify foundations and government agencies that might be suitable for | Continue conducting research to ensure |

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| Grantmakers | the work being implemented. | that information is current and relevant. |
| | Anyone who makes a donation should be thanked and should be, at the very least, added to a mailing list to receive communications. Intentionally steward supporters – with occasional phone calls, hand-written notes, articles that may have appeared in the newspaper about an issue that pertains to the organization or neighborhood, face-to-face chats, etc. | Continue deepening relationships with grantmakers. |
| | Develop clear communications practices, internally (within the community) and externally (with funders and other stakeholders). | Continuously communicate with stakeholders. |
| Cultivating and Stewarding Corporate and Business Donors | Get to know staff at corporations’ advertising or marketing departments. | Continue deepening relationships with potential and current corporate donors. |
| | Build relationships with neighborhood small businesses. | Continue deepening relationships with potential and current small business donors. |
| | Anyone who makes a donation should be thanked and should be, at the very least, added to a mailing list to receive communications. Intentionally steward supporters – with occasional phone calls, hand-written notes, articles that may have appeared in the newspaper about an issue that pertains to the organization or neighborhood, face-to-face chats, etc. | Continue deepening relationships with corporate and business supporters. |
| Special Events | Plan out each event carefully. Beyond logistics, consider: <ul style="list-style-type: none"> ▪ the event goal (fundraiser, friend-raiser, etc.); ▪ the audience; and ▪ the human and financial resources needed to produce the event. | Regularly assess an event’s relevance and impact. |
| | Determine how events support other fundraising strategies (such as those focused on cultivating or stewarding individual donors). | Continue to use events strategically. |
| | Post-event, send out thank you notes or make calls and other personalized follow-up with key supporters and volunteers. | Regularly communicate with supporters. |

Section 2

Initial Steps for Fundraising for the Rainier Beach Neighborhood Plan

In advance of serious fund development work being mounted, Rainier Beach community stakeholders should consider, and make decisions about, several things in order to better ensure that fundraising efforts will be effectively implemented and efficiently managed:

- This document assumes that **a single 501(c)(3) organization will serve as the lead entity** charged with overseeing implementation of the multi-year neighborhood plan. If, instead, **a coalition of organizations and/or community groups is formed to work collectively** as the lead, it would be prudent to **have one organization serve in a primary administrative role** to manage fundraising tasks so that efforts are “housed” in one place and activities can be more efficiently tracked.
- **Before pursuing funding, it is critical that the purpose of the work can be articulated – and that all people involved in fundraising share the same key messages.** There needs to be **clarity around, and community ownership of, the vision, mission, purpose, infrastructure and goals that are at the heart of the neighborhood plan.** Additionally, before pursuing funding, there need to be **meaningful community relationships built** and an **assessment of the organizational capacity** necessary for successfully achieving efforts.
- Because the Rainier Beach Neighborhood Plan covers many years’ work and an array of issue areas, there should be a **collaborative structure established for the pursuit and distribution of grants and other financial resources**, even if a single 501(c)(3) organization (as opposed to a coalition of groups) is identified to lead the implementation. The reality is that, even if this single organization is sizable, with significant internal infrastructure and systems, there will be many community partners involved in realizing specific strategies within the plan, from conducting youth programs to programming public spaces. This **effort should be synchronized with the work being done to prioritize which of the neighborhood plan’s strategies will be implemented first or later.**

The lead organization or coalition should **establish a system for how raised funds will be distributed in the community so that resources can be expended for specific activities.** This could be in the form of a request-for-proposal (RFP) process, where the lead organization serves as a re-granting entity, inviting community groups to apply for funds through regular granting cycles. RFPs could be released on a regular basis (e.g. annually or quarterly) and/or focused on issue areas (an RFP for after-school programs, for arts creation, etc.). Or, a lead entity (with 501(c)(3) status) could serve as the fiscal sponsor for smaller neighborhood groups that conduct their own fundraising. Or, a lead entity could establish formal agreements with a number of community organizations where each is responsible for a sub-set of the plan’s implementation, and funds raised by the lead for those activities will be allocated through pre-determined contracts. Whatever model is used to handle and re-distribute funds, it should reflect the priorities and values the community holds for equity, accessibility and engagement.

Section 3

Preliminary Fund Development Plan: Details

As was noted earlier, information here is presented in sub-sections:

- *infrastructure of a fundraising program* – This discusses foundational items that should be put in place to support fund development work and to help ensure that efforts are conducted efficiently and effectively. This part makes reference to the different types of contributors that are involved in fundraising work. More detailed descriptions about these contributors are found in the next sub-section.
- *categories of fundraising sources* – This provides information about primary types of fundraising sources – individual donors, grantmakers, corporations/businesses and special events – and the general ways in which these contributors can be engaged.

Infrastructure of a Fundraising Program

The difference between a successful fundraising activity – say, a fun-run – and a sustainable fundraising program is the care that is put into building strong infrastructure to support efforts. Several components are key to establishing this foundational base:

Planning. Every endeavor benefits from good planning. This is especially important in fundraising, where relationships are built over time. Planning allows you to build up successes over the long term, and not simply hop from one task to another. Engage stakeholders to participate in planning, so that there is ownership of the efforts.

Fundraising planning should be holistic:

- *Do short-term planning.* Look at a specific activity – say, a food drive or a fundraising breakfast – and determine what needs to be done from start to finish, when tasks need to be accomplished and by whom. Keep in mind that work on an event or campaign does not end with the activity taking place – that is, work on a dinner does not end on the night of the dinner. Sending out thank you notes or making calls and other personalized follow-up with key supporters and volunteers will continue on in the days and weeks that follow. These tasks are critical in the long-term building of those relationships.
- *Integrate program activities.* Look at how a particular activity fits in with other fundraising and program activities. Can you give away some seats at your dinner to invite program officers from foundations that might have awarded you grants or to use as a cultivation tool for prospective donors or dedicated volunteers? Will guests from your dinner auction receive information about your street fair later in the year? Do you have more than one special event on the calendar – perhaps, a volunteer-recognition breakfast in addition to your dinner auction? Do both events reach out to the same audiences and wind up compromising attendance or contributing to donor fatigue? Is the dinner auction scheduled during a time when there is heavy program activity happening? Will staff/board/volunteers be too stretched to coordinate or participate in multiple activities within a short period of time?
- *Plan for the longer-term.* Look at how a given activity might be strengthened over time, from one year to the next. Perhaps in the first year of an event, the focus could be on

simply bringing in a lot of attendees, educating them about your organization or neighborhood and be concerned financially only with breaking even. With constructive follow-up and contact with attendees between events, the second year could build up some revenue goals.

- *Plan and update strategies and goals regularly.* As with all successful and meaningful plans, goals and strategies should be reviewed regularly – monthly, quarterly, etc. – and plans should be updated at least annually to ensure that work is relevant.

If a single organization is selected to serve as the lead of the Rainier Beach Neighborhood Plan implementation, it should start its fund development planning by looking at what it is already doing related to fundraising, and build its plans from that point. Are there already fundraising events on the calendar? Does it already send out donation requests to donors through the mail? Etc. It should also look at the neighborhood plan itself. Which strategies have been identified as priorities for short-term implementation? Are there other items that might be slotted for implementation later, but which might require a lot of financial resources (for example, major construction for a new multicultural center or other significant capital project)?

If a coalition of community groups is brought together to serve as lead, a fundraising committee formed of representatives from some or all of these organizations should be thoughtful about synchronizing the Rainier Beach neighborhood's fundraising efforts with the fundraising efforts that each of these individual groups might already be mounting, so as to not create conflicts in scheduling or audience draw or in requests to foundations.

Designated Team. Traditionally, in a nonprofit, there is a team that consists of one or more development staff, the executive director and some board members who are most actively involved in varying fundraising activities. Finance staff and program staff also get involved in work related to fundraising.

Depending on the leadership structure that is identified for the Rainier Beach neighborhood, there should be some version of this type of leadership team that works together to manage different parts of all fund development work. This could be a team of staff and board members connected to the lead organization. If, instead, there is a coalition of organizations or community groups, there should be a committee of people from several of these organizations that work together to guide and manage the neighborhood plan's fund development needs. If it is the latter, there should be clear roles established within the committee about who is involved in bigger-picture leadership (such as development of plans) and who manages day-to-day tasks (such as processing of donations that come in, making sure grant reports are submitted, etc.), and the accountability and communications structure needed between these two bodies of people.

Even with a small group of people identified to guide fundraising strategies, however, it is important to emphasize that everyone involved with the organization or project has a role in fundraising. The receptionist who answers the phone or greets people at the front door might be the first point of contact for a program officer from a foundation. An enthusiastic volunteer

coordinator might be the perfect person to speak about the organization's work to a group of bank employees at a United Way workplace campaign event. The operations manager might organize a group of his friends to form a team for the bowl-a-thon. Everyone can – and should, in some way – play a part in representing an organization and being a cheerleader for its work to potential and current supporters.

Systems. In successful fundraising, details are important. Work should be conducted thoughtfully, and information should be tracked. There is nothing worse than a situation where, because tracking systems are not in place, an organization does not know about donors who have made contributions over many years' time. Or, maybe the organization is anecdotally aware that a donor has been especially supportive, but has no idea about the depth of support and investments the donor has made over the years. This behavior does not show appropriate respect for the donor's care for the organization and reflects insufficient capacity to appropriately acknowledge the donor's support.

Systems, especially as an organization is starting out, do not have to be overly-complex, but they do need to be thoroughly established and consistently managed. These include processes, technological support and policies:

- *Processes – How the information is handled.* As with program or other administrative work throughout an organization, it is critical to have clarity about who is doing what in fundraising work, and when this work is done. There should be clear understanding about, for example:
 - who opens the mail, checks the online giving site and/or organizes donations or ticket sales made through special events;
 - how long it takes (same day, within one or two days, etc.) for the donation, grant check, etc. and accompanying correspondence (if there is any) to get to the fund development person processing donations (if the person who opens the mail is not also the same person who processes donations);
 - what information is captured in the database (the donor's name [or, if an institution like a foundation, the name of the program officer or other contact], business name, address, phone number and email address; gift amount; gift date; gift restriction, if there is one; affiliations with other organizations, if known; the way the gift was made (check, credit card, cash), etc.¹;
 - who drafts the thank you note;
 - how quickly this note is drafted (within one or two days of the receipt of the donation);
 - who signs the note;
 - how quickly this note gets into the mail and out to the donor;
 - if it is a donation from a major donor or close ally of the organization, who provides an additional acknowledgement (phone call, handwritten note, etc.);
 - how quickly the donation gets to the finance department for deposit;

¹ Note: There should be no information captured in the database that you would not want the donor to read. A donor has the right to review his/her record. So, be thoughtful and respectful about information you track.

- how frequently, when, and by whom donation information is reconciled (weekly, monthly, etc.);
- etc.
- *Technological support – Where the information is tracked.* It is critical to have a way to track contributions, regardless of whether they are donations from individual donors or grants from private foundations. While Excel spreadsheets (a typical starting point for organizations launching fundraising efforts) can manage some basic information, it would be wise to use a database designed for constituent management. There are many such products available – Salesforce, eTapestry, Raiser’s Edge and more – and each should be investigated to determine which best suits your needs, technological skill-level and budget. But, generally, an investment in one of these programs can be meaningful. The amount of time saved in not having to figure out, for example, what fields of information to track or how to run a report can be invaluable to increasing work efficiencies.
- *Policies – Why you do things the way you do.* Having fundraising policies in place aids organizations in being able to make decisions about the types of gifts they are willing to receive and/or how they can receive them. For example, while the overwhelming majority of gifts received by most nonprofit organizations are cash, donations are offered from time to time in other forms (stocks, land, art work, etc.) and/or by corporate or other institutional donors whose missions or lines of business might conflict with your mission or values. A gift policy would prepare you for such an occasion by having proactively thought through pros and cons as well as values behind decisions. One agency might accept donations of old cars. Another might decide that it simply does not have the capacity to manage the receipt and sale of such an item. Some agencies that decide they are open to receiving stock gifts should have a process determined, for example, about how the stock is received and how quickly it is to be sold. Another agency might decide that certain types of gifts – say, bequests – are to be directed, unless instructed otherwise by the donor, into an endowment, if one exists. Some agencies may decide that, for ethical reasons, they should not accept any gifts from certain types of companies. (For example, an AIDS service organization might decide that it cannot accept any gifts from tobacco companies because of the implications that cigarette smoking has on its clients’ fragile health or that it can only conditionally accept donations from pharmaceutical companies.) The parameters for these types of gift policies can vary greatly from one organization to the next, and each group should have thoughtful conversations about what receipt of donations means for its values and integrity as a community organization.

Once the lead entity has been established for the Rainier Beach neighborhood plan, identifying the systems needed to conduct fundraising should be among its first orders of business. If a coalition of groups is formed to serve as lead, it would be practical to have all of the administrative tasks – such as the processing and tracking of donations – under the responsibility of one partner organization, with clear understanding across all the partner groups about related roles and processes.

Communications. Studies have shown that donors continue giving to an organization because they receive evidence that the money is being well-spent. This is as true of foundations as of

individual donors. (While the potential frequency of gifts is, clearly, much higher with individuals than with foundations or corporations, communications should always be managed at the same high level for all). It is easy to see then that, without any contact from an organization, donors can easily lose interest in the agency's work.

To better steward supporters, there should be a schedule for communicating with funders, donors and other supporters, over and above thank-you notes following meetings or reports that may be required by foundations. This effort does not have to be complex, but it should be consistent. Once or twice a year (or more frequently, if that is reasonable), an update or announcement can be sent out about programs or activities so that supporters can be apprised of how things are going, of the impact activities are having on community members and of accomplishments that should be celebrated. These updates do not have to be lengthy – perhaps one or two stories, some information about how a program is doing and/or a profile about a community member. These efforts help personalize the people and the work.

Categories of Fundraising Sources

A healthy fundraising program is a diversified program where revenue comes from many different sources. Generally, these include individual donors, foundations, corporations/businesses and special events. Having diverse fund development sources ensures more stability against trends that might take over a sector – such as the bust of dot-com companies or diminishing government resources – that can suddenly, negatively and significantly impact gift prospects.

Cultivating and Stewarding Individual Donors. Fund development professionals have learned that building meaningful relationships with individual donors creates a more stable funding base than can be provided by any other source. Routinely, the amount contributed to charities by individuals totals over five times more than those from foundations. Gifts from corporations and bequests are even smaller than that.²

Although gifts provided by individuals are typically much smaller than grants from foundations or government agencies, having a significantly greater number of individual donors than foundation, corporate or public-sector donors means that, even if a percentage of individual donors do not continue to contribute in subsequent years, the pool of dollars is not seriously compromised. Let's say that your organization brought in \$100,000 last year through four \$25,000 foundation grants. With most foundations, one must start anew each year, and new proposals will need to be submitted to re-gain the \$25,000 grants. If one or two of those do not come through, there is a significant gap left in income. These days, foundation dollars are tight and re-funding cannot be relied upon, so it is more likely that the pool of grant prospects will

² Giving USA annually studies trends in charitable giving. Their 2011 report shows that \$290.89 billion were contributed to charities across the country in 2010: \$211.77b (or 73% of total giving) from individuals; \$41.00b (14%) from foundations; \$22.83b (8%) from bequests; and \$15.29b (5%) from corporations. While individual giving includes donations to religious institutions, the amount contributed by individuals is still significantly greater than the amount by foundations, even when numbers are adjusted to not include religious giving. From year to year, these percentages are very consistent, even during times when the economy has been strained.

need to grow to create a balance between one or two renewed grants and the need for two, three or even four new grants. If, instead, the \$100,000 was comprised of ten \$1,000 individual donations or 20 \$500 donations, a drop-off of several of these donors will still retain a significant pool of money that will permit organizational operations to continue forward.

What makes the second scenario possible is stewardship, for what is even more important than cultivating individual donors – that is, building relationships with people to encourage them to give to you for the first time – is stewarding, or nurturing relationships with, existing donors so that they remain enthusiastic about continuing to support your efforts. Over time, many of these donors will deepen their investments in you – by increasing their gifts, joining your board, advocating on your behalf to policymakers, etc. Stewardship of foundation and other institutional funders is, of course, also important. But because the way people make decisions about their individual giving is vastly more flexible than the processes inherent in grantmaking (which involve program officers, boards of trustees, official approval procedures and more), investing in nurturing relationships with individual donors has much greater returns because of the personal connections that can be made between the donor and the organization.

Fundraisers' experiences have shown that stewarding existing donors builds a more loyal body of supporters and is a more cost-effective way of spending fundraising dollars than trying to bring in new monies. (This is akin to the old marketing adage that it is more expensive to attract a new customer to a store than to keep an existing customer happy and returning.) This holds as true with \$50 donors as with \$5,000 supporters. If an organization does not have the budget to spend in multiple areas of fundraising, it should at least invest in building an individual donor program. Potential donors (people identified as having a strong connection to or believed to have a strong affinity for the organization) should be strategically identified by board members, the executive director and, if there is any, development staff. A plan should be drawn up to cultivate these people, identifying specific strategies for specific people. Bring them in for a tour of your facility. Invite them to chat with youth in your after-school program. Perhaps, once or twice each month, the executive director in partnership with the appropriate board member goes out for a coffee with one of these people. The point of these meetings is to get to know them better and learn what there is about the organization or the work that strikes their passions.

Anyone who makes a donation (this applies to individuals, corporations, foundations and community groups alike) should be thanked and should be, at the very least, added to a mailing list to receive communications. Major supporters should additionally be intentionally stewarded – with occasional phone calls, hand-written notes, articles that may have appeared in the newspaper about an issue that pertains to the organization or neighborhood, face-to-face chats, etc. Again, these activities can be implemented by a combination of the executive director, development director and board members.

Once a year and/or after a major fundraising event, board members (and other high-level volunteers) can become additionally engaged in stewarding donors by making thank-you phone calls to major supporters (“major” can be defined a number of ways: by size of gift, regularity of

giving, etc.). This can easily happen with ten minutes' time at a board meeting. Each board member can be given a list of a few donors whom they will call during this ten-minute period simply to thank them for their support. No requests for additional gifts. No requests for signing up for any other events. Simply, a thank you. This lets donors hear your appreciation and also gives board members a chance to "meet" supporters. Even if a live conversation is unable to happen, a thank-you message left on a voicemail is still meaningful to donors, especially if the calls come from high-level volunteers like board members.

The overall idea is to connect with your supporters. Oftentimes, regular donors can become strong volunteers, major donors and/or future board members. They certainly can become great advocates of your organization, bringing in people they know to join them in their support. Think of this work as similar to how we build our personal relationships. Friends from childhood with whom we do not regularly communicate become lost to us. If we want to nurture a friendship, we take the time to call or email occasionally, and not just when we need a favor. We call just to say "hi" or to arrange a get-together because keeping in contact enriches the relationship. We get invited by these friends to dinner parties where we meet their other friends and learn that we all have shared interests. It is in this manner that relationships with donors should be stewarded.

Cultivating and Stewarding Grantmakers.³ Foundations and government agencies can be strong partners in supporting organizational and programmatic work. With grant sizes in the thousands, and sometimes in the tens or hundreds of thousands, of dollars, these funders can provide significant support in helping organizations launch, maintain or grow programs.

There are many resources that can aid research efforts about grantmakers. The Foundation Directory Online, managed by the Foundation Center, is probably the largest directory of foundations, with details about foundations' past grants, giving interests, contact information, etc. This directory can be accessed through tiered subscription levels, but can also be accessed for free through the King County Library System's Nonprofit and Philanthropy Resource Center. Information about this and other research resources can be found at the Puget Sound Grantwriters Association's Web site: www.grantwriters.org/grantwriters/researching-funders. A good resource for researching most government grants is www.grants.gov.

Seeking support from funders open to receiving proposals is, usually, a straightforward process. Hard-copy or electronic versions of guidelines spell out the types of proposal information that they seek. Annual or quarterly deadlines are typical.

In December 2011, several program officers from King County-based funding institutions gathered with some Rainier Beach Neighborhood Advisory Committee members as well as some members from the broader Rainier Beach neighborhood to talk about what they, as

³ The document entitled "Rainier Beach Neighborhood Capacity Project . Grant Research 2012" serves as a companion document to this Preliminary Fund Development Plan, and presents information about grant prospects that could be pursued for support for implementation of the Rainier Beach Neighborhood Plan.

funders, look for when considering making a grant investment in an organization or effort.⁴
Funder participants were:

- Judy de Barros – Director, Neighbor to Neighbor Fund;
- Lori Guilfoyle – Community Impact Manager, United Way of King County;
- Alice Ito – Program Officer, Marguerite Casey Foundation; and
- LiLi Liu – Program Officer, Pacific Northwest Program, Bill & Melinda Gates Foundation.

General themes of the remarks were as follows:

Meaningful community involvement and partnerships matter. One funder noted that the work is not about what is fundable. Instead, it's about ideas that are endorsed by the community. In community-building work, funders look for efforts that authentically engage all community stakeholders, where these constituents' voices are heard and their participation can be found at all levels, from leaders to worker-bees.

Clearly identify vision, purpose, infrastructure, goals and plan before pursuing funding. The neighborhood plan is large, and it is impossible to execute all things at once. While there is no expectation that you will be good at – or capable of – doing everything at the same time, it is important to have a clear system for determining priorities and responsibilities. When needs are great and resources are limited, it can be challenging to prioritize because that will necessarily mean that some things must be put off to a later date. But *because* needs are great and resources are limited, it is critical that strong infrastructure, clear goals and a thoughtful plan are set down so that work can be efficient and lead to successes. And, this work should be done before funding requests are pursued. (The exception to this would be requests that might be made for the planning effort itself or for components, such as a coordinator, needed to get some plan implementation started.) With a good base in place, funders will feel more confident in considering making investments in the work.

The types of questions funders want the community to already have answered before a funding relationship is pursued include the following (listed in no particular order):

- Is your organization structured in a way that you can describe to someone outside of your group?
- Does your group have a program that you all agree on?
- Do you all know what your main purpose is? Can you articulate what you want to do and how to do it to those who know nothing about it? Can the work be described in a meaningful way to those outside of your organization?
- Do you have a budget?
- Do you have a fundraising plan?
- As a group of volunteers, how do you get work done? If there is a deadline, who is actually going to put the grant together? Who will manage it once it comes through?

⁴ Detailed notes from this meeting's conversation can be found among the documents posted for the January 23, 2012 committee meeting (http://www.seattle.gov/neighborhoods/np/rbnac_resources.htm).

- Can you not be spread too thin, with only a few people doing things?

Pay attention to your organizational capacity. When the scope of work is large, it becomes especially important to be realistic about the capacity needed (human resources, time, technological tools, access to information, etc.) to accomplish the work. There is a lot of rich talent within the Rainier Beach community. Drawing on and leveraging the strengths of the people involved and the partnerships in place will contribute significantly to establishing some of this capacity base.

Develop clear communications practices, internally (within the community) and externally (with funders and other stakeholders). Clear communications are an important part of building relationships. One funder noted that communication works better than marketing. Consistent communications with internal stakeholders (neighborhood residents, businesses, community groups, etc.) will keep everyone abreast of what is going on and give them opportunities to provide input and be engaged. Consistent communications with external stakeholders (funders, City agencies, policymakers, etc.) will keep them up-to-date on the neighborhood's progress and successes and create opportunities for stewarding relationships that could lead to funding or other types of longer-term investments.

Cultivating and Stewarding Corporate and Business Donors. While the business sector continues to suffer economically, there is still opportunity to build relationships with corporate donors. Because these gifts are often made through the company's advertising or marketing departments in the form of sponsorships, rather than as charitable donations (like grants), the expectation of advertising exposure or return on their investments can be high. Partnerships with corporations should be built as opportunities arise (though it should be noted that energy spent on cultivating individual donors will bring in stronger results over the long term than time spent on pursuing corporate support). Banks, particularly through their community development or community reinvestment funds, might provide a particular opportunity for Rainier Beach as it moves forward with neighborhood-plan implementation.

While contributions from larger corporations might be challenging to secure, Rainier Beach is fortunate to have within the neighborhood a multitude of small businesses, run by and for community members. These business owners should be cultivated much in the way individual donors are cultivated to encourage them to join in as partners, through cash sponsorships and/or in-kind support, to advance the neighborhood plan's various strategies.

As with efforts in building relationships with individual donors and institutional grantmakers, it is important to keep communications active with corporate and business donors.

Special Events. Even though many nonprofits today struggle with putting on the "perfect" special event (one that doesn't take too much time, yet brings in lots of money!), there continues to be a place for special events in a development plan. Even with this in mind, however, production of events should be considered carefully: what type of event makes sense

for the organization producing it? who is the audience that might attend? what resources are available to mount the event? Be clear about your goal. Is it a fundraiser, an activity to raise money? Is it a friend-raiser, an activity to introduce new people to your organization? It can be challenging to meet multiple goals at once, so it is important to prioritize. Events can be powerful in bringing lots of people together in one place at one time, but they can also be extraordinarily labor-intensive, and small amounts of money raised may not actually be worth all the time and energy put into producing it.

If events are on the schedule, it is also important to continually re-assess an event's relevance and impact. While a luncheon may have been the right fundraiser years back, for example, it may no longer be the right type of event now. Or, there may be different audiences that would respond to different types of events. For example: a breakfast geared towards working professionals; a Saturday picnic for families; an evening cocktail reception for younger adults; and so on. It is important to consider the targeted constituents and frame activities that suit that group's interests. In other words, it is important first to identify what goal(s) the event might achieve, and then design the right activity to help reach success. And, it is important to remember that work on an event does not end with the activity taking place. Follow-up with immediate thank-yous and acknowledgements as well as longer-term communications are key to building relationships.

But, even in recognition that there is a place for special events in a fundraising plan, it is unwise to focus on events as a primary fundraising vehicle. Events are more effective when they are approached as a dynamic means to building relationships with supporters, and not as a static activity just to bring in dollars to reach that year's revenue goals.