**TEN STEPS TO CREATING YOUR FUND DEVELOPMENT PLAN**

**Step 1: Ownership**

It is important to include both the board and staff in the process of creating your fundraising plan, as well as anyone else who plays a key role in carrying out the plan.

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| Key Board Members | Key Staff | Key Fund Development Leadership |
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**Step 2: Gather Information**

Fill out the following chart\* with information from last year’s fundraising, current year-to-date figures, and your projections for next year. Ideally, go back two years to analyze your fundraising. This will give you a better sense of how things fluctuate from year to year.

The sources listed are only examples. You should use ones best suited to your council. In the expense column, include the cost of materials, other expenses and staff time, if possible. Don’t worry if you can’t fill in all this information the first time you do a plan like this. You’ll have a better idea of things to keep track of for future planning.



**Step 3: Analyze your past efforts & fundraising strategies**

Look at the different fundraising strategies you are currently using. Based on your analysis above, consider the following questions:

• What generates the largest portion of your revenue?

• Which sources are most reliable?

• Where is the greatest potential for growth?

• Where should you devote more time?

• Which areas are not producing and why?

• Which areas should you consider eliminating?

• Where can you involve more board members and volunteers?

• If you had a larger budget for fundraising, which areas would you invest in more?

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| **Take some time to write down your responses and strongest reactions to the questions above that feel most relevant to your council.** |
|  |

**Step 4: Factors:**

Goals are often based on how much is needed to balance a budget and this makes sense on the surface. But that number has nothing to do with your ability to raise that amount of money. Set your goals based on all the criteria that affect your council’s fundraising ability, including how much was raised in the past as well as a variety of other internal and external factors.

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| --- | --- |
| **Internal Factors** | **External Factors** |
| What’s going on inside your organization that could impact fundraising? Do you have new opportunities to take advantage of – a special anniversary, a new director? Have there been changes on your board? Are you also raising  money for a capital campaign?  How much fundraising experience does your staff/board have? How much attention do you give to donor relations? Do you have prospects already in the pipeline or are you starting from scratch? | Given the economy over the past year and counting, we’re used to thinking about economic factors. Consider how these have and will affect your fundraising.  What other external factors could have an impact – the relevance of your mission in the current political environment, giving trends among donors, etc? |

**Step 5: Assets**

**What are your assets?**

**Organizational assets are things you have going for you that make fundraising easier.**

**Fundraising assets raise good money for your nonprofit.**

|  |  |  |
| --- | --- | --- |
| **Who** | **How many** | **What could they help with** |
| **Board Members** |  |  |
| **Advisory Board Members** |  |  |
| **Staff – all staff not just development staff** |  |  |
| **Volunteers – (including former board and staff members** |  |  |
| **Key Donors** |  |  |
| **Organizational Allies** |  |  |
| **Who Else?** |  |  |

**Step 6: Set Your Goals**

Now that you have this background information, you can set some goals. You want to think about two kinds of goals for your fundraising plans – strategic goals and financial goals

1. **Strategic goals** – These are non-monetary goals related to your development program. This could be things like purchase a database, start a newsletter, increase board participation in fundraising, become less dependent on foundation funding, etc.

What are your strategic goals for the coming year?

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1. **Financial goals** – These are your more traditional fundraising goals. How much do you hope to raise and from where? The rest of this worksheet will help you answer this…

**Step 7: Choose Activities**

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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Activity** | **Goal** | | **#Acquired** | **#Renewed** | | **#Upgraded** | **#Relations** |
| **FOS** |  | |  |  | |  |  |
| **Foundations** |  | |  |  | |  |  |
| **Product Sales** |  | |  |  | |  |  |
|  | | **Financial / Solicitation** | | | **Donor Relations** | | |
| **Acquire** | | What will you do to identify and acquire new donors?  What has worked in the past?  What new strategies might you consider? | | | For all categories of donors –  prospects, new funders, tried-and tried supporters, what will you do to  build closer relationships with them?  How can you build trust with your donors?  What contact and communication can you have that doesn’t include asking for money?  There are traditional tactics like gift  acknowledgements and newsletters –  but even these are often more about  promoting the organization than genuinely appreciating the donor.  What side do yours fall on?  Also consider strategies like –  welcome kits for 1st time donors,  “thank you” calls for all 1st gifts and  any increased donations, donor  surveys, communication preference  questionnaires, invitations to  volunteer, invitations to no-cost  cultivation events, etc. | | |
| **Renew** | | How will you approach current donors about renewing their support?  This often includes mail appeals, email solicitations, phone calls, proposals, event sponsorships, and some personal solicitations.  What methods do you use? | | |
| **Upgrade** | | Getting supporters to consider larger gifts usually requires a more personal touch – individual letters, personal calls, and face-to-face meetings.  What you consider a “large” gift will depend on your donor base.  What do you do to move supporters to increase their donation? | | |

**Step 8: Timeline**

Once you decide what strategies you are going to implement, you’ll need to put them on a timeline. Some things will only happen at certain times and others will happen year-round**.**

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| --- | --- | --- | --- | --- |
|  | **Financial / Solicitation** | | **Donor Relations** | |
|  | **One Time** | **Year Round** | **One Time** | **Year Round** |
| **January** |  |  |  |  |
| **February** |  |  |  |  |
| **March** |  |  |  |  |
| **April** |  |  |  |  |
| **May** |  |  |  |  |
| **June\*** |  |  |  |  |
| **July\*** |  |  |  |  |
| **August\*** |  |  |  |  |
| **September** |  |  |  |  |
| **October** |  |  |  |  |
| **November** |  |  |  |  |
| **December** |  |  |  |  |

**\*June, July and August are often the least effective months to raise money**

**Step 9: Details**

For each strategy that you plan to use, fill out a separate page with the following information:

Strategy: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Projected income (gross): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Total cost (use chart below): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Net income after expenses: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other goals that this strategy will meet (such as donor appreciation, acquiring new donors, generating publicity, involving board members in fundraising, etc):\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Number of staff and volunteers needed to carry out this strategy: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Expenses – cost of executing this fundraising strategy:

|  |  |  |
| --- | --- | --- |
| **Expense** | **Amount / Cost** | **Notes** |
| Staff Time |  |  |
| Printing |  |  |
| Postage |  |  |
| Travel |  |  |
| Food |  |  |
|  |  |  |
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| TOTAL: |  |  |

Staying on track – steps to complete this strategy:

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| --- | --- | --- |
| **Deadline** | **Task** | **Whose Responsible** |
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**Step 10: Decide how you will evaluate your progress**

In fundraising, success is usually measured by how much money is raised, whether you are able to make budget, etc. There are other factors that should also be included in evaluating the success of your fundraising program and your development plan each year.

In addition to looking at your financial goals, you can track and measure:

* Number of contacts with donors/funders
* Number of donors/funders who renew their support compared to the year before (your donor retention rate; the reverse is your donor attrition rate)
* Number of donors/funders who increase their support or give more than once/year
* Number of new donors/funders
* Number of donors/funders who attended events (both cultivation and fundraising events)
* New volunteers and new board members involved in fundraising
* Number of first-time donors who become regular donors (your conversion rate)
* Number of prospects identified and the percent of those who become donors

The impact of donor relations can also be evaluated. You can measure:

* Frequency of contact with donors/funders without asking for a gift
* How many different ways donors/funders participate in your organization
* Amount of donor-initiated contact with your organization
* Number of donor responses to your contacts (returning surveys, calling you back, etc)
* How often donors/funders refer others to your organization
* Diversity, regularity, and frequency of your contact with donors/prospects
* Level of personalization in your communications
* Level to which communications speak to the donor and write the donor into the story