

BOARD VERSUS STAFF ROLES IN FUNDRAISING

INSTRUCTIONS: For each of the following tasks related to fundraising, indicate who within your organization has primary responsibility: the Board or the staff, or whether the responsibility is *shared*. Once you have completed the first column, discuss with your group who **should have** primary responsibility for the tasks listed.
 B = Board S = staff J = joint/shared

| | Responsible Now | Should be responsible |
|---|--------------------|--------------------------|
| 1. To establish fundraising objectives. | _____ | _____ |
| 2. To develop an annual fundraising plan for the organization. | _____ | _____ |
| 3. To make an annual contribution to the organization. | _____ | _____ |
| 4. To identify potential funders. | _____ | _____ |
| 5. To research potential funders primarily through guides or other written materials. | _____ | _____ |
| 6. To identify contacts within targeted potential funders. | _____ | _____ |
| 7. To prepare proposals and other fundraising materials. | _____ | _____ |
| 8. To use contacts to "get in the door" with potential funders. | _____ | _____ |
| 9. To make solicitation visits. | _____ | _____ |
| 10. To do follow-up to solicitation visits. | _____ | _____ |
| 11. To keep records on the fundraising process. | _____ | _____ |
| 12. To do outreach/marketing for special events. | _____ | _____ |
| 13. To handle logistics for special events. | _____ | _____ |
| 14. To maintain ongoing contact with funders. | _____ | _____ |
| 15. To sign solicitation letters or letters accompanying proposals. | _____ | _____ |

THE BOARD ROLE IN FUNDRAISING

Is fundraising a Board responsibility? YES. Yet, how often have we heard Board members deny this responsibility, with such statements as: "We are a working Board. We deal with programs and substantive issues not with fundraising;" or "When I was invited to join, I was promised I wouldn't have to raise money."

The primary responsibility of a Board can be summarized as: governing the organization and ensuring the success of its mission. Seeing to it that the organization has the required money and resources to fulfill its mission -- fundraising -- is one of the most critical responsibilities of nonprofit Boards. Board members are personally responsible -- liable -- for their organization's financial solvency, thus assuring that the organization has the necessary funds to operate is a responsibility that all nonprofit Boards should take very seriously. Board involvement in fundraising for community-based organizations is no longer merely an advantage, it is a necessity. Few organizations are successful in raising private-sector funding -- whether it is from foundations, corporations, church groups, United Ways, and/or special events -- without significant Board involvement.

Why is the Board so critical for successful private-sector fundraising? Funders tend to view Board member involvement in requesting funds as evidence of the organization's credibility and community support -- since they aren't getting paid for their efforts, they must be helping because they believe in the organization and feel it is effective. No matter how totally committed staff are to the organization, or how competent they are in describing the organization and its programs, funders may view them as motivated at least partially by the need to "raise money to cover their salaries." Thus visible Board involvement in fundraising is essential.

Other factors also make Board involvement in fundraising a must. Few organizations have sufficient staff to handle both program responsibilities and fundraising without some Board assistance. Personal contacts are critically important in private-sector fundraising, and a group needs to pool all its contacts to get entree to potential funders. Involving Board members in fundraising means multiplying those contacts. Most important, an organization cannot be effective in meeting community needs unless it has adequate resources, thus setting fundraising objectives and guiding the process is a natural and essential part of the governance process.

Typically, community-based organizations were established to address community needs, and the focus of their Boards was to help develop mechanisms and strategies for meeting specific needs. Many community-based organizations initially obtained their funding from public agencies (local, state, and federal). Thus, Board members' contacts and skills in resource development were far less important than their knowledge of the community, commitment to the organization's goals, and willingness to commit their time and energy to getting important services to the community.

Today, organizations are increasingly finding that their survival depends upon being able to tap private as well as public funds -- and this means a new role for the Board of Directors as well as the staff. Instead of preparing several major public-sector proposals in a year the organization finds itself marketing the same proposal or program concept to several dozen foundations and corporations. The need for personal contacts, the importance of proposal-writing skills, the need for knowledge of area foundations and corporations are all new concerns -- and they place new requirements on both Board and staff of community-based organizations.

Each member of the Board typically has two kinds of fundraising responsibilities:

- **To give an annual gift:** and
- **To help establish and carry out various fundraising strategies.**

An annual personal contribution to the organization by each Board member enables the organization to tell potential donors that it has "100% participation" by its Board, a statement of considerable psychological value because it demonstrates their commitment to the organization. Some organizations specify that each Board member shall "contribute or raise" a certain specified amount, and Board members are expected to organize a small special event such as a bake sale or car wash, host a "parlor meeting" or benefit. Staff a booth for the organization at a community event, or simply contribute out of their own pockets. Often, the Board policy states no amount, but indicates that each Board member is expected to give a personal contribution each year. The amount of the contribution will depend upon the financial status of the individual; Board member gifts may range from a few dollars to several hundred or several thousand. This requirement is important in communicating to new Board members a sense of personal involvement with and responsibility for the organization.

The role of the Board in raising funds from outside sources varies considerably by size and type of organization, composition of the Board, and location. In most nonprofit organizations, the Executive Director remains the primary fundraiser. While staff typically prepare most of the materials for fundraising -- including proposals and supporting documents -- and do most of the "book" research on potential funders, Board members and volunteers can play a critical role in fundraising. Board members can be particularly helpful in identifying possible funders and making solicitation visits.

Successful fundraising requires the efforts of the Board as well as the staff; but, transforming this belief into action can be difficult. Sometimes staff feel that involving Board members is more "trouble than it's worth." The staff has to prepare the proposal, do the funder research, and prepare Board members for what they feel may be "less than a stellar performance" by the Board member. Getting the staff to recognize and accept that Board involvement in fundraising is essential can present a challenge; but one that must be met head on if an organization is going to be successful in its efforts. Likewise, getting the

Board to take on fundraising responsibilities is a must. In most cases, taking the first step is the hardest: once they do, they will be on the road to fundraising success. Below are some suggestions, which can help Board take that first step.

1. Make sure that all members are clear on the Board's fundraising responsibilities. Board members need to understand early on in their relationship with the organization that fundraising IS a responsibility of the Board and WHY. They are not, however, responsible for every fundraising task of the organization. There has to be clear delineation of roles between staff and Board members

2. Develop a fundraising plan for your organization with input from both Board and staff. Board and staff members cannot be effective partners in the fundraising process unless they first develop a creative, ambitious but practical plan to guide their fundraising activities. Developing a resource development plan involves several major steps. First, evaluate your organization's current fundraising status. Identify what systems your organization already has in place and what still needs to be established or strengthened. Next, set annual fundraising objectives. Consider the following questions as the basis for developing your fundraising objectives:

- **How much money do we need to continue operating current programs?**
- **How much additional money is needed to start one or more new programs, or to expand current efforts that the Board has approved?**
- **Of the total amount we need for current and existing programs, how much is already assured -- received, committed, or almost certain to be received?**
- **How much still needs to be raised, by program or type of activity -- new programs, core activities, and administrative and operating costs to support core activities?**
- **Is the total amount a reasonable total goal for this year, given our past experience and success in raising funds?** If not, what new programs or expansion should be put off, and what will be the revised goal?
- **Of the total amount to be raised, how much can we raise from each of the following sources: foundations, corporations, individual donations, churches, community fundraisers?**

Develop a fundraising plan based on these objectives. Identify tasks or activities that need to be accomplished, who will be responsible for completing it and specify a time deadline. Be firm about deadlines and follow-up.

3. Dispel early on any myths or concerns your Board members may have about fundraising. Make sure Board members understand that asking for and giving money is a natural process. It should not be viewed as something to be avoided. Asking causes different torments for different people: thus, the Board leadership and/or the Executive Director need to find out what is each Board member's concern regarding their involvement in fundraising. Although you may hear a myriad of excuses -- *"I'm no good at it"* or *"I said I would just lend my name"* or *"I can't put my friends on the spot"* or *"I have a conflict I'm raising money for others,"* or that:

For others” or “I’m just too busy” -- the reality is that Board members just need some guidance and assistance with the process. Project an image of fundraising as a natural process: remind Board members that:

- **People give money because they want to.** Nobody forces anyone to give, and in most cases, contributing to a worthy cause gives a person satisfaction. Thus, the person doing the asking should not feel they are doing a terrible thing.
- **People don't give unless they are asked;** therefore, they need to ask
- **People give money to people.** Although prospective donors must be interested in the organization, it is the people involved, especially those who ask for the gift, that makes people want to contribute. That is why it is so important to rely on the personal contacts of people who know the organization well

Some suggestions for addressing Board members’ concerns about their involvement in fundraising

“I can’t sell, I’m not good at it; bring other experiences to the organizations.” Make it clear that asking takes on many forms. Let Board members choose their own best way to ask for money -- whether it is mail, face-to-face, or volunteering at a special event. Encourage them to use personal connections and to solicit friends first to practice.

“I won’t prey on my friends.” For those who hate to “prey” on their friends, turn the tables around. Ask them if they see their friends who ask them for contributions to worthy causes as twisting their arms.

“I can’t stand to be turned down.” For those who evoke a fear of being turned down, ask them if they scorn a person whose request, they have turned down.

4. Be clear that asking for money is not the only fundraising task that Board members can be involved in. Every Board member can do something useful to support fundraising efforts based on their skills and interest. They can help formulate a persuasive case statement, they can add names to the prospect list and assist in evaluating those prospects, they can be active cultivating prospective donors (e.g., invite potential donors to an event and just be pleasant and talk about the organization without necessarily asking for money), they can write notes to support a written appeal or to thank someone for a contribution. Taking on fundraising responsibilities gradually will lead them to understand that people don't give until they are asked. and that someone must do the asking. Little by little, they will realize that they are the most suited to ask some of those prospects and they'll do it. When they meet with success they'll become avid fundraisers for the organization.

5. Make the asking easy by thoroughly preparing your Board members and providing them with good information they can communicate. The basis for the ask is the "case" to be made, which needs to be communicated effectively. Provide your Board members with good information and printed materials that they can use to sell the organization. One of the most common concerns of Board members is that they *"won't know what to say to a funder."* Assuring that Board members know their organization well -- this means knowing the organization's mission and vision, its programs, staff. and needs -- and that they can represent their organization before a funder is essential to fundraising success. Knowledge of an organization is gained through preparation. involvement. and participation.

Involve Board members in preparing the case so that they can explain it personally to donors. Practice and coach them; role-play a potential visit. Remember to talk opportunities not needs, to be sensitive to your prospect's thinking, and most important. remember that the purpose of the visit is to ask for money. The best preparation is to have the right prospect, to have cultivated the prospect and to know what their interests are.

6. Provide your Board members with fundraising training/assistance. This is one of the most obvious, yet often forgotten areas of Board development. Although some folks might be "natural sellers," fundraising is a learned skill. Most Board members are eager to help the organization they believe in, they just need assistance in how to go about it. Make sure your Board fully understands the whole giving-asking process. Thoroughly brief your Board about where your current funding is coming from and where it is going (what programs) and what your current fundraising efforts entail. This will facilitate the Board "buying into" the process. The next step is providing adequate training and support.

In preparing your case to a potential funder, remember that:

People give money to opportunities, not to needs; they give to success not to distress. It is much more appealing to help an institution fulfill an opportunity or meet a challenge, than to make up a shortage or bail it out; everyone wants to help someone who is doing something positive.

People give money to make a change for the good. You must show that your organization is addressing a need.

7. Set up a Development Committee of Board members, staff and volunteers who have fundraising experience and contacts. A Development Committee is particularly useful when most of your Board members lack fundraising expertise and contacts. Other situations in which using a fundraising advisory/Board Development Committee may be advisable include when:

- The Board or Directors is doing all it can to raise funds. but it is not enough.
- There is a specific project for which funds need to be raised quickly.
- Help is needed to put on a large special event every. year.
- The goal is to raise money from a specific source (e.g. local business, church, a voluntary organization).
- A capital or endowment campaign requires too much of an organization's efforts/resources.

When putting together a Board Development committee, make sure you involve "business folks" and former Board members with good contacts. A Development Committee can identify, and research possible funders, decide on how many and what kinds of fundraising special events you will have during the year, and even write proposals. It is up to each organization to decide on the role of the Development Committee. As sample Development Committee "job description" is provided in the box below.

SAMPLE JOB DESCRIPTION FOR A DEVELOPMENT COMMITTEE

The duties of the {organization} Board Development Committee are to:

- Define the short- and long-term funding needs of the organization with the help of the full Board and Executive Director.
- Obtain training for the full Board on: corporate solicitation, proposal-writing and marketing.
- Involve all Board members in fundraising and organize fundraising activities that take into consideration each Board member's unique talents.
- Review progress on fundraising goals and motivate the full Board in its Fundraising efforts.
- Make personal donations, and encourage fellow Board members to do likewise.
- Identify, cultivate, and enlist community leaders to serve on the Development Committee.

7. Provide each member with a concrete opportunity to make a contribution to the organization's fundraising efforts. Develop a commitment form for each Board member's personal give, get goal. In addition to detailing how much each member will give to or solicit for the organization, the form should outline each member's fundraising responsibility, and the different fundraising roles that the members can assume.

Remember that you can have sound Board membership and organization, but if you don't have Board member Involvement and participation your fundraising will suffer. Board leadership and the Executive Director need to understand that they must motivate Board members and find ways to involve them in fundraising efforts. The ideal would be to work with each member individually and ask for support for specific tasks, rather than trying to deal with the whole Board

Many Boards who have been reluctant to become heavily involved in fundraising, due to lack of experience, concerns about time commitments, or other factors, find that the most appropriate approach is to try it for a year, and then assess the experience. The lessons learned may convince the Board that they can be effective fundraisers. The survival and growth of nonprofit organizations in the 1990s is likely to depend to a considerable degree on their ability to raise funds from the private sector -- and this capacity is likely to depend upon the ability of groups to attain significant Board involvement in fundraising.

GIVE/GET COMMITMENT FORM

Board member's name: _____

My personal "giving" goal:

I personally pledge \$ _____ to this organization to support our fundraising objective.

I would prefer to make: (please check)

- One yearly payment
- Quarterly payment of \$ _____
- Monthly payments of \$ _____
- Weekly payments of \$ _____

(Rule of thumb: Each Board member should give what he or she can, whether it is \$1, \$5, or \$100. Some Board members will be able to give more than others. But no matter what the amount you can give, it is important to set a giving example!)

My goal for "getting" donations:

As a Board member I will personally get (raise)\$ _____ from outside sources.

I will solicit \$ _____ for our special fundraising event.

I will assist in building our donor list by submitting a total of _____ potential new donors.

I agree to participate in other fundraising activities as needed. I accept this commitment as an understanding of my responsibilities as a Board member.

Board member signature

WHY BOARDS RESIST FUNDRAISING INVOLVEMENT

Instructions: Please answer the following questions in your small groups.

A. Suppose you are a Board member of ABC Organization. please discuss the following two situations:

1. You receive a call from your organization's Board Chair. saying that he was planning to make two fundraising visits to large corporations in New York City with the Executive Director next week, but has a major scheduling problem and cannot go. He wants you to go in his place.

How would you react? How would you feel? Why?

2. Suppose you were at a Board meeting, and your organization's Board Chair announced that the organization had an unexpected shortfall of \$11,000, and she believed the Board should take personal responsibility for "giving or getting" those funds. She wants an emergency fundraising committee established -- and she wants you to chair it.

How would you react? How would you feel? Why?

B. Considering your responses to the questions and your own experience and knowledge, what are **the major reasons why Board members** -- individually or as a body -- frequently resist or try to **minimize their personal involvement in fundraising?** Try to identify at least four reasons/factors. Write them on the flipchart paper provided.

C. What are some steps that could be taken to minimize the factors/reasons for lack of Board participation in fundraising that you listed above. Give at least one suggestion for each factor/reason. Be prepared to report to the whole group.