



"Tools for Success" webinars for Assets for Independence grantees:

Fundraising Resources for IDA Programs

Friday, December 14, 2012
12:30 – 1:30 p.m. PST / 3:30 – 4:30 p.m. EST

Yehwroe Sinyan: Good afternoon everyone and happy Friday. Welcome to the Fundraising for IDA Programs webinar. This webinar is the latest in an ongoing series of Tools for Success webinars that are specifically designed for AFI grantees. My name is Yehwroe Sinyan and I want to once again welcome you to this conversation.

Before we start today's presentation, I'd like to begin with a few housekeeping items. If you're having trouble dialing in you can listen in through your computer using speakers or connecting a headset to your computer.

If you're having technical difficulties such as trouble connecting to the visual portion of the webinar or any other problems, send us an e-mail and we'll send you the PowerPoint file as an attachment so that you can follow along. The e-mail address is tmurphy@cfed.org.

Today's webinar is being recorded, so you will be able to review it on demand. You will receive a follow up email in about a week or two with details on how to access the recording. We will also send a copy of the PowerPoint presentation that is being used today. So you'll have that in hand as well.

We have a number of participants registered today, so your phone lines have been muted to ensure sound quality.

At any point during the webinar, if you have questions for our speakers, we encourage you to send questions at any time during this presentation by using the Questions box in your GoToWebinar Control Panel as you see on your screen. We will try to answer as many of your questions as we can but today's webinar is a mini webinar so we have to take that into consideration.

We realize that some of you on this call may not be AFI grantees, so we want to provide you with information about the program. The Assets for Independence Program, or AFI for short, is the largest source of funding for IDA programs nationally.

To learn more about AFI, including how to apply, visit www.idaresources.org

There is also an upcoming orientation webinar that may be of interest to you:

The **Prospective Grantee Webinar: Developing Resources and Partners** will take place on January 9th, 2:00 – 2:45 p.m. EDT and, again, you can register at www.idaresources.org.

Today's guest speaker is our own Devin Thompson, Deputy Director of Development at CFED. He comes with a wealth of information and we are very happy to have him here with us. Once again, I'm Yehwroe Sinyan and I'm with the AFI Resource Center.

Today, we have three objectives. The first is to review our brand new fundraising resources, the second objective is to learn about the diversity of fundraising options and how to capitalize on them and the third is to understand what traits make for a stellar fundraiser.

And now we are going to have a poll to assess who is on the webinar today. Which of the following most closely describes you? One, a program staff who directly raises funds for your program, two, a program staff with limited experience raising funds, three, a program staff that has development team to raise funds and four, an executive or development staffer looking to raise funds. We will give you a few minutes to fill that out for us.

Great. It looks like the majority of you are here and you have limited experience raising funds. This will be a great opportunity for you to learn more from our expert. With that, I am going to hand it over to Devin and he is going to talk about our first tool.

Devin Thompson: Good afternoon everyone. For those of you who attended the Fundraising 101 session at the AFI Institute at the 2012 Assets Learning Conference, some of this is going to be a little bit old hat but I guarantee there will be a couple of new pieces for you. It looks like about 2 out of every 3 people have limited fundraising backgrounds and hopefully we will be able to give them some great new tactics. The first resource we will be talking about is that "Guide to Proposal Writing". It is your logical framework on how to lay out your thoughts and your program descriptions in a way that a program officer, who is going to be reading and trying to become your advocate for your foundation, can understand what the program is and why it's important. At the top level, for most proposals, you are going to see a statement of need. This is the kind of high level view of why you need to have a program of this type in your community. Most program officers are looking for more than just the anecdotal evidence of poverty in our neighborhoods. They are looking for data they can use with other program officers to understand it. There are some really good resources available and we'll get to that at the Fundraising Resource section and we'll look at block for block neighborhood poverty data, area median income and our Assets and Opportunity Scorecard to look at a statewide scope. It will give us a sense of where things are. You also want to differentiate yourself and your programming from other poverty alleviation tools. Unfortunately, the IDA is something that is very unique in that task because it is a behavioral tool that creates long term change as opposed to being the hand up of a cash transfer system.

So when you go into your next section it is going to be talking about your program, your project description. We are not going to go into great depth about logic models because we only have 30 minutes and that is a yearlong course on its own but there are some great resources on that available including one linked on this guide and more on the Fundraising Resources tool. So you want to talk about “the how,” “the when” and “the why”. “How” is going to be your timeline for achievements, your when is going to be the detailed work of implementation and “the why” is talking about why this methodology. One of my favorite items to draw on if you are a housing services provider or looking to do home purchase work is going to be a statement from “Weathering the Storm,” a CFED publication from 2010 that states that nationally, among a population that saw 12.5% foreclosure rates, IDA participants saw 2.5% foreclosure rates. That means that 1/6 the total foreclosure rate of the population at large were IDA participants.

Obviously, the foundation is looking to invest in you as an organization and that implies investing in your staff so you want to show them your capacity and how and why you are the right place. Addressing who will work on the project, along with their qualifications, whether that’s 20 years of service in the community and knowing your partners in the field or the PhD that they may or may not have. Evaluations are a really tough topic that a lot of people struggle with especially as our funders are getting more into an investment mindset. They are investing in the social change we work on. One of the big cues on this one, for evaluation, is to think of your goals as SMART goals. By that I mean Specific, Measurable, Attainable, Relevant and Time-based. Specific means drill down to it and get to the detail. Measurable means it’s more than just a head account, attainable means you don’t want to write the grant report at the end of your project and not achieve your objectives and time based is the way you’re setting your milestones, outputs and your outcomes.

You’re probably tracking as part of your intake process a lot of data points already that you could use as some of these easily measurable stats. One of my favorite ones is taking credit reports so we know our credit scores of our clients. If you take one at the close of the program, you can show your net change in credit score over time. So this is a relatively easy and inexpensive way to give funders a measurable. Don’t forget to include that it is up to 6 dollars or so for a credit score in your budget as a direct line item so you can charge against it.

Developing a budget is an undertaking of its own so we will go into this one very lightly. Hopefully you have a finance team you can track against. Remember to build it off your line item and if you already have an AFI grant you know how to do that.

Yehwroe: Great, thanks. Before I ask you a follow up question I just want everyone to know that we have included the links to these resources in your chat box so you can follow along, Devin, I have a quick question just about major takeaways from this document.

Devin: Bear in mind that this is a large outline. Each proposal you’re going to write, you’re going to want to tailor to your funder. This is a great way to get your boilerplate in place but you’ll still need to know the details of your funder’s interest and take this boilerplate and

pull from this and specify it to their interests. Without that match in interests, you're going to have a much harder time getting your matching dollars.

Yehwroe: Thank you. We've got a question from the audience. The question is; how do you approach funders for the non-federal match if you don't already have the AFI grant in hand. If you don't already have the matching funds in hand, your AFI application won't be competitive, and so what are some ways to resolve this issue?

Devin: There are a number of neighborhood foundations, so think of the community foundations that will fund things as challenge grants. Similarly, go after donor advised funds that will do a similar tactic where you're using the AFI resource that you're raising as the challenge they will then fund you against. So you have a pledge, so a commitment of the funding, but you won't get the check in hand until you get the letter from AFI. So you can count AFI as having a pledge to raise funds. Once you have the pledge your accounting team can count it to your income stream. It just won't have been fulfilled until after the AFI acceptance letter is in hand.

Yehwroe: Thank you. Now we can go into the next tool. Would you like to tell us about the Fundraising Resources tool?

Devin: The Fundraising Resources guide covers a lot of territory on one page. I'd rather we think about it as three separate topics. So you have in there your fundraising resources for capacity building. These are other resources to go and learn more after this webinar because in 30 minutes we can only really scratch the surface. I am a huge fan of the Foundation Center. I've been visiting our one in DC for years. They have satellites, or cooperative collection libraries, across the nation. You can do your research there on the foundation directory online for free. They also have great classes that I highly recommend.

"Strengthening Nonprofits: The Capacity Builder's Resource Library" was developed in tandem with a member of the AFI resources team. It has a great broad scope ranging from how to handle your financial reporting structures all the way down to maintaining long term relationships that we will talk about. I am going to draw your attention to building your needs statement. I touched on it briefly previously. This is a lot of the data you can get to when you're building your needs statement. I am a huge fan of the USA CenStats data base. You can get a block by block view and scale down to what you need. If you're looking to build youth IDAs, you're free and reduced lunch, the percentage of students at the state or county level receiving free or reduced lunches is a good data point. That's a great way to talk about poverty in a way people can understand.

Obviously, I mentioned the Assets and Opportunity Scorecard, our new one will be coming out in January. You will hear more about that from us as we get closer. The last ones are for making the case as to why IDAs are preferable over other poverty alleviation methods. For the last 15 years, American Dream Demonstration reports have been coming out and that has the cohort by cohort analysis of all of the past history of the IDA program. It has more detailed information than probably anywhere else and it is sometimes a little heavy to get

into. It's done by academic institutions but you can pull out information like what I mentioned about the foreclosure crisis. Obviously, our own reporting gives some great framework. I'm a huge fan of "Why Assets Matter" when you're dealing with a new funder who hasn't worked with asset building. It's a great way to bridge that gap and give them basic information they need to be able to become strong advocates internally for your work. I am also big on being able to message about IDAs in an effective manner. It is very complicated stuff and we don't want to drown people in wonk speak. We need to talk in a way that people can understand the message and the reason and the importance. The communications frame and messaging templates are linked at the bottom as messaging tools along with a great webinar done two years ago about how to tell a story and humanize our client base.

Yehwroe: Thank you, before I ask you about major takeaways I just want to remind everyone again that the links to all three resources are available in your chat box so you can follow along with Devin. So Devin, any takeaways?

Devin: This is basically three resource tools in one. I think my biggest one is going to be that the conversation doesn't end just here on this webinar. Becoming an effective fundraiser, I mean there is a reason why we have the Association Of Fundraising Professionals specialized skill set. So just one webinar, or one book gets you the tools you need to start but it's a long trip. Go to GrantSpace, it's a great program to learn how to prepare grants, maintain successful grants and turning that into long term relationships.

Yehwroe: Thank you. We have another question from the audience. The question reads; What kind of data about my area should I use when approaching funders?

Devin: That's a much more complicated question than I think the asker gets. I talked earlier about catering to your funders interests and that's really going to define what type of data you go at. If you're dealing with a statewide foundation, say the Arizona Foundation, you're probably going to be talking about the statewide IDA initiative. In which case, you'll talk about data with asset poverty issues at a large scale. If you're starting up a youth IDA in a specific county, you will want to tailor the data you're referencing to the population you're serving. I am huge on affordable lunches, also talk about, when you're dealing with youth, the situation of poverty that's around them. Here in DC, we have some serious poverty numbers coming out of Ward 8, my favorite being that nearly half of all youth in Ward 8 live in single parent households and the unemployment rate was about 25% at one time. That gives us sense of the ecosystem these youth are growing up in.

Yehwroe: Thanks for that. Ok and our last and final tool for success, the Donor Profile Template. Would you like to tell us about that?

Devin: The Donor Profile Template is a truly basic guideline for how you should be tracking and maintaining your relationship with your funders. This works both at the organizational level, so for foundations that may be supporting you and the individual donors who hopefully, are also drawing to your cause. We haven't talked much in the course of this

webinar about individual donors but there are some great models for funding. EARN is a great one out of San Francisco who primarily fund their matching pool out of individual donors. So think about who your major philanthropists are locally and think about how you can, using those messaging tools that are linked in the resources guide, how you can explain it in a way that makes it human. This Donor Profile Template is a starting point, I don't expect most people to keep it as an unruly word document, which is how I gave it to you and I apologize for that. When I was associate director at CAAB, which is where I dipped my feet into the IDA field, we built out a Salesforce database using similar trackers. I know people who do this as an access database. Hopefully, you have some way you are tracking your clients which can also be reflected in this.

So this is a one stop place to be able to pull all of your relationship data with a funder. You want to be able to know from a quick read of this where everything stands in the past, as well as what you're supposed to be doing with them next. I am going to draw attention to a couple of key topics you might not think about, as silly as it sounds, knowing the birthday of the people you interact with is surprisingly important. Something as easy as an email to a major donor off hours creates more connection with what they're doing. You always want to know who your relationship manager is. A lot of times there can be confusion if people are interacting with other people and not keeping all of that tracked. If I have 4 people touching base with one donor, make sure you're all tracking it or narrow it down so the donor is talking to one or two people. That's a much better way of handling it. So you want to be able to track whose relationship is where and at what level and whose doing what with each donor. Same thing with program officers, you don't want program officers hearing 3 different things from 3 different staff members.

Recommended next steps, obviously, is going to be down to the time base. So think of this as those SMART goals that we talked about for your grant, you will also be developing SMART goals for your donor cultivation. This is a lot of extra work but this is how you build those long term relationships that allow you to maintain the sustainable program so you get year over year funding. It costs a lot less in time and resources to renew with a particular funder, whether a donor or foundation, than it does to find a new one. Another one that people tend to not think about when they're building out these templates, and this is more specifically for individual donors, will be the family relationships. Every time you have the opportunity, build a bridge between yourself and your potential funder, whether that's when, an example I have is I found out that a spouse of a major donor at an organization I was working at 6 years ago was from the same university I went to. That meant that every time I called and talked to that family I had an easy way to start things up just by talking about something that went on on campus. The most recent one was the bonfire we had for beating our rival football team.

I recognize this is a lot of information I'm throwing at you all so I hope it's all being settled in and if not, there are additional resources as mentioned. Knowing where your donor stands over their lifetime is really key because that's how you project what you should be asking them for in the future. You want to know how much they gave last year, that's the easy one. But also how much they've given over their history and how long that history has

been. Obviously the longer the history, we always project a slowly upward sloping line when figuring out what the next gift is. And even if we stall at that same level year after year, we are still under the expectation that we will ask for more.

The last part of every good donor profile is going to be your long term cultivation history so that's every touch and I mean, literally every touch. If it's a phone call, sending them a newsletter, if they're getting a regular email blast that everyone in your organization gets, you want that recorded. A lot of software does it automatically; Salesforce is free for nonprofits and can be catered to this. If you're part of a larger organization, Razor's Edge can do this automatically. Both are great options. If you have to have an intern do it manually and you have a smaller pool, having been there before, that also works but it's more time intensive. Again, you're going to want to cater this to our needs so don't take this as the gospel. This is a starting point. What you think is important to relate to your organization should be added here. One of the ones that I didn't include here because some organizations have multiple programs and some don't, is what programs a person has a natural affinity for. That's a key one. So let's look at an organization that has financial education and an IDA program. You may know that a person will give to the matching pool if their natural affinity is financial education. For long term funding, you may be better off hedging them toward the financial education work and then using that as the tool for talking about how financial education paired with a matched savings tool creates a long term greater behavioral change for your clients. For a lot of donors, whether they're individuals or larger organizations, it's about the impact they're having with resources to create change.

Yehwroe: Great, thanks for that information. That was a lot in a little bit of time. We just want to sum it up for those folks on here since the majority of folks here are novices on the phone so we just want to know; what's the major takeaway from this document?

Devin: Fundraising is the art and some might argue science of building and maintaining long term relationships and this is one of those great tools to be able to see where you're at in that spectrum, recognizing that this isn't something that ends. It keeps iterating and you want those iterations to happen regularly. If you're not touching a donor, foundation or individual at least 4 times a year, you need to look at how you're allocating your resources towards them.

Yehwroe: Thank you. We have a question from the audience and the question is; what follow-up would you recommend after you're initial meeting with a funder and how often should you communicate with them?

Devin: I answered that second part so the first part was on immediate steps following a meeting? This is going to sound old-fashioned but I am a huge fan of the handwritten thank you note. I know it's gone out of style but I cannot tell you the number of times donors go back to my bosses and are forward about how they got a hand written thank you in response. Actually, in some cases, it has guaranteed me retention of donors.

Yehwroe: Great and somethings never go out of style Devin, so you're not old fashioned. Really quickly, I want to remind everyone that all three documents are accessible through the AFI Resource Center homepage under the managing your grant page under tools for success and on the fundraising page under fundraising tools and resources. They will also be included in the PowerPoint we will send in a few weeks. In the next slide, we are going to be talking about what makes for a stellar fundraiser, what traits make for a stellar fundraiser Devin?

Devin: Recognize that this is entirely opinion based. Communication savvy; specifically the ability to translate what a really complex theory is. A lot of what we do in the asset building field is wonky. Its language is really heavy. Most people don't even quite get asset building so it's the ability to translate that language into something anyone can get. If someone who spent their entire lives in workforce development, they get job training, so it's translating how your tool helps them do their job better, so what's the value added for this program. Another one is going to be fundraising. It is a long term relationship process. Recognizing that you don't go from 0 to funded in 3 months no matter how much we'd like that to be the case. Plan out 6 months in advance or even a year in advance. Here is a huge one for those who aren't AFI grantees. Work your private and local fundraising in parallel to your AFI grant process because that pledge, that commitment of funds is really important, otherwise you'll get your AFI grant and you'll be chasing your local private match for a while and you don't want to start your project behind.

Yehwroe: Great thank you very much. We've had two previous webinars on fundraising, the first one was State and Local IDA Funding and the second was Fundraising Strategies For IDA Programs so we encourage you to revisit those webinars to see if you can gather some more great ideas and tips from them. As we come to a close I want to thank Devin again for all of your great insights. I'm sure it is really difficult to synthesize all this great information so thank you again.

Last, but not least, there is a wealth of information available via the AFI Resource Center. Finally, before you leave today, we would like to ask you to respond to the evaluation question on your screen. It will only take a few seconds and will help us to assess the quality of this webinar. Please take a moment to submit your feedback before you sign off and we'll give you a minute to respond.