



CENTER ON FATHERS, FAMILIES, AND PUBLIC POLICY

Organizational and Resource Development Lessons for Not-for-Profit Organizations

Julie S. Putterman



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The Center on Fathers, Families and Public Policy is a national nonprofit policy organization that addresses the concerns of low-income families who receive federal and state assistance. Founded in 1995 as a policy arm of the Ford Foundation-supported Strengthening Fragile Families Initiative, the Center works with practitioners, researchers, and policy advocates throughout the country to promote the well-being of low-income men, their children, and their families. The Center provides technical assistance to direct service organizations, analysis of legislative and policy initiatives that affect low-income families, and advocacy for the creation of holistic laws that are supportive of all members of low-income families, whether or not they live together or are legally married.

Acknowledgments

THIS report is based on two meetings held in Madison, Wisconsin in May 2001 and July 2002. The Center would like to thank the Public Welfare Foundation, the Hill-Snowdon Fund of the Tides Foundation, the Ford Foundation, and the Charles Stewart Mott Foundation, whose generous support made these meetings possible. Special thanks to Marguerite Roulet for her steadfast assistance in the production of this publication.

We would also like to thank the many individuals who contributed their time and expertise to the meetings and whose on-going work to fight poverty and racism in the U.S. inspires. Thank you Abdillahi Alawy (Public Welfare Foundation), David Arizmendi (Iniciativa Frontera), Adeyemi Bandele (Men on the Move), Darrell Bell (UMOS), Anthony Brown (A & N Brown Enterprises, Inc.), Darryl Bush (Consultant), Jessie Caban (UMOS), Tammi Coles (Public Welfare Foundation), Osvaldo Cruz (National Latino Family and Fatherhood Institute), Natalie Davila (Consultant), Alan Ferguson (ULGM's Fatherhood Responsibility Project). Lisa Flores (Denver Inner City Parish), Gail Foy (Men on the Move), Marilyn Grant (Impact Services Corporation), Chester Hart (Southeast Ministry), Makini Hassan (Rubicon Programs, Inc.), Kevin House (Next Door Foundation), John Jeffries (Consultant), Earl Johnson (California Health and Human Services Agency), Eric Johnson (Alliance of Concerned Men), Joe Jones (Center for Fathers, Families, and Workforce Development), Ray Jones (Impact Services Corporation), Valerie Jones (The Defenders' Association of Philadelphia), Sherman Justice (The Men's Center), Reuben Lawrence (MELD), Kellis Love (Rubicon Programs, Inc.), Reggie McKinley (DADS Program), Wanda McNeill (Southeast Ministry), Lawrence Martinez (Denver Inner City Parish), Priscila Martinez (Iniciativa Frontera), Tauvaris Moore (ULGM's Fatherhood Responsibility Project), Deborah Mukamal (Legal Action Center), Jackie Payne (NOW-LDEF), Leon Purnell (The Men's Center), Gene Rhodes (Next Door Foundation), Johnny Rice (Center for Fathers, Families, and Workforce Development), Geraldo Rodriguez (Los Angeles County Community and Senior Services), Carl Route (National Association for Prisoners and Parolees), Arthur Rush (Alliance of Concerned Men), Wayne Salter (Wisconsin Resource Center on Fragile Families), Patti Seger (Wisconsin Coalition Against Domestic Violence), Darryl Simmons (Next Door Foundation), Charles Smith (MELD-First Steps/Healthy Families), Earl Smith (Project Impact), Neil Stanley (Public Welfare Foundation), Jerry Tello (National Latino Family and Fatherhood Institute), Roger Truehart (Southeast Ministry), Andre Turner (The Men's Center), Rudy Valencia (Denver Inner City Parish), Bobby Verdugo (National Latino Family and Fatherhood Institute), Oliver Williams (National Institute on Domestic Violence in the African American Community), Carolyn Wiseheart (Healthy Families San Angelo), and Gardner Wiseheart (Healthy Families San Angelo).

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Organizational and Resource Development Lessons for Not-for-Profit Organizations

By Julie S. Putterman

SINCE its founding nine years ago, The Center on Fathers, Families, and Public Policy (CFFPP) has focused its efforts on a range of substantive public policy and program issues related to enhancing the lives of low-income men and their families. CFFPP's agenda has focused on matters such as negotiating the child support enforcement system, the interaction of child support enforcement systems with employment policy, domestic violence programming, incarceration and re-entering communities post-incarceration, as well as other matters of vital concern to poor families and communities. Of paramount concern has been educating service providers, advocates and low-income men and their families about the policy constraints that make it difficult for fathers to contribute positively to the well-being of their children and communities, and to identify opportunities for creating more father- and family-friendly policies.

The longer CFFPP has worked in this arena, and the more relationships it has developed with groups working nationwide to address similar issues, the more valuable lessons we have learned about organizational success in meeting program and policy goals. While it is vital for organizations to be led by people with knowledge of the populations and issues of concern to them, it is equally important that the organizations themselves be well structured, well managed, and of course, adequately financed.

Small not-for-profit organizations that conduct work on behalf of the economically or socially disenfranchised always face challenges sustaining their efforts. But during tight economic times, such as the most recent period post 9-11, it becomes even more difficult to secure the funding and non-monetary resources necessary to operate solid organizations. Over the course of the last two years, we have heard from many of the organizations among the network of those with whom we work, and in response to their concerns, held two technical assistance conferences for staff and managers of small not-for-profits who work with low-

income men and fathers that addressed both substantive policy and program areas as well as the important issues of organizational development, resource development and fundraising.

During the first conference there was a somewhat informal, spontaneous exchange among service providers, advocates, grantees and donors addressing organizational issues, while at the second meeting, there was a planned session led by two facilitators that more formally addressed organizational development and resource development strategies. On organizational issues, clear themes emerged from both conferences. Small and medium-sized not-for-profits, no matter their longevity and history of delivering good programming, faced difficulty securing adequate funding to maintain or grow their organizations and experienced a range of internal management, structural and operational challenges.

This document is not intended to be a comprehensive organizational development manual. Rather, we will highlight the themes that have surfaced in our two conferences and include some of the knowledge and information gathered through research and the observation of best practices in not-for-profit organizations. Our intent is to share this information with those who may find it useful. We understand that what works in one organization may not work in all, but we are confident that organizations may choose the strategies that may most positively impact their work.

Organizational Development Issues

TO begin with, it is important for all stakeholders in an organization to be clear about what the organization is, who it is intended to serve, how it delivers its services, who it speaks to and for, etc. In addition, from an internal perspective, the quality of the work the organization produces is often correlated with the degree to which those who work in the organization, or support it, such as the staff and board, share a common understanding of its vision, mission and goals. Once folks reach that common level of awareness, they are better able to apply those values and goals through their respective tasks and to communicate with a degree of consistency about the organization.

For an organization to be strong and viable, its stakeholders should be able to describe it with relative ease. To do so, most should be able to answer some basic questions about it.

What Every Good Organization Should Know About Itself Now and Reassess Regularly

NOT everyone will know all of these answers, but most should know most of them.)

- What are the **vision, mission** and **goals** of the organization?
- What are the services or products provided by the organization?
- Who are the beneficiaries of those services and products?
- Who are the stakeholders of the organization?
- Whose job is it to deliver the services the organization says it provides?
- How much does it cost to operate the organization and to provide the services it currently provides?
- What resources have been accessed to support the organization and programming to date?
- What will it cost to provide the services the organization would like to provide in the foreseeable future?
- Is the board of directors willing to participate in identifying and securing resources to support the organization?
- Is there a plan that will help to ensure that the organization can continue operating, short term, long term?

A key underpinning of good organizational development is **planning**. The perception of many in small organizations is that planning is either an ineffective annoyance or a luxury that most cannot afford in time, dollars or personnel. Of course, that kind of an attitude can be self-fulfilling. There is also no question that planning can be quite time consuming and can result in a static document that gets put on a shelf not to be seen again until either the office moves, or someone insists that the organization should again conduct a planning process. However, planning can also create tremendous opportunities for those who take the time and energy to approach it seriously.

Planning

WHY Plan? Planning:

- Creates a roadmap for action that recognizes the current and future environment in which the organization operates.

- Reaffirms a shared vision, mission and goals among stakeholders.
- Creates a consensus on organizational priorities.
- Builds synergy between staff and board, between line staff and management and among line staff.
- Creates measurable outcomes, realistic timelines and accountability among all stakeholders.
- Solidifies a self-image—organization must know who it is and where it is going to be able to garner the necessary resources and skills to create effective products and serve clients well.

Types of Plans

THERE are many types of plans that organizations can undertake and a range of methods to complete them. Generally, successful organizations, at some point in their life, must and do PLAN. The nature of the planning process can vary at any given time and should depend on the nature of the challenges an organization seeks to resolve. Plans are not static; they should be flexible, living guidelines that can be modified or enhanced as necessary. They should be actionable, oriented toward short- and longer-term deliverable outcomes, and not be academic, abstract or theoretical documents that sit on office shelves and collect dust! Some plans require very little dedicated time and primarily internal resources to undertake, while others may require considerable time and outside assistance to complete. It is crucial that a planning process have “buy-in” from organization decision-makers and managers, or the likelihood that the plan will be followed is next to nil.

Project Plan

A project plan is the one that is most frequently embraced or backed into by an organization and is therefore most commonly completed. This plan addresses a specific area of work or subject matter and is generally implemented over a fixed period of time. Activities are specified and tasks are assigned to responsible parties. A timeline or calendar is developed with specific end dates assigned for task review or completion. An example of this might be a plan for upgrading a specific set of staff skills in a new technology the organization intends to implement. A project plan may be completed in just hours or perhaps days and can often be completed cooperatively by those who will undertake the project, with the approval of the manager responsible for its completion. It is probably rare for small not-for-

profit organizations to secure outside, consultative help for project planning, though those with available resources who are looking for perhaps a fresh or expert perspective may hire someone externally to help develop these plans.

Annual Plan

THIS plan may be completed on a regularly scheduled basis and might actually be required in some organizations, for example, a budget plan for the upcoming fiscal year. It delineates overall activities, measurable outcomes, assigned individuals and targeted completion dates. Outcomes are defined for the next year and project plans are developed for implementing defined tasks. This plan should be monitored on a regularly specified basis, usually monthly or quarterly, to measure proposed outcomes and to reassess and readjust priorities. If or as changes are necessary, staff and resources can be reassigned along the way. Annual planning often begins early in the calendar year, particularly when it is part of a budget proposal process that must be ratified by a board of directors sometime prior to the next fiscal year. Annual plans are most often completed by staff and management internally. In some cases, where an organization is making considerable changes in programming or finds itself having to reorganize due to either significant increases or decreases in available resources, it might hire a consultant to help work through the annual plan.

Strategic Plan

A strategic plan is more long-term, usually undertaken to cover a three- to five-year period. It articulates the overall directions and outcomes that reflect the organization's vision, mission and goals over a longer period of time. This plan broadly assesses the strengths and weaknesses of the organization, both internally and externally. It also evaluates the environment in which the organization operates, recognizing both opportunities and challenges the organization may face over time. A successful strategic plan requires the development of annual plans that address specific outcomes and tasks over shorter time frames. A strategic plan should be monitored on an annual basis and assessed and modified much in the same way that an annual plan is. A comprehensive strategic planning process requires a considerable time and personnel commitment. It usually involves input from management, staff, board and, in many cases, clients or program beneficiaries, even other stakeholders. Process is very important to the outcome of strategic planning. Buy-in by all of the stakeholders is vital, and a degree of autonomy or objectivity is important in sorting out the myriad issues. For that and a number of

reasons, it is often quite useful for an organization to hire an outside consultant to facilitate the strategic planning effort—to help shepherd the many players through the complex process. A strategic planning process may take as little as a day or a week of each participant’s time, or it can take months of labor by many to complete. The more organized the process is, and the greater the leadership of the person or team charged with its development and implementation, the faster and more effectively it can be completed.

Organizational Leadership and Management

SOUND organizational practice requires both visionary leadership and solid management expertise. Leadership and management skills can be innate, intuitive, and/or acquired more formally. Leadership includes having the capacity to see the big picture, while embodying the values and commitment to help drive the organization from one place to the next with confidence and discipline. That quality is useful in both board members and the Executive, and is sometimes also found among staff. Management skills, the ability to oversee the myriad day-to-day activities and responsibilities of the organization, and a knack for negotiating chaos, must reside in an Executive Director. Since the training ground for many Executives in the not-for-profit world is the “streets” at a grassroots level, or emerging from the ranks of the organization they eventually run, there is often little formal training along the way.

Knowing and embracing the specific responsibilities charged to the Board and to the Executive Director is crucial to the maintenance of a strong organization.

Board Structure and Membership

SIZE of the board should be based on necessary functions to be undertaken:

- What are the responsibilities of the board?
- How many people are required to accomplish the necessary functions?
- What committees are necessary to accomplish organizational goals?
- Are there sufficient individuals for participation on each board committee?
- Is there an adequate diversity of skills and interests on the board to contribute substantively to the well-being of the organization?

- Between twelve and twenty is often a sufficient number for board membership.

Membership should be diverse and include a mix of individuals with:

- Knowledge and experience with the issue areas the agency addresses.
- Specific skill sets including legal, financial and business acumen.
- Experience working in or with knowledge of philanthropy.
- Access to financial resources to help support the agency.
- Experience at the grassroots level of service delivery, organizing, and advocacy, including persons currently living in the community or from among the agency's client base.

Committee structure should include:

- Executive committee: president, vice president, secretary, treasurer.
- Other committees might include: finance, nominations, program.
- Special committees may be formed as needed, including: fundraising, capital campaign, etc.

Responsibilities of the Board of Directors

THE board shall:

- Ensure the mission of the agency is carried out.
- Ensure the organization remains financially sound.
- Contribute financially to the organization, personally and through fundraising efforts.
- Participate as agreed upon cooperatively and respectfully with other board members, the Executive Director and staff.
- Maintain professional and ethical standards.
- Enhance the public image of the organization.
- Recruit volunteers and assist in recruiting additional board members.

It is very important that once their tenure begins, board members be effectively engaged. Many join boards to give of themselves and positively support the work of the agency and the larger community. Some join boards for the wrong reasons, to impress their friends or colleagues, or to see their names on letterhead that they can use for self-promotion, while contributing little to the organization's well-being. Sometimes a board member may become too intrusive in the everyday

work of an agency, and meddle with day-to-day decisions that should be left to the Executive and staff. Creating a good balance that secures appropriate involvement of a board often takes nurturing and sensitivity from staff, but cultivating good staff/board relations is important to successful organizations.

To maintain successful communications and ensure appropriate board involvement, the Executive Director should:

- Recruit board members with both a demonstrated interest in the work of the agency, but also a willingness to commit the time necessary to serve the needs of the organization and the policies outlined in the by-laws.
- Brief potential members on the mission, goals and history of the organization prior to their appointment. Outline the structure of the organization and the policies and procedures that govern its work.
- Provide a substantive orientation for board members at the time of their appointment on the budget and fiscal matters of the agency that the board will be legally liable for understanding and approving.
- Provide adequate and up-to-date reporting to board members to enable them to maintain fair and productive fiscal and policy oversight.
- Keep the board abreast of the financial status of the agency with regular reports at board meetings, or through more frequent correspondence if necessary.
- Maintain open lines of communication between the Executive Director and the board and among board members as necessary.
- Ensure that board members meet personal financial commitments as outlined during recruitment or orientation.
- Encourage board members to participate in committees that utilize their skills and professional contacts.
- Work to engage board members as emissaries of the organization to funders, professional colleagues, and the community at-large.
- Provide adequate and up-to-date reporting to board members to enable them to maintain fair and productive fiscal and policy oversight.
- Create opportunities, as mutually agreed upon, for the board to interact with staff and programs.

Despite good communications between the staff and board, there is sometimes a fine line between the differing roles and responsibilities of the board and the Executive Director. With the primary board duties described above, next is a dis-

cussion of the role of the Executive Director, particularly in relation or contrast to the responsibilities of the board.

Role of the Executive Director

THE Executive Director shall:

- Understand all of the facets of the organization.
- Provide policy guidance and leadership to the board of directors and ensure they are knowledgeable about agency programming and finances.
- Establish and maintain effective communications between her/himself and the board and between her/himself and the staff and with all stakeholders.
- Educate the board about their roles and responsibilities.
- Maintain fiscal control and management of the agency.
- Encourage and secure the participation of volunteers.
- Strategically and daily **manage** all aspects of the organization.
- Hire, fire and oversee the evaluation of all staff.
- Oversee the evaluation of all programs.
- Implement agency changes agreed upon with the board.

It is vital that the roles of the board and the Executive not be blurred. The board provides oversight; it DOES NOT undertake any of the management of operations. While the board ensures that organizational policies exist, such as personnel policies, it does not implement nor directly enforce those policies. The board may make suggestions about programming to the Executive Director, but would not interfere with the program activities of staff, unless invited to provide input by the Executive Director. Board members may speak on behalf of the organization, but should generally do so with the awareness of the Executive Director, at least in formal situations, and be mindful to not say more than is mutually agreed upon.

Staff Issues

In Not-for Profit Agencies

Characteristics of Agency Staff

WHILE the characteristics of employees in all organizations are in many ways similar, and in other ways may be equally diverse, there are some qualities of those who work in small and medium-sized not-for-profit entities that are worth noting, as they may uniquely affect the culture of these organizations. In general, the employees:

- Are highly motivated and driven by a deep passion for the lives of the people they serve.
- Are often past or long-time residents of the community that the agency serves and are sometimes former clients or participants in the agency's programs.
- Have uneven educational attainment—from those with advanced degrees to those without formal higher education, and sometimes without high school diplomas.
- Have uneven formal training in their fields, although frequently have vast experiential learning.
- Are paid wages that are typically lower than in many other sectors of the economy, and have benefit packages that are also often not competitive.
- Work very long hours, including unscheduled or unpredicted hours when they either are sought after by clients or when crises occur that must be attended to
- Often work in very stressful and chaotic environments.

The nature of work in many not-for-profit service or advocacy agencies can be extremely rewarding, in large measure the factor that contributes most to retaining employees. However, the nature of the challenges in the lives of the clients/participants that are served, along with the difficulties negotiating many of the relatively inflexible public and even corporate bureaucracies that workers must navigate, makes social service employment in grassroots agencies extremely difficult work.

In short, workers are often overworked, underpaid, under-trained and subject to “burn-out.” Burn-out is an affliction of staff and management at all levels. Aside from sometimes affecting performance, it often leads to frequent turnover. Sometimes the same workers cycle in and out of agencies, quitting and returning

for a variety of reasons. Many times project funding is exhausted, leading to periodic lay-offs. Sometimes new resources become available, and employees are brought back to work. Under such circumstances, it is not only difficult to maintain quality services, but worker morale can wane.

While many of us in the human services field work hard to advocate for quality work experiences for our client populations, we are often more remiss in providing them for our own employees. This is not because we don't care about staff. With scarce time and resources, we often cannot purchase the goods and services that might be available to improve our own working conditions. Because we may focus on clients first, or might be distributing our own resources too thinly, we sometimes fail to focus as sharply as we might on internal conditions.

Addressing complex staff and personnel issues requires:

- Leadership and commitment.
- Communication.
- Creativity.

Leadership and Commitment

AGENCY leadership must:

- Be committed to making the agency as effective and well respected, internally and externally, as possible.
- Create an environment that serves both clients and staff.
- Make the workplace as inviting as possible; where feasible, there should be flexibility in scheduling, cross-training and certification, job sharing and other such benefits as practical.
- Lead through positive example, expecting no more or less of staff than they do from themselves.
- Work smart; it is far more valuable in a demanding environment than just working long or hard.
- Help employees access training opportunities, to advance their own education and acquisition of skills.
- Undertake regular and productive evaluation strategies that help maintain accountability and assure job satisfaction and quality of work.

Communication

A healthy work environment requires:

- Open access and regular communication between management and staff and Executive and board.
- Regularly scheduled staff meetings with time for open discussion between staff and Executive.
- Regularly scheduled contacts between staff of satellite sites or decentralized facilities.
- All staff to be made aware of policy directives/changes, important new issues or challenges, etc., through ad-hoc meetings, e-mail alerts, voice mail messages, news briefs, etc.
- Board members to be alerted to high-profile or important organizational matters at regularly scheduled meetings or through other methods of contact on specific critical matters.
- Employees to have some vehicle to “grieve” concerns without fear of repercussions.

Creativity

ORGANIZATIONS that are under-resourced and overworked must find creative avenues to augment staff time and to secure other resources to support their work. There are a number of options that should be considered, including:

Broadly developing relationships in the community—one never knows when one will want the assistance of others. Among potential good neighbors are:

- Local merchants and banks.
- Social service providers and community-based organizations.
- Political leaders and elected officials.
- Educational institutions.
- Local government, including law enforcement, libraries, parks, etc.
- Churches and other faith-based agencies.
- Identifying opportunities to collaborate with other groups to deliver programs or services on a continuum of care basis, and seeking funding collaboratively.
- Using collaborations to advocate with the funding community on issues such as

unrealistic evaluation measures, with government for program and rules changes, and with political leaders/policy-makers on legislative strategies and regulatory barriers.

- Using the board of directors to identify pro-bono opportunities for training of staff in off-agency sites, including other workplaces or settings.

Using relationships developed with the broader community to identify and secure interns, “consultants” or volunteers to undertake a range of on-site assistance, including:

- Answering telephones and doing administrative work.
- Conducting internet research.
- Developing brochures and marketing materials.
- Providing legal assistance.
- Establishing bookkeeping/accounting systems, manually or computerized, and providing appropriate training for staff to use them.
- Providing mental health care for clients.
- Providing medical care or legal aid for clients.
- Developing curricula for training of staff and/or clients.
- Providing on- or off-site child care.
- Planning or hosting special events.

Practical Lessons In Resource Development

How to Get the Resources You Need To Do

What You Want To Do

What are Resources?

RESOURCES are the money, goods and services that contribute to the value of the organization. Money is necessary to cover two different kinds of organizational costs.

Administrative and Operating Costs

- Salaries and benefits
- Physical Property—rent, leases, mortgages
- Utilities
- Technology infrastructure—telecommunications, computers, internet connectivity (purchases and maintenance fees)
- Staff and board development and training
- Travel and transportation
- Postage and distribution costs
- Supplies and materials
- Professional services (e.g., lawyers, accountants, etc.)
- Miscellaneous goods

Program/Project Costs

- Salaries and benefits
- Supplies and materials
- Physical space for the program or project
- Equipment
- Professional services
- Transit for clients
- Meals/refreshments
- Staff training (specific to the project, e.g., on particular software for a project)

In-Kind Resources

IN-KIND resources are materials, goods or services that are made available in lieu of a monetary donation, but of value that can be considered income. Examples include:

- Facilities
- Equipment
- Transportation

- Clothes, food
- Volunteer time
- Interns' services
- Miscellaneous things

Fundraising and Developing Resources

TO be successful over any sustained period of time, not-for-profit organizations must bring in resources—money, goods and services for a number of uses and from a number of sources. Whether it is to cover the cost of staff salaries and benefits, uniforms for a band, the purchase of new computers or the cost of rehabbing a facility, every agency needs resources to operate.

Fundraising is always a daunting task. It takes considerable energy and conviction, discipline, creativity and thick skin. To do it successfully, one must be part salesperson and promoter, writer and producer. In many not-for-profit organizations, particularly small ones, the Executive Director is the primary fundraiser on the staff side. It is the complaint of many, that to keep the doors to their organization open they must spend the vast majority of their time hustling money. Precious time that could be devoted to programming or to staff support and development often gets relegated to “when we get a little break.” In larger organizations, if adequate resources are available, there is sometimes a development director or staff person who can do some of the important fundraising work, for example, researching potential donors, writing proposals, mailing promotional materials, etc. In some agencies, program staff contribute to proposal development for programs they manage. Board members are sometimes called on to help with fundraising—helping to identify new sources of funds, networking in social or professional circles, hosting special events and even in rare instances assisting with proposal development. In those cases, the Executive Director may have a little more time to focus inwardly. In most instances, the Executive Director is the chief emissary of the agency and is involved in visits to potential donors as well as attending major networking events. In any case, despite how fundraising tasks are managed within an agency, securing resources is among the most crucial aspects of work in a not-for-profit agency.

When seeking resources, people find that the better able they are to clearly articulate information about their agency in general, and the project they are seek-

ing funds for, specifically, the more likely they will be to receive the donations they seek. There are key factors that must be communicated in any request for funds.

Making a Case to Donors—Required Information

A description of the organization that is shared and can be articulated by all stakeholders that includes:

- Name.
- Mission or purpose and philosophy of organization.
- Services provided.
- Target population and geographic area served—who are the program participants? Where do they come from and how does the organization find them or how do they find the organization?
- Issue(s) or problem(s) the organization addresses.
- History of the organization in providing these services/and or what makes the organization uniquely qualified to do so.
- Challenges (internal and external) the organization faces in providing quality services.
- Actions the organization has taken to address these challenges in the past.
- Time period it will take to address the issue and the cost involved.
- Benefits to clients, community and larger society.
- Relationship between organization’s mission and goals and those of the donor organization or individuals (e.g., do the organization’s clients represent a segment of the business’s targeted market? Does the organization’s work complement other charity work the potential donor funds as part of its mission?).

Small but Valuable Fundraising Tips to Remember

IN many cases, you will be required to apply for either general operating OR program/project funding. If a donor offers both options, and you believe your chances of receiving general operating funds is good, then go for those. General operating dollars allow you much greater discretion in spending.

In general operating proposals it is often effective to remind the potential donor of the percentage of your agency’s costs that are not covered through the pro-

gram funds you raise. Those costs are usually considerable and you can appeal to the donor's generosity in giving you dollars that can help you pay for the unfunded mandates that are created from under-funding project or real operating costs.

If you can only qualify for project funding, make sure to include the operating costs specific to the project in your project budget. For example, if you need to secure additional space in a building for the new project that will only be used for that particular project, try to have the cost of that specific space covered with the new grant money. If you use existing personnel on a project, the percentage of the time they spend on the new project should be pro-rated and charged as a project cost.

Spell out the involvement of stakeholders in the work of the organization. No matter how small a percentage of resources are contributed by individual donors, including board members, make sure they are reported as income. Donors like to see organizations moving toward at least a degree of self-sufficiency. If your board has community or client representation, make sure to point that out. If you draw volunteers from the community, or receive donations from community businesses or organizations, make a special point to note that.

Customize your messages to donors! Without changing your work plan you can change the way you market your message and promote the aspect of your work that is of most interest to the particular donor. For example, a full-service agency that provides social services to fathers and men who are re-entering communities after incarceration can continue seeking funds from those donors who support social services. In addition, the agency might be able to make a sound case about the systematic discrimination against low-income men and/or men of color, and may also try to secure funds from donors interested in civil or human rights issues. If the same agency is addressing the policy evidenced in child support enforcement systems, it might also seek funds from donors who show interest in public policy issues.

As money gets spread thinner and investments diminish, even wealthy foundations become increasingly challenged about "spending too much," and look for efficiencies and avenues to get more for their funding buck. Some clearly specify that they want to support collaborations or networks of agencies that use their individual resources to leverage others in partnerships. This can lead to collaborations that deliver a continuum of services, or joint advocacy efforts on public policy issues of mutual interest.

Fundraising Options

1. FOUNDATIONS—Private foundations are among the best sources of funds for social service, policy and advocacy organizations, although many are reluctant to get involved in policy issues they find too controversial (though they may say otherwise). There are literally thousands of foundations, and information on who they are and what they do can be accessed from numerous sources. Some foundations provide general operating support, some provide program support, and some provide both. Others, although fewer, provide resources for capital campaigns.

It is vital that you secure foundation guidelines and annual reports before you submit letters, applications or full proposals. You don't want to waste precious time preparing materials for foundations that simply aren't interested. There are numerous guidebooks, organizations and internet sites where information can be sought about philanthropic organizations. When possible, get to know the appropriate program officer who is responsible for your area of work. If you can talk to that person directly, in advance of a proposal submission, you can raise questions and seek clarifications that may make your request a winning one.

2. CORPORATIONS—Corporations often have foundations, but sometimes also make resources available through their corporate offices, independent of their foundations. These resources may be controlled by executive offices, sometimes marketing divisions, within advertising budgets and occasionally in community relations offices. Donations may be monetary, but often come in the form of tangible goods, e.g., a grocery company might donate food for a fundraiser or to a food bank or shelter. A shoe company might donate athletic shoes for a basketball league. Sometimes retail stores agree to give a percentage of the proceeds of their sales for a pre-arranged day. Businesses sometimes donate used furniture or equipment. They get a tax write-off and you get items that benefit your organization and its programming. Corporate foundations can be approached the same way foundations are. However, if you are approaching a corporation outside of its foundation, a personal appeal, preferably made by someone who knows someone senior in the corporation, is the best method of contact. While you can send a letter to an executive you don't know, never send a form letter. Always address the letter to a specific person and personalize it to an appropriate degree. That doesn't mean be informal; it does mean get the person's correct and complete title!

One of the ways to tap corporate resources is to know the economic development climate in your community very well. Who are the corporations and devel-

opers building or seeking to locate in your community? Who have received public subsidies such as loans or Tax Increment Financing (TIF) for their projects and are therefore obligated to provide some kind of public benefit to the community? Pay attention to the professional sports franchises in your area. Identify their community relations staffs and ask to meet with them to talk about your work. Sometimes these organizations will donate money, but more often they may donate their time to help raise money at benefit events, or give game tickets or jerseys to auction, or game tickets as giveaways to clients and their families.

3. GOVERNMENT—Federal, State and Local—There are competitive grant resources available from a full range of public agencies at all levels of government for which your organization may qualify. Those that may be of most interest to organizations working with low-income families and men might include: U.S. Departments of Justice, Labor, Education, Health and Human Services and perhaps Commerce and the Economic Development Administration. Within each of these agencies is a wide array of divisions that make resources available for program development, evaluation, research and special projects. At the state level, there are comparable agencies that can be accessed from state websites. You can also call the general information number in each state and ask where you can access a list of state agencies and available requests for proposals or contracting opportunities. Cities and counties are also potential sources and again, you can get a listing of departments and divisions within those jurisdictions that make grants to not-for-profit organizations.

In all cases, the public has a right to know how agencies spend their money and to whom they give grants. You should be able to contact purchasing or contracts departments and request lists of those organizations that have received public monies.

You can also get your organization's name on mailing lists or e-mail listings to notify you of Requests for Proposals (RFP) or Requests for Qualifications (RFQ) from departments that make grants to organizations that conduct the type of work you do.

4. LARGE or Annual Fundraising Events—Events may vary in size and scope, but money raised in this manner from individual and corporate donors is probably the least restricted money available. Fundraisers are also one of the clear examples of the adage, “it takes money to make money.” A large fundraiser can be anything from a formal dinner/dance, to a testimonial event at a hotel, an auction, or a boat

ride on a river or lake. These kinds of events are often underwritten by corporate sponsors who donate time and money to the planning and agree to pay for a significant percentage of the costs of the event. Considerable up-front planning work is necessary. The work is usually done by volunteers organized in a tight committee structure who solicit business support, support of friends and their various constituencies. They might do marketing and public relations, invitations, follow-up phone calls, site selection, etc. A big event may require the agency to spend up to 50% of the ultimate revenues, in advance, but the volume of dollars brought in and the public relations benefits can be large. Often a consultant/event planner is contracted with to organize this kind of affair.

5. **SMALLER Fundraising Events**—Smaller events such as house parties, barbecues, jazz or other music sets at a local club, silent auctions at a church event, etc., are all potential avenues to bring in new donors. Many times these events can be supported by local merchants who donate food, liquor, or other beverages and musicians who donate their playing time. Local businesses are often willing to donate something for a silent auction, with proceeds going to the organization and good public relations being secured by the business. A board member or staff person may donate the use of their home, or secure a license to hold the event in a local park or public facility. Board members and staff invite friends, family and neighbors, and either set an admission price or ask for donations at the event. These events can be relatively simple to implement and are a very good way of finding new individuals who may be willing to sign on to make regular donations to the organization.

6. **INDIVIDUAL Donor Appeals**—Organizations can seek donations in the form of cash, or even in-kind donations of goods/services and time through in-person appeals, mailings or telephone solicitations. A pre-printed donation appeal letter can be sent to well-researched and constructed mailing lists of friends, families, neighbors, colleagues, professional associates of staff, board members and others in the community. The same kind of an appeal can be made in person to key residents in the community. Board members should be a reliable source of individual donations. They should be expected to make some contribution to the organization annually, however small. One of the most effective methods for securing unrestricted funds is to establish a “gimmicky” appeals strategy and reward donors. A “100 Club” strategy works well. Each board member commits to asking somewhere between 5 and 20 of their friends or colleagues to make a \$100 a year

donation (can be for a fixed number of years or open-ended), which in the scheme of things, really isn't too pricey. Those people are all given a nice pin or pen that says "100" and the donors' names are listed on organization marketing brochures or are recognized at dinners or fundraising events.

7. **INTERNET Donor Appeals**—A fast-growing method for securing donations is through internet solicitations. An organization must have the capacity to create and maintain an appealing website, which of course requires reliable computers and internet connectivity. The site needs to have a catchy way of describing the work of your organization and make a good case to support it. You must either have dedicated staff to maintain the site and manage the donations aspect, or organizations with more resources might hire an outside party to oversee the site and collections. If you are interested in this strategy, there are currently online resources that will give you information on getting started.

8. **PLANNED Giving**—This vehicle for raising money is one not often used by small not-for-profit organizations. It takes time to identify good opportunities among potential donor families or businesses. Therefore, it is more likely to be done in organizations that can devote development staff to the task of cultivating relationships or to those who can afford to hire third-party financial "brokers" to identify those who might become donors. Some of the planned giving products include wills and bequests that allow a percentage of the value of a person's estate to be donated at the time of death. Another method is for people to donate cash or securities based on a percentage of their assets for a year. Someone can also make a not-for-profit organization the beneficiary of a life insurance policy at the time of their death. There are other variations on the above that can be evaluated. If your organization is interested in this kind of solicitation, you definitely need to have staff or board members who know a great deal about financial planning or you have to be prepared to hire professionals to implement the strategy.

9. **CAPITAL Campaign**—A capital campaign is undertaken with the specific goal of renovation, rehab or purchase of a facility for the organization's use. Very few foundations support this activity, though sometimes government grants may allow it. Piecing together the necessary resources takes a tremendous amount of work. Often the board will help the Executive identify a consultant with a background in real estate financing and development, or a building contractor to oversee this work. Occasionally, a board member will possess this expertise and will oversee

the effort. It is generally very time-consuming. One source for assistance on a capital project might be architecture and planning graduate students from a local university who might come on pro bono or as interns.

Writing a Winning Proposal

A good proposal is crucial to your organization's success in raising money. It is important to remember that each corporation or foundation you are requesting funding from receives thousands of other solicitations each year. A well-written, concise proposal is highly valued by donors. It not only tells them what they want to know about your organization and its goals, but it also demonstrates how well organized you are and how well prepared you are to undertake the work you are proposing. Creative is good; gimmicky is not! You need to fit a lot of information into a relatively small amount of space . . . in fact, some proposals have to fit within a predetermined amount of space or on a form provided by the donor organization. Funding guidelines can often be accessed on the internet, and if not, they are generally available through the mail, or in some cities, at a central site, such as The Donors Forum office. The guidelines will give you more or less specific information about what to include in your proposal and the format you should use, along with deadlines for submission, contact people and other useful information. Some donors are more flexible than others and allow you to submit what you think is important, without specifying the length of your submission. Others are very particular about what they will read. If they ask for a letter first, send a letter! If they ask for a phone call to get permission to submit a letter or proposal . . . by all means, call. If they say a proposal should be five pages, don't send six or ten. Tight is good. Filler is bad. It is wise to investigate the donor as thoroughly as possible and to become familiar with their guidelines and the nature of projects and organizations they have funded in the past. Again, that information is usually available on their websites and in annual reports you can get online or by contacting them directly.

Components of a Proposal

1. EXECUTIVE Summary or Cover Page—This should be brief and include: title, contact person, the submission date if relevant, total project cost and the amount you are requesting from this donor, project summary that includes a description of need and activity.

2. INTRODUCTION/History—Include the overall mission of the organization, constituency, goals and accomplishments and a statement about why your organization deserves to be supported. Demonstrate the relative quality of your organization's work. You may want to use some data in this section, briefly, for example, how many people you have served over time, where they are from, and what your overall outcomes have been.

3. BACKGROUND/Problem Statement—What is the current status of the program or project the proposal addresses? How did it get like that? Define the problem—who, what, where? Create a context. What are the environmental conditions, physically or socially (whatever is appropriate) that apply to or have contributed to the problem? Why is action necessary? Use data to support your assertions. Talk about the ramifications of the problem and why it is necessary that they be addressed.

4. PROGRAM Goals/Outcomes—If the proposal is for general operating funds, give a brief overview of your major projects. If you are submitting a request for a specific project or program, provide the nuts and bolts of that effort. What will it achieve? Provide measurable goals and outcomes. These don't have to be quantitative, but where you can be quantitative, you should be, even for process goals.

5. METHODOLOGY—How will you do what you say you will do, literally? What are the steps? This is a good place to include a timeline of specific activities. When will you do what you do and with whom? You may also want to talk about short-term outcomes and long-term outcomes and how you will follow your clients over time.

6. EVALUATION—How will you know if you are successful? What did you want to learn? This section should produce some quantitative information. How many people will you serve? How many did you serve previously, if applicable? What skills will you teach, or will be gained by participants? How will you measure that? Did people graduate, get certified? How will you use qualitative analysis when reporting on the program?

7. PERSONEL—Include the biographies of key staff in general operating proposals, and key program staff if it is a program or project proposal.

8. Organization and Program Budget—For a general operating proposal, you only need an overall organizational budget, showing projects as line items. Included in an organizational budget will be: expenses and revenue for previous year that would be reflected in the audited statement you will include as an attachment; projected expenses and revenues for current and upcoming year. If you include project costs, and there is carryover from a previous year, previous year's project costs should also be shown. If you are doing a program or project proposal, you show the project-specific costs as well as the overall agency budget.

9. Conclusion—This should be a very brief summary, no more than a couple of paragraphs, highlighting key points.

10. Appendices—These can include any number of things; in fact, some even include the budget and staffing in this section. Also included should be the audited statement, certificate of tax-exempt status, press clippings, brochures, etc. Do not make these too lengthy; provide enough information to promote the organization favorably.

Resources

There is a vast body of information on not-for-profit management and organizational development that you may find helpful. Ideas included in this guide were discussed in some form in the following:

- Bob Boylan, *Get Everyone Rowing in Your Boat Rowing in the Same Direction* (Holbrooke, Massachusetts: Adams Media Corporation, 1995).
- Minzer, Rich, *Everything Project Management Book* (Avon, Massachusetts: Adams Media Corporation, 2002).
- Smith, Bucklin & Associates, Inc., *The Complete Guide to Nonprofit Management* (New York, New York: John Wiley and Sons, Inc., 2000).
- George A. Steiner, *A Step by Step Guide to Strategic Planning—What Every Manager Should Know* (New York, New York: Free Press Paperbacks, Simon and Schuster, 1979).
- John Wills, *Strategic Planning: The ASTD Trainer's Sourcebook* (New York, New York: McGraw-Hill, 1997).

There are many internet sites that provide all kinds of resource and fundraising information that can be useful to your organization. Using key words such as **organizational development**, **not-for-profit fundraising**, **not-for-profit management**, etc., in a simple search at www.google.com will provide a tremendous amount of information. Some sites where you can begin to identify opportunities for funding include:

- www.ed.gov/legislation/FedRegister/announcements/index.html
(site to identify government agencies where you can access federal Requests for Proposals)
- www.wdsc.doleta.gov/sga/ (U.S. Department of Labor)
- www.fdncenter.org (foundation directory and information about grants to individuals)
- www.grantstar.org/foundationgrants.html (has directory of foundations)
- www.foundations.org (directory of foundations and many resources)
- www.cof.org/links/index.html
(links to directory of foundations and other resources)
- www.egrants.org/ (online resources for not-for-profits)
- www.giftsinkind.org/ (directs donated products and services to organizations in need)
- www.givedirect.org/ (shows a number of online options for charitable giving; can list your organization as a charity)
- www.giveforchange.com/cgi-bin/GiveForChange.storefront
(can have organization listed to receive donations)
- www.lic.org/ (federation of independent charities provides many resources to not-for-profits)
- www.nng.org (grantmakers' directory and numerous resources)
- www.pnnonline.org/modules.php?op=modload&name=News&file=index
(provides news, information and resources to not-for-profits)



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