



Fundraising Mistakes To Avoid

The Top Ten things a successful small non-profit never does

Only contacting donors to ask for money (while never asking for advice, to serve on committees, etc.) People will likely care about you and want to be connected with what you do in a number of meaningful ways, but giving you money is usually close to the bottom of the list.

Getting donor names wrong. Spelling people's names wrong or using too familiar or (worse) not-familiar-enough salutations. Forgetting the personal touch. Donors are people too, and they want to be treated with the simple respect they deserve. Overlooking who they are in relation to you and the organization makes people think you don't care.

Forgetting to say thank you for a gift, both in writing AND in person. Regardless of their motivations, people want to be graciously acknowledged, and thanked promptly, for their gift. A personal thank you further cements the relationship and future gifts.

Using mailing labels on first class mail. These days the technology is there to do it right. People have come to expect it. Anything less looks shabby and second rate.

Missing an opportunity to cultivate a donor (inviting to an event, writing a note, sending a clipping). People deal every day with so many requests for connection that they will remember and be drawn to those who make a *sincere* attempt to make them feel special.

Breaking confidences or promises of anonymity. A donor has a relationship with you. It is easy to let your tongue slip, especially around staff. All relationships, to survive and flourish, deserve the utmost care and respect.

Asking volunteers for too many things, without spreading the work around evenly. We all know stories of volunteers who do everything, and of others who promise the world but deliver little. Eventually, even your most dedicated volunteers will grow disaffected if they feel the playing field is not level.

Being anything less than 100% ethical (ie: using a gift for something other than its intended purpose or lying to the IRS to protect a donor). Donors who give to certain things do so for a reason. By accepting that gift, you enter a contractual relationship with them. In turn, misrepresenting a gift to the IRS could shut you down.

Taking a donor for granted. The best donor is your existing donor. But remember, all giving is VOLUNTARY. As in life, you can lose your friends if you do not take good care of them.

Assuming that an organization is worth supporting. No one likes a smug organization. You must continually make a Case for your cause that asks the question – *Why do you exist?* You may be doing something that is very important to you, but in the eyes of others it may seem trivial, self-serving or a low priority. It is up to your board and staff to tell the story so convincingly that people cannot imagine the world without you. This takes time.



Fundraising Fallacies and Facts

*Collected from nearly 100 years of experience in
American Philanthropy*

The Board doesn't have to raise funds.

False. The responsibility to raise money falls fully in the lap of the volunteer board. After all, if your own board won't support the mission, why should anyone else? If the board is unwilling to do the heavy lifting, it is time to begin replacing the board.

I give my time - that should be enough.

False. While donated time is important, it is usually money that operates programs. One of the greatest fallacies of board membership is that their time should count as substitute for a cash donation. In reality there are always some board members who are valuable for their other "gifts." But you must also have a strong mix of people with resources.

Writing letters will solve our problem.

False. There are rare instances where a letter will actually attract a large gift. Usually, they either go in the trash, or at best elicit a small response. Long experience shows that it is always a person-to-person request that works best.

The community will support us.

False. While all non-profit organizations serve a valuable purpose, not everyone will care about your specific cause. Usually it is those who have some natural connection to what you do that will ultimately support you. And again, it is those that are closest to the organization who are expected to take the lead in any fund drive. In almost every instance when an entire community is asked to support something, you will come up empty-handed.

We have a membership of 1000 people. If everyone gives \$1000 we'll make our goal.

False. In every successful fundraising campaign there exists a pyramid of gifts. In fact, 90% of the money usually comes from just 10% of the people. There are few exceptions to this rule. First, spend your time talking to those who have the ability to make these larger gifts.

Staff will do the work.

False. Giving is really about personal relationships. In almost every situation, the staff member is hired by the board to run the organization. They will at times be asked to help out by telling the story of what the organization does. It is the board member, however, who then makes the "ask." Only the occasional staff member who has been there forever has gained the clout, and credibility, to request a large gift.

We'll write for grants.

False. Upwards of 80% of the money given in this country comes from individuals. Less than 15% comes from corporations and foundations, and among them the competition is fierce. Unless you personally know someone who is on the board of a foundation or who runs a company, it is unlikely that you will be successful in the short term. Government grants have become even scarcer.

Special events make money.

False. If you set out to make money as the primary goal of an event, you will be disappointed. Only those events with a long history actually make good money, and even those have a tendency to burn out volunteers. Let a special event do what it does best – raise awareness of what you do, and do this by expecting to break even while making lots of new friends.

Consultants will raise the money.

False. Professional fundraising consultants are first and foremost, coaches. If you hire a good coach to guide you through the process you are likely to succeed. While there are such things as paid professional solicitors, these people are not endorsed by the professional associations, and in many instances leave a bad taste in people's mouths.

Donors want "things" in return for their gifts.

False. Save your money. Most people want to know that their money is well used, meaning that most or all of it gets to the service end. Simply saying *thank you*, however, not just once but often and in different ways, makes donors feel good and more likely to give again.

Because we exist, people should support us.

False. Today, the trend in non-profit organizations is to find ways to do more with less, and to collaborate with like organizations to share common overhead costs. Passing the lengthy IRS qualification "test" is just the first step; now you have to convince the public at large that what you do is something they cannot live without.

One of the first questions any non-profit should ask of itself is:

"If we didn't exist, would someone have to invent us?"

The second question is:

"If we closed tomorrow, who'd notice?"

While harsh, these can be instructive questions as you begin to form your Case for Support and bring the board together to a single voice in support of your goals.