

Fundraising in the New Economic Reality

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Fundraising in the New Economic Reality

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What is Fundraising?

- Fundraising is “quantifiable communication.” How well you communicate your organization’s mission, needs, goals, and good use of funds is measured by the

amount of funds you raise, volunteers and members you recruit, membership gifts that are upgraded, etc.

- Fundraising starts with communication: What do you need money for? Once you know that, you can identify donors who will be interested in supporting those programs. Asking for donations is easy once you know why you need funds – and that you believe in the reasons for needing funds.
- Fundraising allows people to realize their personal agendas: they fund your work because they believe in it and they can't do the work by themselves. They don't have the expertise, credibility, political clout or money to do the job alone. That's why nonprofit organizations exist – no one can do the work alone.
- Fundraising is disciplined, organized activity that translates good intention into action. You can't make someone give, but you can give that person the opportunity to give.
- Fundraising identifies, recruits, and links your organization with the people who are predisposed to support your work. Fundraising changes no beliefs; it allows those beliefs to be translated into action.
- Fundraising establishes, maintains and sustains a relationship between your organization and your donors.
- Fundraising relies upon good information, ongoing cultivation, effective solicitation, and constant stewardship of the relationship.
- Fundraising educates, inspires and motivates people to take action for the causes they believe in.

How Does Fundraising Fit Into Your Land Trust's Mission?

- It's as important as protecting land and resources. Without money, your land trust cannot realize its mission. Without people, your land trust cannot know whether it is serving or meeting a community need.

- It involves and connects your land trust to your community.

- It gives staff and volunteers the reason and need to articulate, describe, and defend your land trust's work.

- It gives your community / constituency the opportunity to participate in your work.

- It provides the financial, political, and emotional fuel to accomplish your mission.

- It gives your organization "people power."

- It allows your organization to save land and to educate people about the importance of land conservation.

- It gives your organization credibility.

Why Do People Give to Land Trusts?

- You ask them to.

- Your organization protects land that has value / meaning to them.

- Your organization is doing something for the future.

- Their \$25 gift can be leveraged thousands of times over to protect resources worth millions of dollars.
- Their gift provides personal empowerment and gives them satisfaction.
- Your land trust can do something that they could not do on their own. Working together, your land trust can assemble the financial, technical and legal resources needed to save land.
- Your organization needs their expertise, financial support and volunteer assistance, and you tell them you need that help.
- They can see what their contribution accomplishes.
- It makes them feel good.
- It allows them to take a step into the future - a legacy gift.
- It makes them a part of the/a community.

Finding and Articulating Passion

Passion equals results

When you believe in something strongly, others begin to see what you believe in. When you put this passion to use, good things happen: others join in, needs are met, and the vision grows, all from an initial spark.

What aspect of your work makes you passionate? What is your spark? Why do you choose to represent your organization and to ask others to contribute to its work?

- What interested me in working for this organization?
- What did I think was important about the mission?
- Why did I decide to help?

- What was going on in my life at the time that this mission and job appealed to me?
- Prior to working for this organization, what life experiences did I bring to the job that connected me with the mission?
- What specific piece of land has this land trust protected that is most important to me? Why?
- What program area am I most interested in? Why?
- Of all the current work underway, which project is of most interest to me? Why?
- What stories have you heard from co-workers, volunteers, landowners or donors that describe their passion for the mission of your organization?

When you share your stories, you'll inspire others.

You'll inspire yourself over and over.

Stories will help you remember your passion. Your confidence will soar and you'll be at ease when visiting with donors.

Fundraising in the New Economic Reality

Transcript of Remarks Presented by Donna Fletcher California Council of Land Trusts February 2009 Conference

General Comments:

- I thought today to begin this plenary by providing information on what we know – what are the trends and facts concerning individual, government, foundation and corporate giving. Since I began researching what past history portends and trends suggest, the data has been changing daily and the economic news continues to be worrisome and negative.
- I'm not sure we know a lot.
- Fundraising data has been tracked for only the last forty years, and in that time it shows that giving has fallen during recessions. For the longest recession during that time, 1973-75 (which was the longest recession since the Great Depression), giving fell by 9.2 percent, adjusted for inflation.
- The US economy has officially been in recession since December 2007. We don't know when we will hit bottom and/or what bottom will look like.

- For most of us in this room, our land trusts have experienced 10% - 60% decreases in annual giving, the need to delay or extend capital campaigns, and hits in the organizational gut due to the bond freeze (NB – government funding authorized by California voters). There is no business as usual right now.
- For most environmental organizations, year-end giving – a time when many land trusts secure 25%–60% of their entire annual giving – was down; for many the # of gifts stayed the same but the size gift diminished by as much as 40%. Organizations that relied on a larger percentage of their revenue coming from larger donors suffered greater percentage declines than those organizations that had larger memberships and were reliant on smaller donations.
- Bequests and planned givers were greater in 2008 than prior years, suggesting both a place for hope and for development planning during this time.

Foundations:

- A new study from the Foundation Center reports that in the four economic downturns since 1980, foundation philanthropy actually increased slightly each year, even after inflation. However, foundation endowments declined a median 29%-40 %. Let's remember that foundations must give away 5% of their assets each year and that calculation for 2009 will be based on 2008 assets. That means that a 5% payout based on last year's averages is really an 8 – 10% cash payout today.
- The types of projects that are being supported by foundations are changing slightly. Several foundations say they are cutting back on support for construction projects and declining to make large philanthropic commitments that would take several years to fulfill." Foundations are taking drastic measures in order to continue funding. A San Francisco Bay Area Foundation said that it was going to shift from multiyear to one-year grants for organizations it has long supported; a deferred payment schedule with some grantees; elimination of certain grants; and cutting back on administrative costs and staffing. In talking with other funders, this practice looks to be nationwide.
- In a study completed by *The Chronicle of Philanthropy*, only 16% of foundation respondents stated they would increase their giving, while nearly 40% of respondents expect to decrease the amount they give in 2009.

Corporate Giving:

- The outlook for Corporate Giving is very dependent upon the state of the economy. One *Chronicle of Philanthropy* article states, "corporate giving is likely to dive as well."
- One study suggests that while companies have been hit hard by the economic collapse and will likely be reducing their giving, they will still desire to maintain reciprocal relationships that "generate revenue for the business at the same time that the charity gets a lift." Companies, according to experts, will also be looking at other ways to continue support, including increasing in-kind giving including volunteerism and donated expertise.

- It's anticipated that there will be a shift in the types of projects that are being funded by corporations and corporate foundations. The 76 corporations and corporate foundations that responded to a study conducted by LBG Research Institute indicated a sharp move away from arts and culture and toward basic needs (food, clothing, shelter) and environmental causes. There will be a greater shift, however, towards giving at local levels as opposed to national levels. "46 percent of corporations and corporate foundations report that they anticipate a greater percentage of giving going toward local versus national organizations in 2009 than from the previous year. A quarter (25 percent) said they expect to shift more than 20 percent of their budget to local organizations away from national ones.

What Michigan Foundations Are Saying

1. Funding will be decreased this year due to contractions in assets and uncertainty regarding this recession's depth, breadth and length.
2. Funding for new initiatives and/or groups will be less of a priority while funding core operating support for those groups that are known to funders will be a priority.
3. Agriculture and local food production will be a positive approach, as well as school education programs that are tied to farms; i.e., teaching entrepreneurship and how to build businesses based on farm to market.
4. Some funders may provide money for groups to merge and/or to gain expert advice on how to merge.
5. Funders will look at communities that may be hardest hit during this downturn – Grand Rapids was mentioned.
6. It is true that funders will look more closely at providing support to essential human survival needs — food, shelter, healthcare — but they will also be looking at funding environmental groups that have shown mission success and savvy.
7. Funds for land acquisition may be possible with the argument that critical lands now are low cost due to the recession; this argument will have to be carefully supported with facts as to why the lands are critical for conservation purposes.
8. If groups receiving current funding and cannot carry through on deliverables due to cutbacks in staff, funding, etc., then communicate issues and problems with funders either during the grant's time frame or when preparing final report.

9. If problems can be addressed collaboratively or throughout a region, funders will want to hear about this.

Ten Steps to Help Your Land Trust Respond to The Economic Downturn

“Anxiety is excitement without breath”

1. Don't panic. Don't apologize for fundraising. Don't “mission drift” or “creep” in order to secure funding. Stay the course.
2. Provide excellent donor stewardship to existing donors, including prompt and personal solicitations and acknowledgment of gifts, follow-up thank you calls, and meaningful, informative e-mails.
3. Focus your solicitation efforts on the highest-yielding segments of your file: major donors, donors who have contributed three or more years, or donors who contribute above \$100.
4. Revisit your organization's case for giving and critically examine whether your land trust's communication efforts are presenting your organization as one that is not just nice to give to, but that is indispensable to people's lives as well.
5. Build in operating fund needs when doing large capital projects so that parts of your operating program are paid for through large gifts.
6. Review restricted funds, funds you have in reserve, or even endowment funds and ask donors and/or your financial advisors if some of that funding can be deployed now to pay for current operations.
7. Revisit prior conservation plans and strategic plans to ascertain whether the timing of projects can be delayed, pending a more prosperous operating climate.
8. Assess current operations and determine what your organization's funding needs are for the next three years. Groups that can present a current as well as longitudinal funding needs' picture will be better able to secure larger gifts than those that are just focused on one-year-at-a-time planning.
9. Review areas that your organization can reduce costs and not impact fundraising. Examples might be to delete one newsletter a year and substitute it with an e-mail newsletter instead. Other examples could be to ask donors to renew on-line rather than sending them mailings. A third example could be to develop a wish list on your website to ask for donated equipment, supplies, etc.
10. Stay informed about fundraising trends and opportunities. Websites to watch:

www.Grants.gov: ** www.philanthropy.com ** www.afpnet.org
www.Foundationcenter.org/pnd: ** www.Philanthropy.iupui.edu:

Communicating Land Trust Work

How do you “sell” your work? How do you explain your land trust’s work in a way that is easy to understand, persuasive, inspirational, and motivates someone to invest in your organization?

- Portray yourself as the expert for the lands and resources that you are trying to protect. Learn all you need to know about the areas you want to protect, their location, resource values, and cost. Share this knowledge with your donors.
- Communicate the end product of your work – not the process to reach the end product. Discuss the lands saved and resource values protected – not the details of an easement or acquisition.
- Discuss why the donor should care about saving this land. Why is saving this land relevant, crucial and urgent to the donor? What are the benefits to the donor? Remember that the person you are writing to is probably well educated, wants information and specifics, and wants his donation to provide results and impact.
- Give the details of the deal – the timing, cost, and structure. Provide as much information as you can. Explain the complexities of the deal as simply as you can, but provide as many specifics regarding the deal as you can, e.g., acres, dollars, timing, schedule, and process.
- Make your process visible: Explain the criteria for the land projects you select; what are the resource values that are important to protect; how do you put a price tag on a property. Explain what it means to be a land trust.
- Explain terms only when necessary – and if you need to explain too many, then find other words to describe your work.
- What are the natural resource, scenic, recreational, wildlife and plant habitat, and agricultural values that will be protected/enhanced/preserved through your work?
- Present your project within its greatest context, e.g., how does the piece of land and/or geographic focus of your work translate into preserving a larger ecosystem.
- Educate people about your work and why it’s so important.
- Paint the picture: engage your donors in both the process and the poetry of your work. Make them “see” the lands and/or resources that they are protecting.
- Spend money on creating good maps, exciting four-color photographs and other graphic elements that “sell” your program through visual elements.

Create Your Land Trust's "Case for Giving"

The case for giving distills the key reasons why donors should support your land trust. Answer the following questions:

- What problem(s) does my land trust seek to solve? Examples might include restoring the local river; protecting key farmlands before they are subdivided; protecting scenic beauty and biological diversity; or, providing landowners conservation alternatives that are economically competitive with development.

- What solution(s) does my land trust propose for solving the problem(s)? Examples here might include protecting land through acquisition or easements; sponsoring clean-up days; hiring a lobbyist to change the laws; or, mounting a community-wide public relations campaign.

- Why is my land trust the appropriate organization to advance these solutions? Examples here might include that your land trust is the only one in your county; your land trust has attracted a strong board that can represent your organization and inspire confidence; or, your land trust has created the financial, staff and technical resources needed to reach your solutions.

- How does my land trust's work differ from what other organizations are doing? How do you distinguish and differentiate your land trust from other conservation groups?

- What role(s) has my land trust created for donors to play in advancing our mission? For example: Financial support, volunteering, letter-writing.

- Has any of the above changed due to the financial downturn?

Ten Reasons to Support the Sierra Foothill Conservancy

Your Gifts Will:

- Advance the mission and effectiveness of the only land conservation organization whose sole mission is to protect working ranches and productive farmland, habitat for rare and endangered plants and animals, and scenic vistas in the Sierra Foothills of Madera, Fresno and Mariposa Counties – The Wild West of California
- Safeguard water quality by preserving natural lands that contain water sources and resources
- Conserve oak and pine woodlands that provide critical habitat, rich biodiversity, and aid in reducing air pollution by capturing carbon monoxide and other harmful emissions
- Reduce traffic flow by ensuring that not every square inch of foothill open space is developed
- Preserve productive, local agriculture that provides healthful food products and promotes a strong, local economy and healthful food products
- Create opportunities for outdoor recreation and the enjoyment of magnificent scenic beauty
- Conduct environmental education and natural science classes that teach more than X children per year from the Y schools, and introduce children from inner-city schools to the wonder and beauty of nature
- Provide hiking trips and walking excursions to more than X people each year
- Protect wildlife corridors so that migrating elk can travel through the foothills
- Establish a community of supporters that share like-minded values and a vision for the future

Spend a moment to list your land trust's most compelling reasons for why a donor should contribute to your organization now.

What is a Fundraising Plan?

- A fundraising plan begins with knowing what you need to raise, by when, for what, and how
- A fundraising plan outlines the specific steps your land trust will take to raise the funds it needs; it maps the fundraising activities required to get you from “here to there.”
- A fundraising plan includes the following elements:
 - Dollar goals for each major program activity (general operations, conservation, etc.)
 - Schedule of activities (direct mail, events, newsletters, etc.)
 - Target markets for those activities (major donors, members, etc.)
 - Dollar goals from each activity
 - Who is responsible for each activity? This can be staff members, board of directors, committees of the board, executive director, etc.

Step #1: Develop your Budget (sample)

Program	FY 2009	FY 2010	FY 2011
Operations	\$104,000	\$144,000	\$160,000
Conservation	\$75,000	\$110,000	\$160,000
Fundraising	\$25,000	\$35,000	\$50,000
Communications	\$25,000	\$35,000	\$45,000
Total	\$229,000	\$324,000	\$415,000

Your Land Trust’s Budget

Program	FY 2009	FY 2010	FY 2011

Simple Fundraising Plan

FISCAL YEAR 2009

- Secure revenue targets as follows:

Membership:	\$23,000
Friends of the Land:	\$20,000 (\$500 -\$999 members)
Appeals:	\$15,000
Major Donors:	\$ 5,000 (\$1,000+members)
Board Giving:	\$ 3,000
Events:	\$10,500
Existing Grants:	\$15,000
New Grants:	\$30,000
LTA Grant:	\$35,000
Service Income:	\$18,000
Total:	\$174,500

Strategies for achieving goals:

- Move to Kenneulen
- Obtain LTA grant and hire DoD by May/June
- Find Niagara Escarpment Land Person to work as contractor for the year
- Identify and install new fundraising database
- Update design and features of website
- Mail two newsletters and one newsletter that is Annual Report
- Recruit 100 new members who contribute on average \$35; renew 557 who contribute on average \$35 (\$35 is a bit less than the current membership average)
- Recruit 28 new Friends of the Land to contribute on average \$225 per year (this is about your average Friends membership payment)
- Secure two major donors to each contribute \$2,500
- Create event(s) that provide \$10,500 in gross revenue
- Secure \$3,000 in board giving
- Collaborate with farm bureau, local community foundation, other nonprofit groups to put on seminar regarding planned giving; ask local estate attorneys and/or experts in planned giving to put on seminar. Set a date that provides enough time to pull together groups, get out invitations, and find sponsorship revenue.

January, February, March 2009

Note: By planning and executing the plan early in the fiscal year, WYNLC will have more time to make adjustments and change course later on in the year if goals aren't

being reached. For example, focus direct mail activities that might bring in new members early on in the year in order to try and obtain the 100 new members as soon as possible. This will yield three good things: you will have reached your 100 new-member goal, you will possibly be able to secure even more than 100 new members and you will have additional prospects who can be solicited for Friends and/or the year-end appeal.

Goals for the Quarter:

- Review donor file and determine who are WNYLC's prospective and current major donors. Circulate list among board members to obtain feedback on "who knows who." Set the target ask amount and who is willing to help cultivate and solicit each prospect. Develop annual calendar of major gift cultivation and solicitation activities. Cultivation activities could be hikes/ tours, house parties, or special communications to major donors
- Develop plan for service income program, including analysis of what municipalities may be interested, possible revenue from this source and timing of work. If demand exceeds capacity of WNYLC to meet, consider how to meet demand (additional contract help, for example)
- Develop plan for securing new supporters by mail; ask local groups for opportunity to mail to their list one time to secure new supporters
- Create letters and response forms for Friends and regular members renewals
- Develop job description for DoD and begin discussions with likely candidates
- Create plan depicting all events, open houses, tours, presentations, etc.
- Hire Niagara Escarpment Land Person
- Send invitation to donors who are up for renewal, i.e., last gift prior to 4/08, to join Friends; mail by January 20, 2008
- Send renewals to all donors whose last gift to WNYLC was prior to 4/08 who did not opt to join as a Friend; mail in late February
- Renew and bill Friends
- Prepare and mail newsletter aka Annual Report
- Investigate and decide upon fundraising database
- Initiate website upgrades
- Develop event/ open house surrounding move to Kennequen
- Create operating fund proposal that can be sent to local foundations; create proposals to market discrete aspects of the Conservancy's program to funders. Possible opportunities include website upgrade, database purchase, matching LTA grant for hiring DoD

Your Land Trust's Fundraising Plan
For September – December 2009

What revenue does your land trust need for this period?

How will you raise the revenue needed:

Target Market	\$ Raised
Total	

Fundraising activities, dates, and person responsible:

Date of Activity	What you Will Do	Person responsible

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Why Should Your Land Trust Invest In An Individual Donor Program?

Nonprofit organizations are like any business: they are established to solve a problem, and they are judged by how well they solve the problem. For nonprofit organizations, how well they solve the problem they were created to solve is dependent upon how well they are funded. No matter how “good” your organization’s programmatic approach is, without funding it will not be able to accomplish its work.

Fundraising can be seen as a measurement of how well the organization broadcasts its mission and needs, outlines its plans for accomplishing its mission, and recruits and retains supporters who will provide the financial capital to do the work.

Individuals provide more than 90% of all charitable dollars. In addition:

- Individual giving is a relatively stable, ongoing source of support. Individual giving can be projected and forecast over time. First-year- members renew 40% - 50%; second-year-members 60% - 70%; third-year-members 75% - 85%; fourth-year-members 85%+.
- Individuals require sustained yet fairly minimal levels of stewardship. Individuals are loyal supporters.
- Individuals provide several tiers of giving – from membership to annual giving to major gifts to planned gifts.
- Individuals give your organization economic, political, and community clout.

What to Consider Before Asking Someone to Support your Land Trust

Who and/or what groups are likely donors to your land trust?

Why does your land trust need supporters?

What are the tangible and intangible benefits of memberships?

What will donor contributions accomplish?

How will you communicate with supporters and keep them updated on your land trust's progress and needs?

How will your land trust solicit donors and how often?

How will you keep track of their contributions?

How many members do you need for financial reasons?
Political reasons? Work capacity reasons? Other?

What resources can you devote to membership recruitment, retention and stewardship?

How will you involve members in your work?

Techniques for Obtaining New Supporters

The first step in building an individual giving program is to recruit individuals to support your land trust's work. Here are some ideas:

1. Develop a brochure that solicits individual givers.
2. Offer hikes and events to prospective new supporters. Select locales that are not accessible to the general public.
3. Publicize project closings and the need for individuals to support your work.
4. Ask board members and current supporters for names and solicit these names for gift support.
5. Develop a website that outlines the need for individuals to support your work.
6. Conduct a direct mail acquisition campaign soliciting new supporters.
7. Provide a giving envelope in your newsletter.
8. Solicit a challenge/matching grant from a foundation and/or corporation that can be used to obtain new supporters. Publicize the challenge in your newsletters and community press.
9. Develop volunteer opportunities for people to learn about your organization and then ask them to support your work.
10. Present a slide show or talk before local community groups and distribute literature about your land trust. Ask people to give their names so that you can solicit them for membership and/or support.

What is Direct Mail?

- What is direct mail?
 1. A request that is targeted to one person: person has been targeted because of prior donations, affiliations with like-minded organizations, buying patterns, etc.
 2. It asks a person to do something – usually **one** thing.
 3. It provides the person a way to respond; usually, a giving coupon and return envelope. Can also be an 800 number or a website address.
 4. Marketing package that involves an offer, list, and design/creativity.
 5. Coding on response coupon provides mechanism for tracking results.

- When can you use direct mail?
 - Annual appeals.
 - Acquisition of new donors.
 - Membership renewal.
 - Upgrade annual support.
 - Catalogs.
 - Remit envelopes, found in newsletters, institutional brochures.
 - Volunteer recruitment.

- Why use direct mail?
 1. It is the best way to acquire large numbers of supporters.
 2. It is a predictable and renewal source of income.
 3. It communicates your mission to a larger audience – it is paid public relations.
 4. It works.

- Important considerations when using direct mail
 1. Target your package – content, design, timing – to the person; for example, someone who is already supporting your land trust should receive a very different package than someone who is new to your organization
 2. Make your package readable – lots of open space, large type.
 3. Ask for what you want in first four paragraphs of letter.
 4. State your purpose – why is the money needed and what will it be used for?
 5. State the urgency – why do you need the money now?
 6. Use straightforward, simple language.
 7. Use “you” language, not “we” or “I”: direct mail is one-person to one-person.
 8. Take as long as it takes to make your case – two pages, four pages, ten pages.

Checklist for Effective Fundraising Letters

- Letter is reader-focused not organization-focused. Letter begins with the word "You" rather than "I" or "We."
- The letter is personal: "Dear Friend," "Dear Supporter"
- Letter specifies what the donor can expect from his/her contribution in terms of benefits, what program or project the gift will be used for, and what the result of the gift will be.
- Letter is businesslike but friendly; compelling, not maudlin; appeals to the best in best in human nature, not to guilt.
- Letter should look clean and professional, not "slick" or "fancy" – donors want assurance that their donations are needed and will go toward program.
- Letter should look like a real letter – think twice before using pictures within the body of the letter or listing more than one signer; be generous with type size and white space, white or ivory paper works best to ensure "readability."
- Tell your donors why you are writing them within the first four paragraphs of the letter.
- The letter length should be driven by the amount of information you have to impart. A letter doesn't have to be two pages, four pages, or eight pages. The letter is as long as it takes to effectively make the case (research has shown that a two page letter usually out-performs a one page letter, and a four page letter usually out-performs a two page letter).
- Who signs your letter is crucial. In most cases the best person to sign your letters is the highest paid person of your staff, i.e., the president or executive director. An outside person can be an effective signer if it is someone that is known in the general community, e.g., the board president. It is not a good idea to use your DevelopmentDirector or some other staff member to sign fundraising letters.
- Most letters should have a P.S. that restates the essential points of the letter, including the request for a donation and/or whatever action you are asking people to make.
- Make sure your organization's name, address, phone number, fax number, and website address are prominently printed on your letterhead. Usually, but not always, displaying your board members' names on the letterhead increases response. This is particularly true when your board contains well-known people.

Annual Renewal Calendar

Securing an annual gift from each one of your donors, be they current or lapsed donors, should be the number one priority of your annual giving program. Annual giving should sustain your organization's budget and finances year-in and year-out.

Deciding upon the schedule for renewing donors is the foundation of your annual giving program. Will you renew donors on the anniversary month of their last contribution? At the beginning of the calendar year? Quarterly? Here are the pros and cons of these various renewal scenarios:

■ Anniversary Month

Many organizations, particularly organizations that offer a membership program that includes benefits that are tied to an annual membership gift, renew support on the anniversary month of the last gift.

This type of renewal effort might look like this:

1st appeal to renew support: 3 months before anniversary month

If the last gift was made in March 2001, the 1st renewal notice would be sent January 2002

2nd appeal to renew support: 1 month before anniversary month

3rd appeal to renew support: anniversary month

4th appeal to renew support: 1 month after anniversary month

This type of approach is cost effective if the donor file contains at least 10,000 or more donors. Less than this number and the added staff time and cost does not justify this type of approach. The message in each appeal is a simple renewal message, so the letter copy and design for these packages can be fairly simple and straightforward.

■ Beginning of the calendar year

Many organizations, including some that feature fairly large donor files, renew all donors at the beginning of the calendar year. This allows the organization to secure maximum annual support at the beginning of the year. In addition, an added benefit of this approach is that it makes it easy to ask donors for a special appeal, since the donors understand that they were already asked for an annual operating gift.

Typically, what occurs is that all donors are asked for their first renewal of annual support in January – except for those donors who made year-end gifts in the months of November and December. Those donors are asked to renew their annual operating

support in February. Donors are sent up to five appeals during the months of January through May to secure the maximum number of annual gifts. The message in each appeal is like the copy that is sent to donors that are renewed on an anniversary month basis.

The first year that this approach is implemented will be the most confusing because donors may not understand why they are being asked to renew early in the year. However, what this approach provides is the opportunity to educate your donors to the importance of annual operating gifts vs. special gifts. Donors also understand how important it is for organizational planning and cash flow purposes to have funds received and in-hand at the beginning of the calendar year. It also allows you to concentrate your staff time and expenses within a five-month time period, thereby reducing costs.

■ **Quarterly**

One of the simplest ways to renew support is to send quarterly appeals in January, May, September and November. Populations will be as Follows:

<u>Mailing Month</u>	<u>Target Group</u>
January 2009	April 2008 and prior
May 2009	August 2008 and prior
September 2009	January 2009 and prior
November 2009	All donors

This type of system tends to be the easiest to implement. It ensures that your donors are communicated with, solicited but not over solicited, and asked to renew support until they contribute. One downside of this approach is that each appeal is really a special appeal and a new message must be crafted for each quarterly appeal.

Best Times to Mail

Acquisition Mailings

- Late August/Early September
- Late December/Early January
- Mid-February
- Early May

Annual Fund or Special Appeals

Month of Mailing (ranked in order of when to expect the highest returns)

- End of Calendar Year
- September
- January / February
- May

The Top Three Considerations of Donor Centered Fundraising*

1. Prompt, personalized acknowledgment of gift.
2. Confirmation that gift has been set to work as intended.
3. Report with measurable results on how their gifts have made a difference to your land trust -- before being asked for another solicitation.

Benefits: The Rewards of Adopting a Donor Centric Philosophy

Adopting a donor centric philosophy and implementing your donor stewardship plan is a ongoing process. It takes time, commitment, and very careful recordkeeping. Each small step you take to implement your plan provides you the opportunity to bring your donors closer to your land trust. Patience is key! Here are some examples of the benefits to your land trust:

- More gifts
- More revenue per donor
- More gifts per donor
- Higher retention rates
- More reactivated donors
- More loyal, satisfied donors

*Penelope Burk, *Donor Centered Fundraising*

Prompt, personalized acknowledgment of gift:

- **Thank You Calls:** The most time-effective and personal way to thank a donor for their gift is to call them. This is a valuable one-on-one contact you simply don't get with a letter. It is also an especially good way to involve members of your board of directors.
- **Acknowledgment Letters:** It is important to make your acknowledgment letters personal and to ensure that they convey the gratitude of the organization. All donors should receive some form of gift acknowledgment, no matter how small their gift. (See Penelope Burk's '20 attributes of great thank you letter' in Chapter 5 of *Donor Centered Fundraising*.)
- **Handwritten Thank You Notes:** When you can't reach a donor by phone, or board and staff members aren't comfortable with making calls, writing a thank you note is another way of personally communicating with your donor.
- **Welcome Packages:** This is an integral part of any new donor cultivation strategy. New donors need to feel welcomed and embraced by your land trust. Welcome packages also serve as a means to inform new donors of the great work your land trust does.

2. Confirmation that gift has been set to work as intended:

This information is touched on in acknowledgment letters, but it is important to continue informing donors of the difference their contributions are making.

- Steward your donors between solicitations. Send a letter telling them about a recent success that wouldn't have been possible without their support. Send news clips of recent press coverage, one-page reports, or newsletters. Informing donors what their gifts are accomplishing will inspire them to give more.

3. Measurable results on how their gifts have made a difference to your land trust, before asking for another gift. Thank your donors without soliciting them!

- Ensure that your cultivation communications provide measurable results and that you are reporting back to the donor on how their gift made a difference. Donors expect you to report back to them about the status of the project or program they supported. Be as specific as possible. Let your donors see the difference their support has made to land trust.

*Penelope Burk, *Donor Centered Fundraising*

Stewardship Priorities

Simple activities you can implement now if your land trust is:

All volunteers

- Personalize your thank you letters and be sincere.
- Have your board call new and high dollar donors to say thank you. DON'T ASK again during the thank you call!
- Send a follow-up note when project, program, or campaign is completed to let donors know that their gift made a difference.

1-3 staff

- Acknowledge every gift within 24-48 hours.
- Engage key board members and volunteers to write and sign acknowledgment letters.
- Make a personal visit to key donors. Take a board member with you if possible. Deliver your annual report by hand.
- Send a newsletter or cultivation piece to donors highlighting a local project, or successful program, letting them know the impact that their gift made. (It is essential that every donor learn of the progress being made on the project, program, or campaign that they supported.)

4+ staff

- Send a survey to your donors: solicit their opinions, their understanding of your mission, and their interests.
- Send communications beyond fundraising appeals, such as newsletters, invitations to local events, program/project highlights, or cultivation pieces.
- Highlight your work in the local press. This will build your credibility with the community and donors.

Thank you Calls

Points to Remember:

- Adopt a friendly yet professional tone
- Know the amount of the gift and the gift's purpose, i.e., is the gift for general operating, or for a specific campaign, project or region?
- Be helpful if the donor requests information and offer to get back to the donor with the answer to their question if you don't know the information
- Tell appropriate staff that you have made the call and any outcomes that should be noted in the donor file
- Use the complete name of the land trust, not the acronym – i.e. The Trust for Public Land – and not TPL

Sample Instructions for Staff/Volunteers:

When to call:

Please call donors *before* 5pm local time. Be mindful of time zones, if donors live outside our your time zone.

What you should say:

The intention of the call is ONLY to thank donors for their gifts just received. We have found it to be most effective if you say something like this:

“Hello, Mr./Mrs. _____. My name is _____ and I'm with _____. I am calling to thank you for supporting our organization. We just received your gift, and I wanted to let you know how much we appreciate it.”

At this point, simply pause and wait for a response. Some donors are quite startled and don't know what to say. Usually, they are very appreciative and gracious.

Now is a good time to ask if there is any additional information they would like about your land trust or a particular project. If you cannot provide this information immediately, kindly tell the donor you will gather information and mail it to them.

Most calls are very short, simply ending after you express your thanks. We would appreciate it if you **do not** make any comment that could be construed as another request, such as “We are grateful for your gift, and hope that you will continue to support us in the future.” This hints of another solicitation, and we want to avoid leaving that impression. You could end the call by simply wishing the donor a pleasant morning/afternoon/day. **PLEASE DO NOT ASK FOR ANOTHER GIFT.**

Additional information to be gathered:

If donors offer information about themselves, make comments about your organization, or say anything else that you feel is worth noting (and in fundraising, almost everything is worth noting), please record it on the attached form. This information will be entered into your database for future reference.

Reaching voicemail or another occupant

If you reach voicemail or an answering machine, please use the script to leave a brief thank you message.

If you connect to someone else in the household and the donor is not home, you can leave the message of thanks with that person. You could say something like this, which lets the person know that this is not a solicitation call:

“I’m _____ with _____, calling to let _____ know that we just received the donation they sent and I simply wanted to thank them for their kindness. Could you please pass on _____ thanks for her contribution? Thank you.”

What happens with the results of these calls?

Donors who receive a personal call (including those donors who received messages left on their answering machines) should be specially coded, and any additional information gathered during the calls should also be recorded.

The next time these donors are solicited along with other donors, who did not receive a call, compare their average gift levels, their rate of response, and the promptness of response. Continue to do this for a period of at least two years to measure long-term loyalty of the two groups. Though we anticipate that donors who receive personal calls are likely to show greater loyalty over time and make increasingly generous gifts, reliable information is needed for future planning and forecasting.

The attached form

Please use one call sheet per donor. Information should be entered into your database.

A final request

Equally important as receiving information about the donors you called is your own impression of this donor. Please take a moment after each call to add your own comments, thoughts and ideas concerning the donor; their attitude, interest and general tone, as well as any special comments or requests they might have made.

Sample Tracking Sheet

THE TRUST *for* PUBLIC LAND

CONSERVING LAND FOR PEOPLE

Please complete one sheet per donor and return it _____ immediately upon completing your calls.

Name of Donor _____ Donor's Phone: _____

Donor ID # _____ Date Gift Received _____

Please check PledgeMaker record before calling.

Caller's Name: _____

- Spoke to Donor Left message on voicemail Left message with another person

Check any of the following that apply:

- Brief call; said thank you; no particular feedback from donor; difficult to assess whether donor was pleased or not
- Donor pleased or very pleased to receive the call though there was little or no follow-up conversation
- Donor actively engaged in conversation. Please check all that apply:
- Donor interested in volunteering on the Board or on a Committee
 - Donor interested in receiving additional information about TPL
 - Donor interested in particular locale/ region _____
 - Donor wants follow-up call from staff person to answer questions or provide more information on (please explain):

- Other: (please explain):

Additional Comments (if warranted)

Sample Communication Log

It is difficult to measure the amount of work involved in stewarding your donors. Keeping a log of all contacts can give you a sense of the volume.

Sample Communication Log:

NAME	ID	DATE	TYPE	STAFF	Comments
Smith	111222	7/19/2008	LETTER	Gracie	Name correction letter sent
Jones	333444	7/15/2008	PHONE	Mary	TY Call
Stevens	555666	7/1/2008	EMAIL	Beth	Address change

Donor Centric Acknowledgments

Twenty attributes of a great thank you letter, taken from Penelope Burk's *Donor Centered Fundraising*: *

1. The letter is a real letter, not a pre-printed card
2. It is personally addressed
3. It has a personal salutation (no 'dear donor' or 'dear friend')
4. It is personally signed
5. It is personally signed by someone from the highest ranks of the land trust
6. It makes specific reference to the intended use of funds
7. It indicates approximately when the donor will receive an update on the program being funded
8. It includes the name and phone number of a staff person whom the donor can contact at any time or an invitation to contact the writer directly
9. It does not ask for another gift
10. It does not ask the donor to do anything (like complete an enclosed survey, for example)
11. It acknowledges the donor's past giving, where applicable
12. It contains no spelling or grammatical errors
13. It has an overall 'can do', positive tone as opposed to a hand wringing one
14. It communicates the excitement, gratitude, and inner warmth of the writer
15. It grabs the reader's attention in the opening sentence
16. It speaks directly to the donor
17. It does not continue to 'sell'
18. It is concise- no more than two short paragraphs
19. It is received by the donor promptly
20. In some circumstances, the letter is handwritten

Sample Acknowledgment

Make your acknowledgments stand out from other organizations. Avoid beginning it with “Thank you for...” “On behalf of...”. Sample personalized copy in italics.

Date

Dear (),

Because of you, TPL has been able to reach our goal of helping the Bissonette Family turn their former farmland into protected land for the public to enjoy, with open fields, rolling wooded hills, and stunning Green Mountain views at the headwaters of the LaPlatte River. In addition to preserved wetlands and recreational areas, the protected land also includes farmland that will help keep farming vital in the town of Hinesburg. Thank you for your gift of (gift date) in the amount of (gift amount).

Or

After a decade and a half effort, the Gwynns Falls Trail is now complete. Thanks to your support, this 14-mile trail through Baltimore City will link more than 30 neighborhoods in Baltimore. From hiking, biking, and rollerblading, to kayaking on the Middle Branch of the Patapsco River, Baltimore residents and visitors will be able to explore nature in the heart of Baltimore City. Thank you for your gift of (gift date) in the amount of (gift amount).

Your steadfast support of our land for people mission is what makes our work possible. From community gardens and city parks to vast areas of wilderness, protecting the places people care about is at the heart of our work—more than 2 million acres so far.

You have helped TPL make a real and lasting difference in your community. Thank you once again for your generosity.

Sincerely,

Mary Smith
President

Your contribution is tax-deductible to the extent allowed by law. No goods or services were provided in exchange for this gift. Please keep this letter with your tax records.

The Welcome Package

This is an essential part of any new donor stewardship plan. Ideally, your welcome package is sent with the acknowledgment of the donor's first gift. The welcome package should thank donors for their support, acknowledge your land trust's appreciation of the donor and commitment to use their gifts wisely. It should be a piece that inspires the donor, further introduces them to your work, and ensures them that they made the right choice in supporting your land trust. This doesn't have to be an expensive piece. A one page fact sheet or small brochure would suffice. Make sure to use donor centric language. It is not the place to ask for a donation.

Cultivation Examples

It is important to thank your donors without asking for another gift. A cultivation mailing is a great way to do this. There are many types, and here are just a few examples:

Handwritten Thank You Notes - (in addition to a formal acknowledgment) one of the most important cultivation strategies!

News Clips - Send a short note with news clips about breaking news or a highlight of your group's work.

Cover Letters - Personalize an informational piece by adding a cover letter. Add a cover letter when you send your annual report or a newsletter.

Summary of Accomplishments - Send a short letter or card at year-end, or beginning, to let your donors know all that their money has helped accomplish.

Conference Call - This involves more than just a mailing, but you will need to send an invitation and follow-up if you plan on doing a conference call. Invite your best donors to a conference call with your president or executive director. Determine a topic, produce talking points for the president, and arrange a time. Ensure that your land trust has conference calling capabilities to accommodate at least 25 donors. Send an invitation with a phone number for donors to respond. Give donors conference call information when they call (800#, pass code, etc.) Send follow-up to participants and non-participants summarizing call.

Sample Cultivation Plan

The Trust for Public Land 2008 Cultivation Plan

All Existing AF Mail Donors

Thank you calls to donors giving \$250+ and donors upgrading from \$100
Two cultivation mailings annually

Donors \$250. – \$999.

All of the above

Donor confirmation mailings (*contains giving history, name address*)

Monthly Donors

Donor confirmation mailing (*contains giving history, name address*)

Two cultivation mailings

Annual achievements mailing

Stegner Donors (1K-10K)

Thank you calls to all donors from development staff

Two cultivation mailings

Annual achievements mailing

TPL On the Land cards (*high dollar cultivation piece*)

Conference call with President or project staff

Special handling L&P – personalized cover letter noting story donor may find of
interest

Pre/post calls to donors requesting support for year-end appeal

New Donors

Welcome package

Thank you calls to donors giving \$100+ from development staff

Two donor cultivation mailings

Online Donors

Two donor cultivation emails

Annual thank you email to all online donors who given in the previous calendar year

Evaluate: Establish Metrics to Measure Your Efforts

One of your land trust's most valuable resources is its donor database. To understand your donor, and to build a successful relationship you will need to know how and when they give, what communications they receive, and their interests. To implement and evaluate your donor centric stewardship plan, you MUST continually maintain and update your database.

Set goals for your land trust's stewardship program and establish agreed upon metrics. These metrics will allow you to track your progress easily and report back on successes.

Sample metrics:

- Total donors
- Total new donors
- Donors retained (renewed, upgraded)
- Donors reactivated
- Donor cultivated each year
- Donors receiving communications
- Number of calls, emails, letters, visits to donors
- Number of key board or major donors involved in cultivation

What metrics does your land trust currently use to evaluate success?
