

DIVERSIFY FUNDRAISING STRATEGIES: ENSURE LONG-TERM PROGRAM SUSTAINABILITY

Increase Funding (Planning for Success)

How to Ensure Sustainability of Your Program

1. Achieve “buy-in” from your board and staff. Your board must view fundraising as a major responsibility and be committed to diversification of funding sources.
2. Consider forming an advisory group of influential people in your community who will be willing to advise your board on long-range funding strategies. Who might they be?

3. Develop a clear picture of your current sources of funding.
4. Determine your program’s future needs.
5. Identify which funding sources you can reasonably target.
6. Develop a three- to five-year funding plan that is realistic yet optimistic.
7. Regularly monitor the plan to ensure that you are on schedule.

Diversify Your Funding Sources

Why Should You Diversify?

1. If you have only one funding source, it could easily dry up—a grant, for example.
2. Don't wait for a crisis. Integrate new strategies gradually. You want to fund change.
3. Building a stable, diversified funding base will give you some breathing room.
4. A stable, diversified funding base will be impressive to individual donors and corporate funders. These people, organizations, and businesses are looking to determine your financial stability before deciding whether to invest.
5. If more than 30 percent of your budget is dependent on one source of funding, you should think seriously about diversifying your funding base.

Sources of Potential Funding (Six Major Categories)

1. Government
 - Pros:
 - Cons:
 - Tips:
2. Private Foundations
 - Pros:
 - Cons:
 - Tips:
3. Corporate Giving
 - Pros:
 - Cons:
 - Tips:
4. Special or Third-Party Events
 - Pros:
 - Cons:
 - Tips:
5. Individuals/Annual Appeal
 - Pros:
 - Cons:
 - Tips:
6. Other: United Way, Tax Credits, In-Kind
 - Pros:
 - Cons:
 - Tips:

Attracting Individual Donors

Essential Components of any Plan

1. Provides regular infusion of cash (short-term benefit)—small donations from large numbers of people.
2. Establishes a base of donors (long-term benefit). Cultivates a possible major gift later.
3. Three major strategies for raising money from individual donors:
 - Personal solicitation;
 - Direct mail; and
 - Telephone appeals.

According to a survey conducted in 1996 (Independent Sector), people make contributions to charitable organizations for the following reasons:

Someone I know well asked	72.1%
Have volunteered at the organization	60.7%
Asked by the clergy	59.1%
Read or heard a news story	43.3%
Asked at work	38.2%

Develop a Fundraising Plan

- Assess your needs;
- Set your goals;
- Plan your strategy;
- Develop a one-year fundraising calendar;
- Implement your plan;
- Evaluate regularly; and
- Reassess the plan and revise if needed.