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FUNDRAISING THOUGHT LEADERS

FUNDRAISING FORUM™

Perfect fundraising is impossible. Raise money anyway!

As the amount of fundraising knowledge available to the average nonprofit grows, many organisations get stuck in the pursuit of perfection. They know the way things are supposed to be, and they refuse to implement something new unless they can carry it out 100% "by the book".

Very often organisations lack perfect information about a donor, prospect, or company, and are wary of approaching that person or entity until they can figure things out completely.

Here's the thing: most nonprofits are resource-strapped. They don't have enough fundraising staff. They don't have a large enough fundraising budget. And yet they need to raise more money because they have big plans for their programmes.

When your organisation lacks resources, chances are, you won't be able to fundraise perfectly, exactly the way you want to. But that doesn't mean you shouldn't be trying new things and moving forward. If you don't try big things in your fundraising strategy, you'll never have the money to do big things on the programme side.

Don't let perfect fundraising be the enemy of good fundraising. Here are three key places where I see nonprofits get tripped up because they want to fundraise perfectly, but can't:

"We raise all our money from grants. We don't have time for working with individual donors!"

Nonprofits that raise all of their money (or most of their money) from grants are in a precarious position. Foundations are fickle in a way that individual donors aren't. Most organisations know that because 80% of the money that is given to charitable causes comes from individuals.

Yet, I've heard from several nonprofits that feel locked in to grant fundraising. They raise most of their money from grants and have a professional grantwriter on staff, often without any other fundraiser on the team. They say, "*We can never shift over to 80% individual giving, so we might as well stick with grantwriting.*"

Nonprofits that raise most of their money through grants don't need to shift to individual giving in one fell swoop.

Instead, these organisations should start slowly, by reserving a portion of the executive director's and fundraising team's time to do individual donor calls and meetings. The goal here is to slowly wean off grants, not to go cold turkey.

"My board doesn't know anyone with money!"

When I tell nonprofit fundraisers that their board members should be serving as fundraising ambassadors for their organisation, they often say things like, *"It's not worth it – we don't have a wealthy board – they don't know any major donors!"*

Every member of your nonprofit's board should be making positive contributions to your development programme. Everyone on your board knows people. And all of those people have money.

That's right – one of your board members might only know four other people, and each of those four other people might only be able to donate R100 to your organisation (again, doubtful) . . . but those are people with money, albeit small amounts. And . . . those four people know other people. And so on, and so on.

That's the way fundraising networks are built, and that's the way every single member of your board can take baby steps towards helping you reach your fundraising goals.

"I have no idea how much to ask this donor for!"

Have you ever cultivated a donor for a while, but when it came time to make the ask you felt "stuck" because you weren't sure how much to ask the donor for?

I have talked with dozens of fundraisers who get to that point with a donor and then either agonise over the ask amount or put the donor on the "back burner" until they gather more information . . . and then never get around to making the ask.

This is a huge mistake. Instead of playing the waiting game for more information, do 15 minutes of research, and then make your best guess about your donor's capacity. Don't wait to make the ask. You'll never have 100% perfect information, and that's ok – if you ask for too much, your donor can always offer a lesser amount.

www.thefundraisingauthority.com ■

With acknowledgement to **Joe Garecht**

INSIDE INFORMATION

Are you POPI compliant?

Do you remember the old story about how to get things moving? That's right, the one about the stick and the carrot! Well now we have something new to focus our attention on: Protection of Personal Information (POPI) Act No.4 of 2014 (POPI Act).

So where is the "stick and carrot" for POPI? Think about how broad the definition of "personal information" can be: customers, beneficiaries, employees, suppliers, donors, in fact anyone we interact with as an organisation.

The POPI Act was signed into law in November 2013 and partially commenced in April 2014. Organisations will then have 12 months to become fully compliant or face the prospect of some potentially stiff penalties (including fines of up to R10 million) – or worse – reputational damage and loss of donors.

That's the "stick" part of the deal. The "carrot" aspect is the opportunity to boost confidence in your organisation by demonstrating the way you manage sensitive personal data. Personal information includes data of donors, clients, suppliers and employees, whether they are in emails, invoices, databases or printouts.

This means showing you have processes and procedures in place to handle effectively and securely all aspects of what's covered in the POPI Act.

Where does POPI Come From?

Privacy and Data Protection Acts have already existed in other countries for several years. Examples of these are the European Union (EU) Data Protection Act which came into effect in 1995, the UK Data Protection Act (1998). The POPI Act is modelled on the EU legislation to a large extent, and POPI has been written to ensure that South Africa is in line with international best practice.

What Does POPI Mean?

- Personal information will have to be protected and processed in a different way, in accordance with the conditions of the law;
- Employee and donor information may not be disclosed to another party without the person's consent;
- Employee and donor information will have to be destroyed in a controlled manner when the purpose for which the information is held is no longer valid;
- Standards will have to be defined for shredding equipment similar to standards in other countries so that the new law can be applied to these in an appropriate manner;
- Steps should be taken to ensure that personal information stored on removable media such as memory sticks is protected in a controlled manner and consideration should be given to providing advice to consumers.

POPI "Do's and Don'ts":

Do:

- Understand what the POPI Act means to your business;
- Make sure you have assigned ownership for compliance with POPI;
- Start by conducting an assessment of how far you are already compliant;
- Develop a plan to address areas of non-compliance identified;
- Engage with all the relevant stakeholders impacted by POPI;
- Remember the "stick and carrot" aspects of POPI;
- Think about the implications of POPI for the products and services you provide.

Don't:

- Ignore POPI; it won't go away!
- Put off your compliance efforts just because you have a 12-month grace period;
- Underestimate the amount of work that is required to change your business policies, processes and procedures, documentation and systems;
- Panic! POPI compliance is more like climbing Table Mountain than Mount Everest;
- Rush into your compliance efforts; take a structured, project-based approach to make your compliance efforts effective.

So Where Should you Start?

A number of steps should be taken to prepare for POPI becoming effective. These include:

- Organisational – start a POPI preparation programme and appoint an Information Officer to drive your POPI compliance initiatives; an awareness and training programme should be prepared and delivered so that everyone in the business understands the implications of POPI;
- Legal – review contracts with service providers where personal information is stored on your company's behalf; for example, if you have outsourcing arrangements in place, ensure that these are amended to include personal information protection. This applies to business partners as well, where customer or donor information is shared with them;
- Business – identify processes where personal information is involved. Examples include donor and supplier information, and the handling of employee information. These processes should be amended to ensure that they comply with the principles in the POPI Act;
- Technology – electronically stored personal information should be identified and steps taken to ensure that such information is protected in line with the security safeguards principle contained in the Act.

Dr Peter Tobin: Contact 083 922 3444 or email dr.peter.tobin@gmail.com

With acknowledgement to **Dr. Peter Tobin** who guided DMI through their POPI compliance.

On-target observations in brief

Don't judge each day by the harvest you reap but by the seeds that you plant.
Robert Louis Stevenson

One of the tricky aspects of asking a major donor for a contribution is getting the amount right. Asking for too much can do serious short- and long-term damage. Fundraisers often find themselves getting burned by asking for too little.
www.thenonprofittimes.com

All of a nonprofit's communications with donors – whether direct mail, website, email, Facebook, or Internet banner ads – should echo one another in design and language so donors feel like all of those contacts are with the same organisation.
www.philanthropy.com

It is one thing to say a nonprofit must have a culture of risk awareness. It is another thing entirely to create, promote and sustain such a culture throughout an organisation. An organisation with a good risk awareness culture is better prepared to manage risk and to handle problems when they occur.
www.thenonprofittimes.com

The only person in a nonprofit who should approve donor communications of any kind (appeals, newsletters, thanks, the "donate" aspects of the website) is the fundraiser.
www.aherncomm.com

Recurring-giving programmes are growing in popularity. And for good reason: Donors who give monthly are more likely to stick with an organisation. They also provide a reliable source of revenue and are likely to give more over their lifetimes than donors who give once or twice a year.
www.philanthropy.com

Love is not patronising and charity isn't about pity, it is about love. Charity and love are the same – with charity you give love, so don't just give money but reach out your hand instead.
Mother Teresa

A haven of love and care

The Sisters of Nazareth were founded in London in the mid 1800s by Victoire Larmenier – Mother St Basil – at the request of Cardinal Wiseman, to care for the aged poor.

Later, the apostolate of the Sisters extended their care to include homeless and abandoned children.

In 1881, the Sisters arrived in South Africa at the invitation of the Bishop of Cape Town.

Today, Nazareth House in Cape Town aims to provide a loving, stable and secure home environment for abandoned, neglected, disabled and orphaned children, as well as a last resting place for children with terminal conditions who can't return home due to social ills. Many are the victims of poverty and abusive homes.

Compared to childcare, caring for the elderly is not a priority for most people. However, as with orphans, the elderly are often abused and abandoned or have no financial resources. Nazareth House provides residential care for frail aged men and women in desperate need.

Assisted by lay administrative and nursing staff, and a small army of volunteers, the Sisters of Nazareth continue to uphold the core values of Victoire Larmenier, which are as timeless as humanity: justice, patience, love, respect, compassion and hospitality.

Visit www.nazhouse.org.za ■

FUNDRAISING FORUM™

Fundraising Forum is a regular newsletter dedicated to the enhancement of management, fundraising techniques and the promotion of community service, welfare and not-for-profit organisations of all kinds.

It is published by Downes Murray International and circulated, free of charge, to anyone with an interest in the growth and improvement of the nonprofit sector and those served by it. In addition to regular features written by Downes Murray International staff, there are extracts from international fundraising publications which are reprinted with acknowledgement to the publishers.

We welcome submissions for publication from all writers involved in not-for-profit work. Visit **www.dmi.co.za** for more information. ■

You're fired until you have a solid monthly giving programme

Erica Waasdorp from Holland, president of A Direct Solution, and author of **Monthly Giving: The Sleeping Giant** *shares her opinion on monthly giving programmes.*

One of the things that absolutely floors me is the fact that so many organisations still don't have a monthly giving programme.

Monthly donors can be considered "major donors on an instalment plan". Those unending monthly contributions add up. It stuns me that some organisations that spend hundreds of thousands on their direct response programmes still hesitate about monthly giving.

It's a mystery to me why organisations that are literally sitting on a gold mine, are turning away heaps of money! You will not know which organisations these are, but I hope you'll learn from some of their mistakes.

Terrible Monthly Donor Decision 1:

We don't have a monthly giving programme, because we can't afford to pay someone to run it!

Organisation X has literally millions of email names and thousands of direct mail names. And yet, they continue to not put any money into developing their many small donors into monthly donors. They offer monthly giving as a giving option on their website . . . but are not promoting it.

Let's look at what we see in the market place right now:

- 21% of baby boomers already give monthly (and baby boomers will be the backbone of giving until 2035, according to expert analyst Jeff Brooks);
- And it's trickled down: 4% of donors to tiny organisations are already giving monthly.

So, let's do a simple calculation on the back of a napkin here:

You plug in the number of donors who've given in the last 12 months. Multiply that number by the conversion percentage you're thinking you might reach: say, 1%.

Then multiply that times your average monthly gift (which currently stands at $20 a month) times 12.

If you had 100 000 donors, using this illustration, you'd raise $240 000 from just those 1 000 (1%) who converted to monthly giving.

I'd say you should be able to hire several people for that programme and all you need to get started is one!

You could reach your goal of 1% in less than a month if you only focused on it, I can pretty much promise. So what are you waiting for?

Terrible Monthly Donor Decision 2:

Letting your finance person run your fundraising department.

Believe me, this is really scary stuff! This is a real story and I just keep shaking my head. It's amazing this organisation is still in business.

Huge organisation Y mails millions of pieces a year and has several hundreds of thousands of direct mail names and thousands of email names. They have the recurring giving option set up on their website.

So, the donor says yes, make this gift recurring, fills out her credit card information and hits submit and expects her monthly donations to start.

Well, whomever it was that was wearing the finance hat and should have never been hired to be in that department, told the fundraising department that this particular activity "does not count as a monthly donor commitment".

And the worst part is, the fundraising department listened.

They were told to call this donor and ask her for her credit card information again and only then is she considered a monthly donor.

Well guess what? Of course you're not going to reach everybody! And those you do reach will be totally put off.

Why would I give you my credit card information over the phone if I just did it online? What part of my donor intent did you not get?

So, this organisation just lost the few monthly donors they could have had.

Set up your monthly donor option online and process the donor's monthly gift. That's what she wants you to do!

Terrible Monthly Donor Decision 3:

Being too greedy and asking too high.

Organisation Z was interested in monthly giving and they had the process for monthly giving in place. So far, so good.

But then, they started getting greedy and got some bad advice (not by us, mind you!).

Someone had told them that they should start at the same level of the typical donor's gift, $50.

So, they sent an appeal asking for $50 a month (and no alternatives). The appeal did poorly and they couldn't understand why donors weren't joining the programme.

When we looked at it, that was the first thing we noticed. Never make the first ask the same as the average gift. That's simply too high. You can't expect a donor to go from $50 a month to $600 a year.

Rather, start by using one third of that amount or go even lower. The key with monthly donor acquisition is to generate monthly donors and upgrade them later.

Think about it this way, if you ask the $50 donor for $15 a month, you've now upgraded her to $180 a year and you just increased their retention rate multifold. Sounds pretty good in my book!

With acknowledgement to Tom Ahern. Visit http://aherncomm.com

When board members just don't get it

Every now and then there's a board of directors – how can this be written diplomatically – that doesn't seem to get it. This doesn't happen often, but when it does it's never a pretty sight. Thomas McLaughlin reports.

There are many reasons why nonprofits seem headed for doom, dysfunction, or both, and most of the time it isn't directly attributable to board members. But when it is a board problem, here are some frequent scenarios and potential fixes.

Ideally, a board of directors is focused mostly on the future, less so on the details of the present. This is because boards of directors should be leaders, not outsiders immersed in management detail.

Board members' preferred orientation to time is often connected with their personalities and what they do for work. Board members who work in technical roles often prefer to operate in the here and now. This means they could be uncomfortable with the kind of thinking that leaders must do to position a nonprofit for the next three or four years.

The solution to this kind of board dysfunction is to construct each board agenda so that the bulk of time will be spent focusing on future opportunities and challenges.

Constructing the agenda so that the majority of items relate to future decisions requires that the CEO and board chair work closely together.

The term "trustee" is sometimes used to refer to a conventional nonprofit board member, but that is usually either a loose statement of philosophy – or an inaccuracy. In legal terms, a trustee holds property on behalf of an outside beneficiary. That is in no way similar to nonprofit board members' responsibilities. Those are more related to leadership than conservation of assets, but the mythology persists.

Implicit in a trustee self-image is the idea that the trustee must protect the asset as their primary duty. But nonprofit board members are intended to lead the organisation, along with the CEO, and preserving assets for beneficiaries is never in the equation.

Protective Board Members

Board members who see their role as "protecting" the organisation will always be conservative in the literal definition of the term. While this role might work well for financial assets not owned by the trustee, it can lead to an exaggerated sense of outside threats and a paralysed nonprofit board if it becomes the dominant image of the board's role.

A good board member selection process and continual self-education will fix this problem.

One board, for example, recruited new members by inferring from their strategy the type of characteristics that would be most beneficial.

Any large industry develops its own jargon and shorthand references, and the nonprofit sector is no exception. But nonprofits funded in large part by government are inevitably immersed in payment systems, quality assurance mechanisms, and political developments so detailed that even a nonprofit CEO may not be fully abreast of all the nuances.

Board members from outside the sector often speak of their meeting agendas as a thicket of obscure regulations, political connections and mystifying lingo. While these are all necessary elements to manage, board members quickly give up hope of being conversant in them and as a result their ability to make contributions is reduced.

Simplify Things

This is a situation where "not getting it" says more about the industry than about the board members. The solution? Reduce the language and complexities to an understandable level.

Fundraising imperatives help shape a preference for wealthy board members and their personal ability to make contributions and for their networks of similar professionals.

The conflict these kinds of board members face is that they are so thoroughly steeped in equity investing and money management that they cannot operate in the non-equity world of nonprofits. Often their personal approach to governance becomes a largely passive and reflexive acceptance of majority decision-making.

Here's what happened with the board of directors of a large national organisation. Arguably the most powerful person in the room was a former corporate titan with an international reputation who sat silently during a lengthy presentation and discussion of nonprofit mergers. His knowledge of the subject would have been welcomed by all, but for whatever reason he remained silent.

Whether motivated by a sincere desire not to complicate the discussion, or for personal reasons, this kind of "denial of service" will make the board less effective.

Board presidents can be useful in reversing the situation simply by making a personal appeal, and the CEO has the ability to coax more input should they wish to do so.

Nonprofit board governance is an imprecise process at best. Although in theory the role of the board of directors is clear enough, the actual practices of boards vary greatly. A nonprofit board's apparent passivity or disinterest may be a reflection of the difficulty of nonprofit governance, but on occasion it is the result of a breakdown in the governance process itself. Left unchecked this can lead to confusion and decline. But with the right kind of self-reflection and support, most boards will get it – and get it done. ■

With acknowledgement to **The NonProfit Times www.thenonprofittimes.com**

7 "Quick and easy" ways to raise more money for your nonprofit

OK, I admit it – the title of this post is a little misleading. Nothing is really, truly easy when it comes to fundraising. But – and anyone who has been fundraising for more than a few years can back me up on this – some things are easier than others. Joe Garecht shares seven techniques to help you increase your income.

Lots of nonprofits need to raise more money in a hurry, for one reason or another. And many of those organisations start the process of raising more with extremely complex, time-consuming plans. They write huge grant proposals, cold call large donors, or try to hold a new gala event.

These are hard ways to raise more money. There are lots of ways to raise money quickly, and without nearly as much hassle as a complex grant proposal or a new government contract. So, without further ado, we present quicker and easier ways to raise more money in a hurry:

1. Upgrade Current Donors

There are no better prospects for larger donations than your current donors – and asking them to upgrade their gifts by giving more is the very definition of "picking the low-hanging fruit".

As a general rule of thumb, if you want to raise 10% more at your nonprofit this year than last year, then your best bet is to ask each of your current donors to give 10% more this year. Getting donors to upgrade is far easier than finding a new donor to start giving for the first time.

The best way to get donors to upgrade is to ask them directly. People don't give (or upgrade) unless they are asked.

2. Reactivate Lapsed Donors

People who used to give to your nonprofit, but no longer do are another major type of low-hanging fruit for your organisation. Think about it – these are people who used to give to your nonprofit, then for one reason or another stopped giving. There's a good chance that if you reengage them the right way, they will consider giving again.

As with all fundraising, the best way to approach lapsed donors is with a personal visit. If that's not possible, then try using a phone call. For lower-level donors, you may also find success with snail mail or e-mail. Lapsed donors won't start giving again unless they're asked.

3. Focus on Sponsors for all Regular Events

If you need to raise more money in a hurry, setting up a new event is probably not worth the time and hassle.

However, if your nonprofit has regularly scheduled events, a great way to raise more money for your organisation is to raise more money through the events you're going to have anyway. And the best way to accomplish this is to focus on bringing in new sponsors and upgrading past event attendees to become sponsors. The profit on most nonprofit events comes disproportionately from sponsors.

Sponsors provide more "bang for your buck", and more possibilities for your limited fundraising time.

If you want to rapidly raise more money – start finding new sponsors (and upgrading current ones) as soon as possible!

4. Ask for Referrals

The single best place to find new donor prospects is inside the contact lists of your current donors, board members, volunteers and staff members. When was the last time you talked with your current donors to ask them to introduce you to their friends, clients, suppliers, and colleagues?

What I mean is . . . how many of your board members and donors have you sat with, one-on-one, as part of a cultivation meeting, and directly asked, "Can you introduce me to two or three of your colleagues who might also be interested in learning more about our work?"

5. Launch a Crowdfunding Campaign

Has your nonprofit harnessed the power of sites like Indiegogo, Kickstarter, DoJiggy Pledge or Fundraise.com to run a crowdfunding campaign for your organisation?

Online crowdfunding campaigns are a great way to raise quick funds for your nonprofit. Every nonprofit has the power to run a successful crowdfunding campaign, and it takes less effort than you might think.

6. Send out a Fundraising Letter with a Matching Donation Challenge

Want to know how to send out a fundraising letter to your current donors and get them to give more than they ever have before, without having to make it sound like the organisation is having a funding "emergency"? Try a matching donation challenge!

Ask one of your larger donors to pledge a large amount as part of a Rand-for-Rand matching challenge for your next fundraising letter. Then, send out a letter to your entire housefile telling donors that every gift they make will be matched by a generous donor, but only if the donation is received by a certain deadline.

7. Turn Corporate Event Sponsors and in-kind Donors Into Annual Donors

Does your nonprofit have a long list of corporate event sponsors and/or businesses that make in-kind donations (or silent auction donations) to your organisation? If so, have you tried turning those donors into annual donors who give cash to your annual fund?

Corporate and in-kind donors give for the marketing benefits you offer them, but they also likely have a strong affinity for your cause and your organisation. Leverage your relationship with them by going out and sitting down with them to ask them to consider making a monetary donation to your organisation, in addition to their event sponsorship and/or in-kind donations. Remember, like all donors, they won't say "yes" until you ask!

Visit *www.thefundraisingauthority.com* ■

What fundraisers need to know about the new B-BBEE scorecard

The first thing you need to know is that I am not a B-BBEE (Broad-Based Black Economic Empowerment – or BEE) specialist. I am, however, a fundraiser – and like many of you who are part of this noble profession, I have been forced to understand how to work with the codes, in order to be more successful in securing donations from companies. We need to demonstrate to existing and prospective corporate partners that their donation not only makes good social sense, but good business sense too. Sarah Scarth reports.

The detail shared in this article is based on what I've gleaned from my own experience and what I've learnt from individuals who specialise in this field.

The B-BBEE Act No. 46 of 2013 (which is an amendment of the 2007 Act) is administered by the Department of Trade and Industry (DTI) and its overarching goal is to ". . . ensure that the economy is structured and transformed to enable the meaningful participation of the majority of its citizens . . . ". Through the Act government aims to get business South Africa to address some of the major challenges in our economy – i.e.:

a. Reducing the widening gap between the rich and poor by requiring businesses to increase the number of black people that manage, own and control businesses;
b. Addressing a low-skilled labour force through skills development practices that benefit black people;
c. Reducing the high unemployment rate amongst black South Africans through management control and enterprise development.

The first thing to note is that whilst the new codes were gazetted in October last year for implementation by May 2015, the alignment of the charter codes (to meet specific business sector needs), is now only expected to be completed in October 2015. But whilst some businesses have more time to adjust and comply, more and more companies are moving over to the new codes and therefore so must we.

The biggest change is that the number of 'assessment elements' has been reduced from seven to five, along with the respective points for each.

As you will see from the table below, there are also now priority elements and companies that fail to achieve a certain threshold for these priority elements, will have their score discounted.

Another change is that the annual turnover for Exempted Micro Enterprises (EME) has been increased from R5 million per annum to R10 million per annum; Qualifying Small Enterprises (QSE) are now between R5 million and > R50 million and Generic Enterprises are > R50 million.

Under SED (Socio Economic Development), whilst the point allocation remains at 5, with a requirement that 75% or higher of the SED beneficiaries must be black, there is one big change: SED spend will now need to be geared towards "income generating activities" for beneficiaries, which could have a significant impact on those organisations that provide services which in no way can be linked to beneficiaries securing future work.

My advice: start looking carefully at which programmes you choose to ask for corporate funding.

In the 2007 codes, Skills Development spend (a priority element) would only count if it benefitted 'black employees'. Under the new codes this has been changed to 'black people', which creates new opportunities for those social impact organisations which deliver skills development programmes. If this applies to you, then my advice is to take the time to show how your programme work is aligned to the new codes and start building relationships with the HR executives at your existing and potential corporate funders, as they will probably be key to unlocking this funding.

Given the importance of Enterprise and Supplier Development, this is an area that should be carefully considered. If you are creating opportunities for new black enterprises, you would be well–advised to invest time and resources into exploring how your work is aligned to the amended scorecard and then present this to potential corporate funders.

Finally if you want to know if NPOs need to be verified, the answer is no. Most NPOs will automatically be level 4 status and this can be easily verified by obtaining a letter from a qualifying body (i.e. your auditor).

Sarah Scarth is the Southern African Representative for The Resource Alliance, which works globally to strengthen the social impact sector, by helping organisations of every size and type develop the critical human, financial and intellectual resources necessary for them to build a better world. She also works as a fundraising consultant and is based in Cape Town, South Africa. For more information contact her at sarahs@resource-alliance.org

Old Codes Scorecard				New Codes Scorecard		
	Element	Points GENERIC (7/7)	Points QSE (4/7)	Element	Points GENERIC (5/5)	Points QSE (5/5)
1	Ownership	20	25	Ownership*	25	25
2	Management Control	10	25	Management Control	19	15
3	Employment Equity	15	25	Skills Development	20	25
4	Skills Development	15	25	Enterprise & Supplier Development	40	30
5	Preferntial Procurement	20	25	Socio-Economical Development	5	5
6	Enterprise Development	15	25			
7	Socio-Economical Development	5	25			
Total:		100 + 7 = bonus Points	100 + 7 = bonus Points		109 + 9 = bonus Points	100 + 8 = bonus Points

* = Priority elements

Source: SAGE Pastel BEE 123

Advice for the smaller organisation and those just starting out in fundraising

Much of the fundraising advice that is published for nonprofit organisations is aimed at the larger, more established organisations with fairly sophisticated fundraising programmes.

So I thought it was time to offer some words of encouragement to the smaller organisations and those just starting out on a fundraising development programme. In other words, those nonprofits doing no less valuable work than the high-profile ones, but whose struggle for funding is much greater, and often needs a somewhat different approach.

I'm sure many of you have experienced the situation when you first face the task of fundraising – the director and your board are pushing you for results: everyone is suggesting different methods of achieving them, and expecting you to start out in 20 directions.

The first and most important bit of advice is – don't allow yourself to be rushed or pushed into an unplanned programme. Never rush off without proper preparation. If you fail to follow each step of the development process you run the risk of total failure down the line.

So make sure that your organisation knows its mission. Develop a proper case statement.

Invest in feasibility studies, donor surveys, and discussions. Take time to train voluntary leaders and workers. Attention to these and other planning and preparation details will help you avoid pitfalls and potholes!

Build your fundraising programme one step at a time, starting with the annual giving programme. Special events may well have a place in your fundraising, but they don't build an ongoing relationship or long-term giving habits from your organisation's constituency.

Essential Starting Point

A properly organised direct mail programme for budget funding that allows everyone in your support group the opportunity of giving at least once a year is the essential starting point to building the necessary relationship with donors.

Use newsletters to inform your donors about your needs and how they can help. In your newsletters and your printed literature talk about bequests and their importance to the long-term continuation of your work. And above all, make sure that you are building towards a programme which gives as many people as possible the opportunity to contribute – from the widow's mite to the mighty millionaire's millions.

While we're on planning – develop long- and short-range plans. A long-range plan which you can review and update with your organisation's board or committee will help you focus on the ultimate development programme you've set yourself, and will prevent you from getting so impatient that you rush ahead with too many activities all at once.

Leaders

Find the right leaders. And when you recruit board members or volunteer leaders be sure that you spell out what is expected of them, and give them a clear understanding of your organisation, its mission and its structure. Don't collect board members whose names will look good on your letterhead but whose commitment is lacking.

As the fundraiser your task is not to do the day-to-day fundraising. You must concentrate on co-ordinating the programme whilst the right volunteers with the right amount of "TFI" (top financial influence) do the actual solicitation.

You need to make sure that you have the right balance between existing donor renewal programmes and new donor acquisition. If you put all your efforts into a programme that concentrates only on existing donors – you may well produce maximum income for a while – but you'd be ignoring the future.

So keep the balance and be sure that your annual plan includes new donor solicitation. Use your special events to build lists of potential supporters who can be recruited to become regular donors in the mail.

A word of warning. Don't get so enthusiastic about your own ability that you involve your organisation in projects that it cannot hope to sustain. If you lead the organisation into an activity they're not ready for or don't have the finances or facilities to support – think about what can happen to them if suddenly one day you are no longer there to hold it all together.

Finally don't be afraid to ask for advice. Ask a colleague in nonprofit work, ask a volunteer businessman to take a look at your operation and give you an outside perspective, or ask for professional fundraising specialist's advice on a "payment for time" basis. A half-day or a full-day consultation can provide an in-depth look at your organisation, and your development programmes, from someone with the experience of a great many different nonprofit organisations.

With acknowledgement to the late Terry Murray.

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