



## Fundraising Strategies

### Direct Mail Campaigns

An annual appeal to a core group of constituents is a great way to build and sustain a local donor base. Funds raised are usually unrestricted (available for any use) and may represent a substantial percentage of your annual income. Some form of data management system to record mailing information, gift information, and giving history is key to managing annual campaigns and tracking donor relationships over time. Promptly mailed receipts, thank you letters (or phone calls), and recognition of past gifts are all critical to developing and stewarding relationships with donors who give through direct mail.

### Online Giving Campaigns

There are multiple websites that can help you run digital campaigns. This has been a fast growing way to reach donors. This type of fundraising requires a fair amount of social media and technological know-how, and much of the same time and attention as more traditional direct mail campaigns. Also, be mindful of the fees some outfits charge on your donations.

### Events, Auctions, Raffles

Many programs have annual or seasonal fundraising events. The Edible Schoolyard Berkeley hosts a plant sale every spring. This includes a raffle, food, and plants that are propagated by the students and staff. By including student-led tours and gardening advice from staff, events of this kind not only raise money but also bring the community together to experience the program firsthand.

### Earned Revenue

Some nonprofits provide programs and services that can generate a substantial income stream. In addition to event tuition and summer camp fees, we have seen programs make and sell t-shirts, hats, publications, recipe books, food products, and plants. Earned income must be related to the mission of the organization or it can be taxed as unrelated business income.

### Membership Programs

Members generally feel more ownership and involvement than donors and often expect to be asked to contribute things in addition to money, like volunteer time, political support, expertise, and influence. Levels of membership allow for different degrees of investment and involvement. What motivates people to become a member depends on your mission. In some cases, members may simply want a stronger sense of affiliation with the work you do or gain satisfaction from knowing that they are making a bigger difference. In others, members may be looking for concrete benefits, such as program participation or CSA shares.



## **Major Donors**

There are many ways to develop a Major Donor program. One way to do this is to organize a tiered menu of opportunities to sponsor different program areas. This can always be on hand to provide an individual donor with options on how to match their dollars with their interests. Intimate house parties (or garden parties) hosted by an existing donor can also be an effective way of introducing your program to prospective donors.

## **Planning Support**

Foundations and individuals may provide seed funding to help you conduct research and develop a plan for a new program or initiative. This investment and the resulting plan, can be extremely helpful in approaching supporters when it comes time to raise funds for piloting and implementing.

## **Multi-Year Pledges and Grants**

Many individual donors and foundations recognize the inherent challenges of annual fundraising cycles and seek to support the growth of an organization's programs over multiple years. It can help to increase a committed donor's gift by asking for a stretch amount to be given in installments over multiple years.

## **Project Support vs. General Support**

Funders may provide restricted funding for a particular project or program, or unrestricted funding, which leaves use to the discretion of the organization and can help cover operational and overhead costs.

## **Endowment Income**

Many large nonprofits, particularly higher education institutions and healthcare organizations, build up large endowment funds that produce interest annually, which is used to support the organization.

## **Capital Campaign**

A capital campaign can raise grants, gifts, and secure loans. It is typically a multi-year fundraising campaign with a particular goal such as:

- ★ Funding a new building
- ★ Funding a particular project with a specific scope