

Alliance Guide to Fundraising

Part Three: Finding Local Funding Sources



Alliance for Biking & Walking

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Alliance Guide to Fundraising Series

- 1 Creating and Implementing an Effective Fundraising Plan
- 2 Anatomy of a Winning Proposal
- 3 Finding Local Funding Sources**
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About this Series

Since 1996, the Alliance for Biking & Walking has worked to create, strengthen and unite bicycle and pedestrian advocacy organizations across North America. As agents of change on the ground, state and local advocates are transforming their communities into great places to walk and bike.

Securing and maintaining sustainable and diverse funding streams is a key component of a successful advocacy organization — and fundraising is a top interest among Alliance members. In order to share knowledge, best practices and real-world examples, the Alliance is creating this six-part Guide to Fundraising.

This guide serves as Part Three of the evolving series. As these guides are meant to be living documents, we invite your input and examples to strengthen and enhance these resources for all Alliance member organizations.

Please contact Brigid O’Keane, Advocacy Advance Program Manager, with any insight or contributions for this or future guides in the fundraising series:
Brigid@PeoplePoweredMovement.org.

Brigid O’Keane, Lead Author
Jake Knight, Editor / Contributor

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The first place you should look when fundraising for your organization is your own community. This guide expands upon the funding sources included in the first guide of the Alliance's Guide to Fundraising series, "**Creating and Implementing an Effective Fundraising Plan.**"

How can you turn your members and supporters into major donors? How can you incorporate planned gifts into your organization's fundraising plan, and protect yourself from potentially harmful gifts? How can you use events and rides as sustainable sources of income? How can you tap into community foundations and get government and business support through sponsorships?

This guide explores each of these funding sources and shares tips and examples from Alliance member organizations and nonprofit fundraising experts. The strategies within this guide will help you successfully maximize local resources and support your efforts to increase biking and walking in your community.

Introduction



Funding from Individuals: Members and Major Donors

By prioritizing contributions from individuals and by cultivating increasingly engaged donors, you're focusing on the biggest piece of the fundraising pie.

The broadest base of funding for your work is people, not foundations. According to [Giving USA](#), individuals were responsible for 73 percent (over \$217 billion) of all charitable giving in 2011.

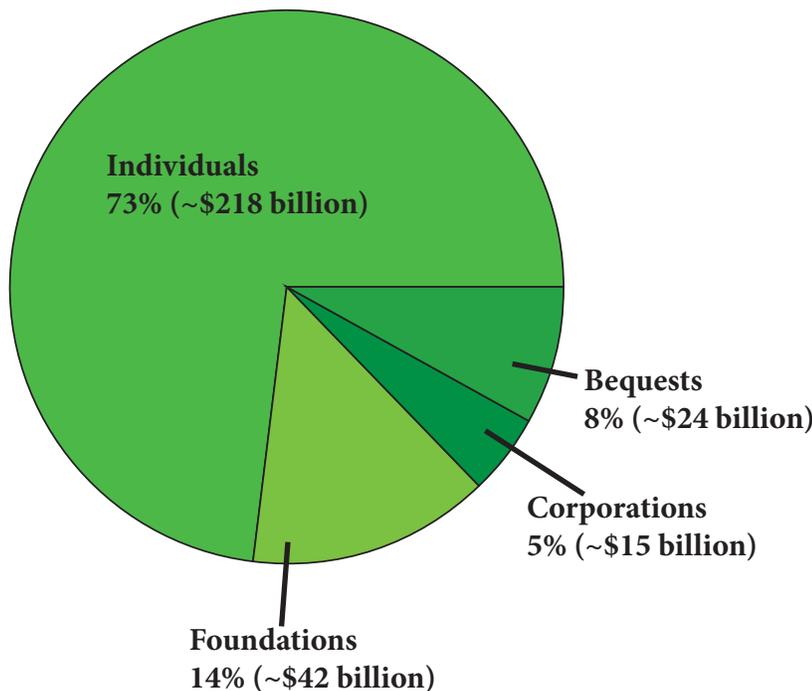
So who are these individuals that contribute? They are your members, your fans, supporters and people who care about your cause or have a personal connection to someone in your organization. They have the means and the desire to give. Your job is to find out who has the potential to become a donor, and then ask them to give or increase their commitment.

How do you find out who your next major donor will be? Many fundraising professionals, including [Funding Change](#), use these ABCs to evaluate prospective donors:

- **Ability:** The person has demonstrated the ability to make a gift.
- **Belief:** The person believes in your cause or could come to believe in your cause.
- **Contact:** The person knows someone in your organization, so your organization has a personal connection to the prospect.

Contact is the most important characteristic when evaluating a potential funder, followed by Belief and then Ability.

Total Giving by Source (Giving USA 2011)



Broaden your base. The more donors you have, the less vulnerable your organization is when a member or donor doesn't renew. By cultivating more members, supporters and contacts, you're also more likely to find people to increase their commitment as major donors.



Cultivating Donors

It's easier to retain existing donors than to find new prospects, but increasing the commitment of your members and donors still requires time and energy. Staff, board and volunteers all play critical roles in the cultivation process. Through these key steps for donor cultivation, your organization can continue to build on its base of donors and to elicit larger gifts from existing donors:

Identify those who are able to give:

- Know your membership and your donor base. The more information you have about them, the better your ability to gauge who has the Ability, Belief and Contact to become a major donor and what issues they consider important.
- Consider collecting surveys of members, and keep a database of essential information. For more on surveys and databases, see Examples A and B on pages 17 and 18.

Involve prospective donors in your organization:

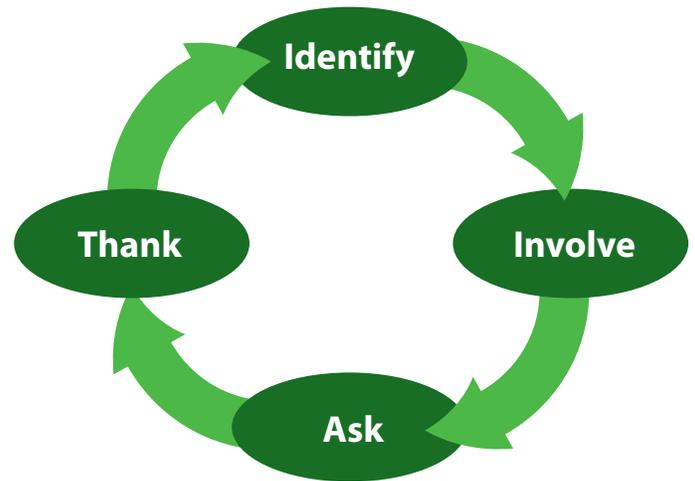
- Engage members and donors in events, ask them to get involved in your advocacy efforts, provide volunteer opportunities and introduce them to other staff, board and volunteers.
- Ask your board members and other supporters to host informal events, like a barbecue or a bike ride, where you can get the word out about your organization and maybe even make an ask on the spot.

Ask them to give or to give more:

- There are many ways to ask, but donors are more likely to give if they are asked by someone they know, in person, one-on-one. Take advantage of opportunities at events to cultivate major donors, and ask big.
- Remember that Contact is the most important element of prospecting, so try to have the staff, board, and volunteers who know a prospect best do the asking.
- Tie your request to an issue that interests the prospect, such as a campaign for a new bike lane he/she would use.
- See Example C on page 18 for more tips on asking.

Thank the donor for giving:

- For each donation, be sure to thank the donor promptly.
 - If you can tie the gift to a specific action, follow up to thank the donor again and report what the impact of the gift was.
- Show how the donor made a difference.**



Seven out of ten people donate to charities. You just need to find those who give and make the case for why they should give to your organization.

The thanks should be proportional to the size of the gift. If it's a small gift, an email or form letter might be appropriate. For larger gifts, a phone call and a handwritten note are better.



On average, about 1/3 of Alliance organizations' income comes from memberships and individual donors.

Know your members. Are there differences in priorities or motivations by length of membership, rural/urban, East/West, level of activism, giving levels, or other factors?

- Kate McCarthy

How Individuals Give

There are many ways individuals can give, and your organization can offer different giving options to your donors.

1. **A one-time gift:** Also known as “gateway giving,” soliciting a one-time gift, with proper cultivation and engagement, can turn an isolated incident into a recurring contribution.
2. **Regular giving:** Whether donors make an annual contribution at the same time every year, become members or sign up for monthly contributions, regular giving is the cornerstone of fundraising for nonprofits. Use of these funds is generally not restricted, renewal and increasing donor commitments is relatively easy and these donors are your number one prospects to become major donors.
3. **Capital giving:** This is a concentrated effort to raise a definite amount of money in a limited time for a very specific reason. Typically, capital campaigns are directed towards building or renovating facilities, purchasing equipment and growing or establishing an endowment. Gifts in this field are limited to the specified use, and capital campaigns also require a great deal of time (3-5 years), planning, evaluation and development staff.
4. **Planned giving:** This involves any number of deferred gifts, which a donor may promise to make at a future date or at death. Nonprofit fundraising specialists believe that this field of giving will increase in years to come with the demographic shift; as people age, outright giving tends to decrease while planned giving tends to increase. See page 8 for more information about bequests, a specific form of planned giving.
5. **In-kind giving:** Volunteers often bring valuable skills and non-monetary resources to the table for your organization. Professional skills such as legal, accounting or event planning expertise may add value or save your organization money, and donors may be able to give advertising space in a publication or provide meeting space or a venue for events. Be sure to record the value of these donations.



Gift Acceptance Policies

When requesting donations from individuals, it is important to know that some charitable donations may have more risk and potential liability than they are worth. A gift acceptance policy will help you determine the costs and benefits of a potential donation and avoid accepting gifts that would harm the organization.

The written gift acceptance policy should be used by all staff and board members of your organization. Grant Space recommends that your policy contains the following guidelines:

- What types of gifts will the organization accept, and what will it not accept?
- Under what circumstances will gifts be accepted?
- How will gifts be recognized and tracked? What is your organization's role in gift administration?
- How will major gifts like real estate, insurance policies, and stock be handled?

A sample gift acceptance policy can be found on page 20. Keep in mind, however, that it is critical that you make your own gift acceptance policy specific to your organization.

Visit the links in the "References and resources" section for additional information on gift acceptance policies.

Gift Acceptance Policies

Gift acceptance policies are unique to every organization. Your policies should be understood and used by everyone who fundraises for your group and posted on your web site to educate potential donors.



Bequests

According to Giving USA, 8% (\$24 billion) of all charitable giving in 2011 came in the form of bequests.

Consider including a check-off sentence such as “Please send me information about how to put XYZ Organization in my will” into the reply card for every special appeal or renewal mailing that you do.

A Note About Bequests

Planned giving is the solicitation of major gifts, often contributed by an individual donor through a will, bequest or trust. Bequests can be a sensitive topic, but don't overlook this important opportunity for your organization!

In a bequest, donors include a provision in their wills directing that a gift be paid to your organization after their death.

They can give either a specific amount of money or property (“specific” bequest) or a percentage of the balance remaining in their estate after taxes, expenses and other costs have been paid (“residual” request). These requests can be restricted or unrestricted, depending on the donors intended use.

The best prospects for bequests are:

- Intimately connected to your organization (e.g. board members, volunteers, staff, major donors)
- 65 years or older
- Frequent givers to the organization

You can encourage bequests to your organization through letters (see example on page 24), targeted mailings, workshops, web site, and stories in your newsletter.

Additional bequest examples can be found online from the [River Network](#).



Fundraising through Events and Rides

Events and rides offer multiple benefits in addition to generating revenue. They serve to bring your constituents together, provide promotional opportunities and grant more visibility to your organization.

The Alliance has published two stand-alone fundraising guides on this topic. For an in-depth treatment of how to plan, budget, staff, insure and evaluate your events and rides — and several examples — access the Alliance’s Guides to [Fundraising Rides](#) and [Fundraising Galas](#) online in the Resource Library.

To maximize the financial impact of your events and rides, take the opportunity to connect with potential donors:

- Package your event registration with a membership at a reduced-price.
- Have members of your board connect with people they know at events, and make sure each one makes an ask.
- Make sure your event/ride leaders have donor cards and envelopes and are comfortable asking for memberships/donations.
- Collect prospecting names from waiver agreements.

In addition to larger-input events and rides, consider smaller events with fun themes to celebrate local neighborhoods, unconventional holidays, historical events or periods (think Roaring 20s or Tweed Rides) or go in on an event or ride with partners.

Use your membership records to segment your offerings based on your members’ interests. Smaller events make for more personal connections and more one-on-one time to make a specific ask.

Have events to celebrate milestones, like your organization’s anniversary, when your membership tops 500, when one of your programs reaches 1,000 participants or when your organization moves into a new facility.

The [Climate Ride](#) and other organized charitable bike rides are great opportunities to raise money for your organization. Guide #5 of the Fundraising Series will discuss these rides in more depth. In the meantime, view the [East Bay Bicycle Coalition’s tips](#) on how to successfully fundraise for your ride in the Alliance Resources Library.

Events and Rides

Outsource your events:

Low-key, informal events hosted by members and supporters provide great exposure. A board member of the Atlanta Bicycle Coalition hosted a chili cook-off and fundraiser. By the end of the night, the organization had raised about \$2,000.

About 1/3 of the income for Alliance organizations comes from rides, events, and program fees.

Even with good planning, budgeting and promotion, an event may not make money the first time it’s held. Don’t abandon the idea right away.

Re-evaluate and consider offering it again the next year.



In 2012, the Alliance convened a focus-group call on urban bike ride fundraisers with Bike Pittsburgh, Washington Area Bicyclist Association, Active Transportation Alliance, Transportation Alternatives, Los Angeles County Bicycle Coalition, and Cascade Bicycle Club.

Planning:

- Ride planning is very intensive with many logistics to consider. Give yourself plenty of time to plan – at least 6 months with dedicated staff-time is recommended. Plan on devoting at least 50% staff time to this. Many groups that have large ride(s) have a full time, dedicated staff person.
- Play by the rules. Make sure your city government and police know about your ride and there is nothing illegal about your activities. Get all of your permitting set before promoting the event.
- Covering liability is key. Make sure your organization / ride is insured, or that you have the proper waivers for your riders.
- Allow participants to join as teams; this way you can engage businesses and organizations.
- Offset your costs with sponsorships, e.g., partner with grocery stores to provide refreshments.

What to charge:

- Use a tiered approach when setting costs, considering membership as well as timing (early registration).
 - Members: \$25 - \$45
 - Non-members: \$35 - \$65
 - Youth: \$15
- Use these rides as an opportunity to build your membership. Consider giving discounts to participants who join your organization when registering or at the ride itself. For example, Transportation Alternatives offers a 50% discount to new or renewing members for their NYC Century Bike Tour.

Routes:

- Have a very clear, signed route. Figure out in advance whether or not your ride will be car-free; on closed-off roads / trails or along traffic.
- Utilize public parks for rest stops.
- Have multiple route options for diverse ages and abilities.

During the Ride:

- Safety! Make sure your riders know the rules of the road and you have staff and volunteers assisting with safety during the ride.
- Invite a local celebrity to be a ride marshall.

After the ride:

- Have a party afterwards to celebrate the ride.
- Use donated products from sponsors for raffles, auctions, etc. to raise additional money.



Community Foundations

A community foundation (CF) is a public charity whose mission typically is to serve a defined geographic area. In addition to their own grantmaking programs, CFs often invest and administer funds or scholarship funds set up by individuals, families, or businesses.

Individuals contribute to a community foundation because they want to be a part of long-term improvement in their community without setting up an independent structure. This is different from private foundations, which are not public charities and whose funds come from a single or very few sources.

The overall goal of community foundations is to turn donor-advised funds into a sustained source of unrestricted funding to meet community needs over the long term. These “philanthropic banks” have an obligation to follow the board’s discretion, but ultimately decide on who and what to fund without issue-limitation.

Each year in the United States, community foundations administer more than \$4 billion in charitable funds to address the core concerns of over 700 communities and regions.

How should I approach a community foundation?

Governed by community citizens, CFs often have a broadly defined mission with fewer specific funding priorities. That makes it easier for your organization to apply. Similar to cultivating large donors, it is key to build relationships with the citizen board members of your local CF.

Find out if there is a community foundation near you, and contact them directly for more information about their grant opportunities: [visit the Council on Foundations’ Community Foundation Locator](#).

For more tips on working with community foundations, see Example F on page 25.

Local Foundations

Funds from private foundations generally come from one source – whether it is an individual, a family, or a corporation.

Public charities (public foundations) receive their funding predominantly from individuals, corporations, governmental units, private foundation, and sometimes from fees for service.

Example: Rochester Area Community Foundation (NY)

Our Mission | We engage philanthropists and community partners to improve our region.

Our Vision | The Community Foundation leads and inspires positive, enduring community change

In 2009, 9 percent of all foundation giving came from community foundations.

- Foundation Center



Without established connections, family foundations are a tough funding nut to crack. According to Guidestar, 77 percent of family foundations surveyed said they do not consider unsolicited requests because they “already know who they want to give to,” “are afraid of being inundated with requests,” or they “prefer to be anonymous.”

Family Foundations

Family foundations are typically much smaller than community or corporate foundations. They often exist off the radar from typical funding circles and don't necessarily consider themselves “professional grantmakers.” For these reasons, family foundations require a different approach for support. Without established relationships, they also tend to be more difficult to tap into.

Even with these challenges, it is well worth getting to know your local family foundations. Many of them provide unrestricted grants that can be used to support all organization activities with few barriers – a rarity in the foundation world. Many family foundations provide ongoing support for grantees, and there are typically fewer administrative costs in the application and reporting processes.

Guidestar's Tips for Applying to Family Foundations

1. Build relationships. Engage your board in this process, and set up events and opportunities to develop connections with funders.
2. Know the foundation's priorities before applying, so you know it's a good fit for your purposes. Do not send in a generic application.
3. Follow all application instructions – and use email. Family foundations are typically understaffed with limited capacity to work with high-maintenance organizations.
4. Include an “exit plan” to wean yourself off the family foundation money and build sustainability through other sources.



Health Conversion Foundations

Bicycle and pedestrian advocacy organizations can benefit from the growing trend of health conversion (or “conversion”) foundations; created when of traditional nonprofit hospitals and health organizations (including insurance companies) convert to for-profit corporations. Almost all health conversion foundations are place-based funders, so the members could apply individually for grants to serve their particular communities. The conversion of a nonprofit health care provider to for profit status is a significant event that can have multiple ripple effects for a community and an entire region.

What is a health conversion foundation?

Federal law demands that the profits from the sale of tax-exempt entities be permanently directed towards charitable purposes. As a result, when a nonprofit health organization has been sold or a merger occurs, the proceeds are most often used to create a foundation. There are currently an estimated 211 health conversion foundations worth approximately \$18 billion.

What do health conversion foundations fund?

While most health conversion foundations are dedicated to increasing access to health care, they typically have adopted a broad definition of health and sometimes support much wider community purposes. As a result, these foundations have rapidly become a major source of funding not just for nonprofit health organizations, but for broader community-based organizations as well.

How can I find a health conversation foundation near me?

Most health conversion foundations are focused on supporting their communities, and act within limited geographic areas. To search for health conversions in your community, you might consider using the [Foundation Center’s Foundation Finder](#) or using [GuideStar](#) and using “health” or “hospital” as keywords, in addition to the city and state. Note that since health conversion foundations are not categorized separately from other grantmakers by the IRS, this listing may not be definitive. You can also identify a similar nonprofit in your area and then research its funders.

Writing a Successful Proposal

Successful grant proposals for community, family and health conversion foundations have many of the same elements as proposals to private foundations (see [Guide to Fundraising Part Two: Anatomy of a Winning Proposal](#)). It is essential, however, to explain the problem you address within the context of your community. Focus on the change that your campaign and organization will make locally, emphasizing specific results.

The California Wellness Foundation was created in 1992 when Health Net, then the state’s second largest HMO, became a for-profit corporation. Since then, the Foundation has awarded 6,544 grants totaling more than \$815 million.



Sponsorships

Even though companies that already operate in your community are always your best bet for financial support, stay updated on corporations that will be moving to your area or that are planning to buy out an existing company. They want some quick visibility, so this could be an excellent opportunity to get your organization's message across before they arrive and you're facing competition with many other groups.

Corporate funding and sponsorships can be an important part of an organization's revenue. Essential to fund the events and rides discussed earlier in this Guide, this chapter focuses on corporate sponsorships. Information about corporate foundation support can be found in [Alliance Guide to Fundraising Part One and Part Two](#), and consulting and contracts will be covered in Part Four.

Sponsorships are Partnerships

Corporations are not foundations – to develop partnerships with and raise money from local businesses and corporations, you should approach them as a business. It's best to start with companies with which you already have a relationship or where you already know someone who can introduce you to a senior executive. However, ongoing support will come from the development of partnerships. The difference here is the willingness and ability of your organization to work with the company throughout the year on a variety of approaches.

According to [Cause Planet](#), there are three key ways to ask for corporate support:

- **Membership:** If you have a membership program or can develop a corporate category within an overall donor program, this is a good way to get on the corporate radar screen.
- **Philanthropic:** Corporate grants are usually in the \$1,000 to \$10,000 range and are given on a year-to-year basis. Corporations like their employees to be involved in the giving process, so a corporate person on your board or a committee can be instrumental in securing continued or long-term funding for your group.
- **Marketing:** If your nonprofit can assist the company in enhancing its image, reaching potential customers, or reinforcing existing customer relationships, they will want to work with you.

When you have identified a likely prospect, find out everything you can about it. Request a copy of the prospect's annual report and corporate giving policies, visit their website, and talk with other people in the community who have had either philanthropic or business dealings with the company. For more sponsorship tips, sample sponsor packets and success stories, see Examples G and H on pages 26 and 27.



Why do Corporations Give?

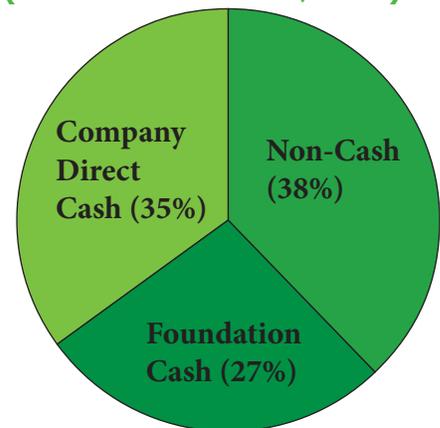
- **To advance their business objectives:** Do you address issues of interest to a company? Would companies want to connect with your constituents?
- **To increase corporate visibility:** How do you get your name in front of the public? How big an audience do you have?
- **To benefit their employees:** Do corporate employees benefit from your work?
- **To be good corporate citizens:** How do you strive to enhance the local community, making it a more attractive place to live and work? How deep is your network of community leaders, those with whom corporate executives would want to associate?
- **To take advantage of tax deductions:** Companies can deduct up to 10% of pre-tax profits to charitable giving.

Considerations for pursuing corporate fundraising

- How does corporate support fit into your overall fundraising plan?
- Types of companies with which you do / don't want to work
- How will your various constituencies react to a potential corporate donor?
- What would you be willing to do to secure corporate support?

Companies are a great source of in-kind contributions such as donated equipment, services, products, and use of facilities. There are also opportunities for corporate employee involvement such as volunteer programs, executives on a loan, or board service.

How Corporations Give (Conference Board, 2011)



Strong relationships are at the heart of successfully raising corporate sponsorships.

When you hear "it's all about who you know," that couldn't be more true for corporate sponsors. It's important to have a good connection with a decision-maker who is higher up on the corporate ladder.

While building a relationship with the decision-maker, do your homework. Understand the culture of the company and as much of the company politics as possible. Learn what causes or values are important to both your contact and the company itself to frame your pitch and know what project(s) to include in the ask.

A word of caution when seeking dollars from corporate sponsors and other large donors: Be careful about starting a program just because you have funding for it. If a sponsor approaches you willing to fund a certain type of program, make sure the program is strategic to your mission before accepting the dollars. In the long run, your organization will thrive if you seek funding strategically and don't allow donor gifts to take your time and energy away from your key priorities.

**Amanda White,
Bicycle Federation of Wisconsin**



Conclusion

Many of the most reliable, sustainable and fruitful sources of financial support for bicycle and pedestrian advocacy organizations come from your backyard.

Your current members are your most likely major donors; your supporters are excited for opportunities to support what they love by doing what they love through rides and events; there are people in your community – often already connected to you through friends, family, board or members – who have the ability and commitment to support your local endeavors; and business sponsorships, including in-kind support, are valuable sources of funding for events and programs.

Don't underestimate what the power of cultivating local supporters can do for your advocacy efforts; Alliance members exist and thrive because of the communities they operate in.

References and resources

- **Council on Foundations: [Community Foundations](#)**
- **Resources from [Community foundations.net](#)**
- **Resources from [Forum of Regional Associations of Grantmakers](#)**
- **Climate Ride Resources from [East Bay Bicycle Coalition](#)**
- **Resources about Bequests from [River Network](#)**
- **Resources on creating gift acceptance policies from [Adler & Colvin](#) and [Association of Fundraising Professionals](#)**

Contact

Questions? Ideas?
Contact Brighid O'Keane, Advocacy Advance Program
Manager at Brighid@PeoplePoweredMovement.org



Example A: Donor/Member Surveys and Databases

From Kate McCarthy, Nonprofit Membership Consultant

Tips for Membership Surveys

- Only ask for information you can truly put to good use.
- Explain why respondents' answers will make a difference to your group's success.
- Consider survey design: multiple-choice vs. fill-in-the-blank, non-repetitive, brief (two pages)

Consider including the following questions in your survey:

- Why do you support [your organization]?
- Please circle our three program areas that are most important to you: (List specific programs)
- Which of these are most important to you?
- What, to you, is the greatest benefit of membership in [your organization]?
- Would you recommend membership in [your organization] to a friend or neighbor and why?
- How many adults live in your household? How many children under 18?
- How long have you lived in [your community or state]? [provide ranges]
- Are you retired, working part time, working full time, looking for work, a student, a full time homemaker, other _____?
- Which three values or qualities do you feel best describe [your organization], as you see it flourishing in the years ahead? Pick specifics for this list from values like these:

Local/Regional	Innovative	Credible	Understands complex issues
Experienced	Trustworthy	Honest and ethical	Watchdog
Consistent	Cooperative	Responsive	Brings people together
Aggressive	Educating	Friendly	Knowledgeable
- What magazines or periodicals do you subscribe to?
- What other organizations do you belong to or support?
- Do you hold season tickets to arts or sports events?
- What is your postal code?

Basic Database Needs:

- Contact information of donors, prospects, contacts, vendors, government, media, etc. (and how they prefer to be contacted or not)
- Date of donor gift(s)
- Membership lapse date
- Whether or not thank-you letters & Membership Kits have been fulfilled (mailed)
- Renewal ask dates
- Dates and types of asks your org made of contact
- Communications your org sent to that contact
- Interests of contact for volunteering & campaigns
- Employer and field information
- Participation in events and volunteering, meetings attended
- Interests of your contact



Example B: Questions to Cultivate Major Donors

From Gail Perry, Fired-Up Fundraising

1. What motivated you to give to us?
2. What is it about our mission that speaks to you?
3. What do you think of our organization?
4. Why do you think our cause is important?
5. How long has it been since you visited us? Why?
6. Tell me about your personal experience with our organization.
7. What is your favorite program that we have? Why?
8. How has our organization impacted your life or someone in your family's life?
9. What are you looking for in your relationship with our organization?
10. What do you like best about what we do?
11. What do you like least?
12. What is your experience as a donor to us?
13. Do you feel appreciated as a donor?
14. Do you feel well-informed through our donor communications?
15. How could we communicate better to you and to our other donors?
16. How do you feel about the "benefits" you receive from us as a donor?
17. Do you have any suggestions for improving the donor experience?
18. Do you know any of our board members?
19. What do you think is our community reputation?
20. Do you have any concerns about our organization?
21. What are your impressions of our fundraising priorities?
22. What are your impressions of our fundraising program?
23. Can I ask your advice on how we could create a stronger fundraising effort?
24. Who else should we get involved?
25. How should we involve them?
26. Impressions of our leadership?
27. Impressions of our mission?
28. What would you like to know about us that you don't know now?

When you want to delve more deeply into their philanthropy:

29. What other organizations and causes are you involved in?
30. How do you support these causes?
31. Why do you support these causes?
32. How do you make your philanthropic decisions?
33. Why do you support our organization?
34. What inclines you to want to make a large gift?
35. What about giving do you enjoy the most?
36. Has your philanthropy changed focus in the past?
37. What impact are you trying to make through your philanthropy?
38. What's most important to you when you choose an organization to support?

When you want to know where your own organization stands:

39. Are we among your top three philanthropic priorities?
40. Why or why not?
41. What would it take for our organization to become higher on your priority list?



Example C: Making the Ask and Following Up

Have these ready when meeting with prospective donors and sponsors:

- Brochure
- Annual report
- Historical information
- Mission description
- Case statement
- Budget
- Plans for the future
- Publicity materials
- Copies of any recent newspaper articles
- Premiums and recognition opportunities
- Pledge card
- Receipt book

Top Ways to Ask, from Most to Least Effective (Kate McCarthy Consulting)

1. In-Person, One-to-One Contact with Leadership or Known Contact
2. Attending Event with Leadership or Known Contact
3. Telephone Contact with Leadership or Known Contact
4. Personalized Letter or Email from Someone Known
5. Field Canvass (“doorbelling”)
6. Telephone Canvass
7. Personalized Mail
8. Targeted Contact Bulk Direct Mail
9. Lead Generation & Social Media
10. Poster, Display Ad, or Website

Saying “Thank You”

- Saying “thank you” builds a valuable personal connection and helps you retain your donors. Remember that it’s always easier to retain an existing donor and to encourage them to give more than to find new prospects. So thank before you bank!
- Personalize, personalize, personalize: thank the donor with a personal note or email. Even if you send a form letter, include a one-sentence handwritten note with a personal touch. It goes a long way.
- Don’t be the only thankful voice: have people impacted by your work thank your donors, too.
- Learn about other creative ways to say “thank you” to your donors by [viewing this presentation by Network for Good](#).



Example D: Sample Gift Acceptance Policies and Guidelines

From A Strategic Alliance:

XYZ Charity, a not for profit organization organized under the laws of the State of _____, encourages the solicitation and acceptance of gifts to XYZ Charity (hereinafter referred to as the Charity) for purposes that will help the Charity to further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to the Charity or for the benefit of any of its programs.

The mission of the XYZ Charity is to:

(insert the mission)

I. Purpose of Policies and Guidelines

The Board of Directors of XYZ Charity and its staff solicit current and deferred gifts from individuals, corporations, and foundations to secure the future growth and missions of the Charity. These policies and guidelines govern the acceptance of gifts by the Charity and provide guidance to prospective donors and their advisors when making gifts to the Charity. The provisions of these policies shall apply to all gifts received by the Charity for any of its programs or services.

II. Use of Legal Counsel

XYZ Charity shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

- Closely held stock transfers that are subject to restrictions or buy-sell agreements
- Documents naming XYZ Charity as Trustee
- Gifts involving contracts, such as bargain sales or other documents requiring the XYZ charity to assume an obligation
- Transactions with potential conflict of interest that may invoke IRS sanctions
- Other instances in which use of counsel is deemed appropriate by the Gift Acceptance Committee

III. Conflict of Interests

XYZ Charity will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The Charity will comply with the Model Standards of Practice for the Charitable Gift Planner promulgated by the National Committee on Planned Giving, shown as an appendix to this document.



IV. Restrictions on Gifts

The Charity will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes, and priorities. The Charity will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of the corporate charter (or trust document if Charity is established under trust), gifts that are too difficult to administer, or gifts that are for purposes outside the mission of the Charity. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Gift Acceptance Committee of the Charity.

V. The Gift Acceptance Committee

The gift acceptance committee shall consist of:

- The President of XYZ Charity
- The Treasurer of XYZ Charity
- Such other members as appointed by the President of the Charity
- Ex-Officio members shall include the Executive Director and the Development Director of XYZ Charity

The gift acceptance committee is charged with the responsibility of reviewing all gifts made to XYZ Charity, properly screening and accepting those gifts, and making recommendations to the Board on gift acceptance issues when appropriate.

VI. Types of Gifts

A. The following gifts are acceptable:

1. Cash
2. Tangible Personal Property
3. Securities
4. Real Estate
5. Remainder Interests in Property
6. Oil, Gas, and Mineral Interests
7. Bargain Sales
8. Life Insurance
9. Charitable Gift Annuities
10. Charitable Remainder Trusts
11. Charitable Lead Trusts
12. Retirement Plan Beneficiary Designations
13. Bequests
14. Life Insurance Beneficiary Designations



B. The following criteria govern the acceptance of each gift form:

1. **Cash:** Cash is acceptable in any form. Checks shall be made payable to The XYZ Charity and shall be delivered to (place title of Charity employee to which gift should be delivered) in the Charity's administrative offices.
2. **Tangible Personal Property:** All other gifts of tangible personal property shall be examined in light of the following criteria:
 - a. Does the property fulfill the mission of the Charity?
 - b. Is the property marketable?
 - c. Are there any undue restrictions on the use, display, or sale of the property?
 - d. Are there any carrying costs for the property?

The final determination on the acceptance of other tangible property gifts shall be made by the Gift Acceptance Committee of the XYZ Charity.

3. **Securities:** The Charity can accept both publicly traded securities and closely held securities. If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. The final determination on the acceptance of closely held securities shall be made by the Gift Acceptance Committee of the XYZ Charity and legal counsel when necessary. Every effort will be made to sell non-marketable securities as quickly as possible.
4. **Real Estate:** Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, the Charity shall require an initial environmental review of the property to ensure that the property has no environmental damage. In the event that the initial inspection reveals a potential problem, the Charity shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be an expense of the donor.

When appropriate, a title binder shall be obtained by the Charity prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense of the donor.

Prior to acceptance of the real property, the gift shall be approved by the Gift Acceptance Committee of the Charity and by the Charity's legal counsel. Criteria for acceptance of the property shall include:

- Is the property useful for the purposes of the Charity?
- Is the property marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does the environmental audit reflect that the property is not damaged?



5. Life Insurance: XYZ Charity must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, the Charity will include the entire amount of the additional premium payment as a gift in the year that it is made.

If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, the Charity may:

- continue to pay the premiums,
 - convert the policy to paid up insurance, or
 - surrender the policy for its current cash value
6. Bequests: Donors and supporters of XYZ Charity will be encouraged to make bequests to the Charity under their wills and trusts. Such bequests will not be recorded as gifts to the Charity until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

VII. Miscellaneous Provisions

- A. Securing appraisals and legal fees for gifts to the Charity: It will be the responsibility of the donor to secure an appraisal (where required) and independent legal counsel for all gifts made to the Charity.
- B. Valuation of gifts for development purposes: The Charity will record a gift received by the Charity at its valuation for gift purposes on the date of gift.
- C. Responsibility for IRS Filings upon sale of gift items: The Gift Acceptance Committee of the Charity are responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within two years of receipt by the Charity when the charitable deduction value of the item is more than \$5,000. The Charity must file this form within 125 days of the date of sale or disposition of the asset.
- D. Acknowledgement of all gifts made to the Charity and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of the Board of the Charity.

VIII. Changes to Gift Acceptance Policies

These policies and guidelines have been reviewed and accepted by the Gift Acceptance Committee of the XYZ Charity. The Gift Acceptance Committee of the XYZ Charity must approve any changes to or deviations from these policies.

Approved on the _____ day of _____, 20XX.

Chairman, Board of Directors, The XYZ Charity



Example E: Sample Bequest Letter

From the River Network:

Mrs. Elsie Smith
2304 St. John's Court
Newport, Rhode Island 00167

Dear Mrs. Smith,

Many thanks for your recent inquiry about making a bequest to Friends of the Red River. We are pleased and heartened by your interest in our organization and your desire to help insure our ongoing financial health.

To make a bequest, you should consult with your lawyer and ask that one of the following clauses (depending on your wishes) be inserted into your will:

General Bequest:

"I give and bequeath the amount of \$_____ to Friends of the Red River, located at 203 55th Street, Tucson, AZ, 52910."

Percentage Bequest:

"I give and bequeath ___% of the total value of my estate to Friends of the Red River located at 203 55th Street, Tucson, AZ, 52910."

Bequest of a Residue:

"The rest, residue and remainder of my estate, both real and personal, wherever situated, I give and bequeath to Friends of the Red River, located at 203 55th Street, Tucson, AZ, 52910," to be used as the Board of Directors directs."

Designated Bequest:

"I give and bequeath to Friends of the Red River, located at 203 55th Street, Tucson, AZ, 52910, the sum of \$_____ to be used for the _____ (specific program, project, etc.)."

If you decide to use the last clause, be sure to add a contingency clause saying, "Should this program no longer be needed, the bequest may be used as the Board of Directors determines."

Enclosed is a quarterly report on our latest activities as well as a recent article about our Education Center, in which I know you are interested. Again, thank you so much for all you have done and continue to do for our organization. If you do decide to include us in your will, please let us know so that we can formally recognize your generosity.

Sincerely,
Joe Jones, President



Example F: Tips for Working with Community Foundations

From Bike Walk CT:

- Find out what kind of support your local foundation provides to non-profits. Take advantage of whatever programs they have to get your name known within the foundation.
- Where possible, partner with other organizations that have been funded by the community foundation, so that if they are hesitant to fund you directly, they get to know your work via a grant to a trusted organization.
- Do your homework, understand what kind of programs they like to fund and figure out what you do that relates or builds on those programs.

For up-to-date tips and news on community foundations, visit CommunityFoundations.net.



Example G: Sponsorship Resources

Samples of sponsorship packages and brochures:

1. Bicycle Alliance of Minnesota's [sponsorship brochure](#)
2. Check out the Alliance for Biking & Walking's [2013 Sponsor Packet](#)
3. Missouri Bicycle Federation [Sponsor Application](#)
4. [Sponsor resources](#) from Los Angeles County Bicycle Coalition
5. HUB in Vancouver has great resources: [Marketing to Cyclists Guide](#), [How Cycling Benefits Business](#), and [Discover Downtown by Bike](#)

Tips from Dorian Grilley, Bicycle Alliance of Minnesota:

- Have a board member or member that has a personal connection with someone high up in the business get you in the door and attend the first meeting.
- Understand your market including the competition for the sponsorship dollars.
- Welcome almost any and all pro-bono contributions even if they don't include any cash. Small local businesses are often overlooked, but when every dollar counts, explore all of your options. Companies of all sizes are excellent places to obtain donated office equipment, food and supplies, volunteers and technical experts.
- Focus on what is unique about your event. For example, the St. Paul Classic is more than 50% women and we have the best treats and great local music.

Tips from the Missouri Bicycle Federation:

- One idea that has been helpful to us is to include a \$250 'corporate membership' level in our membership levels. Our ordinary business membership is \$50.
- We get a number of those \$250 memberships each year — corporations that might not otherwise give us an actual 'sponsorship' are able to justify that \$250 level. Because it is a membership, it comes out of a different budget line item and is easier for most corporations to justify than an actual 'sponsorship.'
- A number of foundations & agencies will join each year at the \$250 level — again, groups that may or may not be able to give us an outright sponsorship or donation.

Tips from Erin O'Melinn, HUB:

- For working with corporate sponsor prospects, it's good to create a relationship with them before any ask happens. Get to know why they're interested, what their goals are that you can support through your work, so you can cater your future ask to be best suited.
- Sometimes you have to be ok with understanding that they're goals may not align with yours at the moment, and think critically about if you're willing to shift your priorities closer to theirs (and what the repercussions are for your organization's capacity, mission, and previous commitments).
- Innovative ideas from them might take you to a good place but it's ok to say no to their ideas and money too.



Example H: Sponsorship Success Story

We were able to secure sponsorship support for our bike parking program from funders like the Denver Zoo, the Regional Air Quality Council and Clifbar. The program creates special event bike parking for large-scale events and festivals in Denver and includes three levels of service from a fully supported BikeDenver-run bike valet in a secure and supervised bike corral to bike rack rentals accompanied by some basic instruction on how to run your own bike parking corral, either fully supervised by your event volunteers or as a “self-park” option.

Once we grew this program to a certain point it became saleable because we could show the value to potential sponsors that included visibility at high-profile events and the opportunity for exposure on 30 or more dates at events with a total estimated attendance of over 1.5 million. Recognitions we provide include sponsor banners on-site, logo placement on our utility trailer and frequent mentions on social media, our newsletters and on our website.

The Denver Zoo saw a fit because they have a marketing effort to encourage all sustainable practices in the community. The Regional Air Quality Council had a vested interest in encouraging more people to bike instead of drive to events to help improve Denver’s air quality. ClifBar wanted the exposure we could provide because we were imbedded in so many Denver events, where we could provide product as giveaways.

In addition, we ask every event we participate in for a donation in a recommended amount based on the level of service we provide, and we are often allowed to accept tips from “customers” who use the bike parking areas. In 2012 we received \$12,800 in sponsor contributions and over \$15,000 in event donations and tips from the program.

- Piep van Heuven, **BikeDenver**