

# COXE CURRY & ASSOCIATES

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## Fundraising in the New Normal

PRESENTATION for

**SMITH & HOWARD**

*Certified Public Accountants and Advisers*

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# Fundraising in the New Normal

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## I. The State of the Nonprofit Sector

Ann Curry

## II. The Importance of Leadership and Planning

Nancy Rigby

## III. Secrets for Fundraising Success

Dan Preister

# What is the New Normal?

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- Slow-moving path to “recovery”
- Unpredictable economic conditions
- Learning to live with uncertainty
- Nonprofits need to focus on:
  - Survival
  - Stabilization
  - Strengthening
  - Sustainability

It's a challenging environment; only the strong survive.

# Facing Today's Challenges

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"Younger, less well-established nonprofits have been especially hard hit by the recession. Many foundations, seeking to maximize more limited resources, have steered their grantmaking toward organizations they believe have the best chance to weather the economic storm."

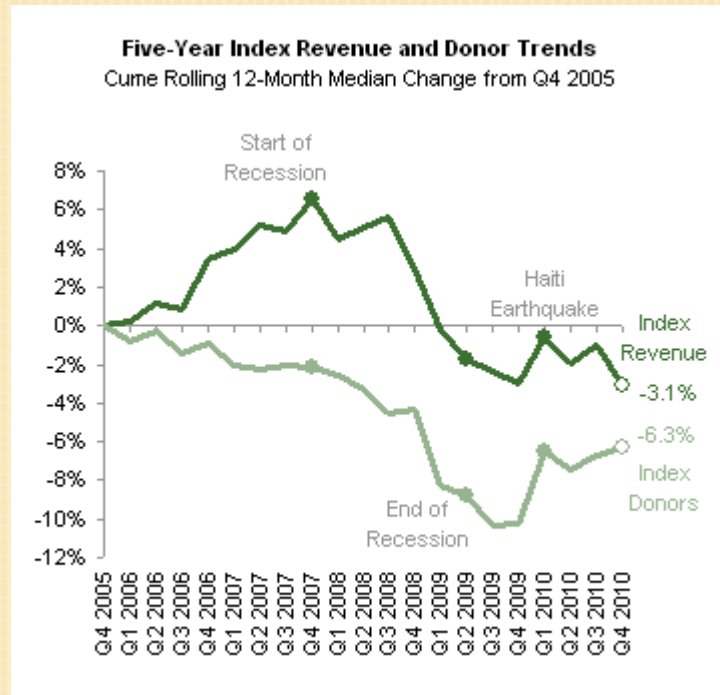
**Lawrence T. McGill, vice president for research at the Foundation Center**

“For the first time in two years, there is cause for cautious optimism about the nonprofit sector in this economy. Nonetheless, as in all prior years, nonprofits also are reporting increased demand for their services. Even as giving increases, philanthropic dollars fall short of the amounts needed to help people in our country and abroad.”

**Bob Ottenhoff, president and CEO of GuideStar**

# Fundraising Revenue and Donor Trends

Target Analytics, a Blackbaud Company that tracks fundraising revenue and donor trends, recently published the Index of National Fundraising Performance.



- 2009 was the year of greatest change.
- Growth in 2010 was essentially flat.
- Three subsectors of the nonprofit sector fared best:
  - International relief
  - Animal welfare
  - Societal benefit
- 2011 will likely continue 2010 trends.
- The overall number of donors has been declining since 2005.

# The State of Philanthropy

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- Foundations are still impacted by the economic downturn.
- Fewer multi-year pledges are being made by foundations and corporations.
- Endowment gifts are rare, unless they are planned gifts.
- Individuals are stepping up to support their most beloved causes.
- Corporate giving remains flat. In-kind product donations and volunteerism are seen as alternatives to cash gifts.

# On the Local Scene...

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- Capital campaigns are more focused.
- The bar is higher for accountability, great strategic planning, creative thinking and measurable results.
- Campaigns are succeeding when they can demonstrate great value to the community.
- Donors are narrowing and refining their focus areas.
- There is greater emphasis on return on investment.

# Succeeding in Today's Climate

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Nonprofits need:

- A compelling message about why they exist
- Support of members, volunteers, donors and friends
- Partnerships and alliances
- Plan for organizational sustainability
- A strong Board of Directors
  - Personal involvement
  - Financial commitment

**The key is to focus on the organization's core strengths and raise money for must-have projects.**

# Leadership is Key

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There is no substitute for visionary leadership.

**It is the defining ingredient for nonprofits.**

# Strong Board = Strong Leadership

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The Board is responsible for:

- Ensuring that the organization is well run
- Recruiting and hiring the chief executive
- Supporting and mentoring the chief executive
- Assessing his or her performance periodically
- Removing the chief executive if and when necessary

# The Role of the Board

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- Define and interpret the organization's mission.
- Review and set policy that is compatible with the mission statement.
- Approve programs that are responsive to needs that are central to the organization's mission.
- Serve as advocates for the organization in the community.
- Internalize and communicate the values of the organization.

## The Role of the Board, continued

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- Serve as responsible change agents by encouragement and involvement in long-range plans; approve long-range plans.
- Serve as a legal corporate entity.
- Ensure fiscal solvency.
- Acquire, conserve and manage the organization's resources in a responsible manner.

# The Importance of Planning

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- Fundraising begins with institutional planning.
- Funding priorities should arise out of the organization's strategic plan.
- It's not about the money... it's about what the money can do:
  - New opportunities
  - Capacity building
  - Working toward a vision for the future

# A Good Fundraising Plan...

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- Results in the funds needed for yearly operations
- Prepares the organization for capital campaigns and other major initiatives
- Provides emergency reserves and cash flow
- Is in line with the organization's ethics and mission

# Prerequisites for Fundraising Success

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- A strong case for support
- Organizational house in order
- Positive community image
- A thoughtful and thorough fundraising plan, tied to organization's strategic goals
- Effective marketing materials
- Targeted solicitation strategies, including cultivation and stewardship plans

# Planning for a Major Campaign

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- A feasibility study is the recommended first step.
- After the campaign is deemed feasible, start fundraising with “family first.”
  - Board members
  - Longtime donors
- Begin with a quiet phase and announce the campaign publicly when a key milestone has been reached.
- Seek larger gifts, then progressively smaller ones until you are ready to reach out to the general public.

# How To Ask

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## A Quick Guide for Board Members and Campaign Volunteers

- Before you ask...
  - Know the case
  - Know the prospect
  - Make your own gift
- During the ask...
  - Make the case
  - Listen more than you talk
  - Ask for a specific amount
- After the ask...
  - Follow up, follow up, follow up
  - Confirm pledges in writing
  - Be clear on next steps
  - Say thank you

# Philanthropy is a Two-Way Street

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Philanthropy is about finding the right match between donors and causes.

Donors give for a variety of reasons:

- ◆ Feels good
- ◆ Belief in cause
- ◆ Aligns with values
- ◆ Belongingness
- ◆ Appreciation
- ◆ Recognition
- ◆ Have money to give
- ◆ Tax reasons
- ◆ Guilt
- ◆ The right person asks

The donor-nonprofit relationship – when managed correctly – is a win-win.

# COXE CURRY & ASSOCIATES

- ◆ Atlanta's most experienced and largest fundraising firm
- ◆ Fifty professionals who bring a depth and breadth of services and experience
- ◆ Many clients have been with us for decades and through multiple campaigns
- ◆ We have had the honor of assisting with many of Atlanta's most exciting projects:



Atlanta BeltLine  
Atlanta Botanical Garden  
Children's Healthcare of Atlanta  
Children's Museum of Atlanta  
Grady Hospital  
Monastery of the Holy Spirit  
Piedmont Park Conservancy  
Spelman College  
Woodruff Arts Center  
YMCA  
Zoo Atlanta  
and many more



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# Q & A