



You *Can* Ask for Money

You probably picked up this book because, like so many people in communities around the country, you have found yourself in the unexpected position of needing to raise money for something and you want to find the easiest, quickest way to do that. Like so many skills, raising money is one anyone can learn, and just jumping in and trying out some new things is probably the best way to learn. But unlike some other skills (such as learning to read, cook, ride a bicycle, or use a computer), very few people are excited to learn this one. This book will help you get a little more excited about learning how to raise money, and it will also make the process easy and straightforward.

Fundraising gets a bad rap in our society. Just ask any professional fundraiser what kind of response they get when people find out what they do for a living. Most will tell you they are regarded with suspicion. Though people are usually too polite to ask, “Why would you choose *that* line of work?” many regard raising money as slightly sleazy or at least distasteful. These reactions seem to be bound up with the idea that we shouldn’t talk about money or mention the topic except under specifically prescribed situations.

On the other hand, start talking about community-based fundraising activities—from walkathons and car washes to pancake breakfasts—and almost anyone you talk to will have a story about something they or someone they know did to raise money. Unfortunately, this is partly because programs that used to be funded entirely by the government, and for which we pay taxes, are now facing such shortfalls in their budgets that they are forced to turn to the private sector for support. This includes public schools, public parks, and even public health departments. But there are also people who are inspired to make the world a better place and need money to fund a new idea or project toward that end. These are people who don’t necessarily work in a nonprofit organization or consider themselves fundraisers, but they realize that fundraising will help them achieve their goals.

MORE THAN MONEY

When you engage in an activity to raise money for something you care about, you will find that the process of asking people for money involves educating them about an issue and raising their awareness about something they may not have known about. A corporation in your community is found to be dumping toxic waste into a local river and by raising money to organize people to stop them, your community organization also raises awareness about the problem. When you start communicating either one-on-one to your friends and neighbors, or through the media, or by holding a public fundraising event, you spread the word about your cause far beyond the relatively small group of people who devote much of their time to the work.

People Like to Give

What do we make of these seemingly contradictory messages and feelings about money and specifically about fundraising? The most important thing to keep in mind is that people actually like to give money to things they care deeply about. When we conduct workshops on how to raise money for community organizations around the country, we often ask the workshop participants how many feel good when they make a contribution to an organization or cause they care about. Almost everyone raises their hand. When we ask the same people how many feel good asking a friendly, supportive person to give money to their cause, very few people raise their hand. This tells us, not surprisingly, that people are more comfortable giving than asking.

So if you focus your attention more on the good feelings people get from giving and less on your own discomfort with asking, you'll find asking for money a lot easier. Remember that people are going to give money away, and if you don't ask them to support something you think they would care about, someone else will.

People Want to Make a Difference

Fundraising is about more than just getting the money you need to do the thing you want to do. Although that's what gets most of us started on the fundraising road, what really motivates people to give is the extent to which they feel moved or touched by an issue. The tragedy of the tsunami in South Asia at the end of 2004 resulted in an enormous outpouring of support from people all over the world. People gave because they wanted to participate in responding to an unprecedented

global disaster with positive action. They wanted to make a difference, and giving money was the easiest and most important way they could do so.

You Know People Who Want to Give

Most of the strategies described in this book require you to tap into networks of potential donors that you and your team or group or organization already know. This may cause you to exclaim, “But I don’t know anyone with money!” We can assure you that this isn’t true. For one thing, studies have shown that seven out of ten Americans give away money. This includes people of all class and race backgrounds, all ages, sexes, and sexual orientations. That means at least some of the people you know (probably about 70 percent of them) already support causes they care about. Moreover, most of the people who give donate to several different organizations.

We recognize, however, that there are cultural differences in how people relate to each other and how groups function. It is not a requirement for successful fundraising that all requests for support be done in a certain way. Think about what kinds of approaches will work in your community—whether it’s better to be more direct or less direct, more specific or more general, and so on. Most important to understand is that there are few absolutes in fundraising. Fundraising is like many other activities that we carry out in our lives without thinking about them—we know what will offend people and what will make them feel good, what will make them feel excluded or included in a group, and what will make them want to give money to an organization that is working for something they believe in. In all cultures, people get together to accomplish goals, make change, and raise money to do so.

GETTING OVER THE FEAR OF ASKING

Kim Klein, nationally acclaimed fundraising trainer and author, writes about the psychological barriers to asking for money. We have found the following insights she explores in *Fundraising in Times of Crisis* extremely useful in helping people overcome their reluctance to ask for money:

1. ***If you want money, you have to ask for it.*** While there are some people who will simply send an organization money or offer money without being asked, most people will not think to give you money unless

you make your needs known. This is not because they are cheap or self-centered; it is because most people have no idea how much it costs to run a nonprofit organization or how nonprofits get money. If you don't ask them, they will simply assume you are getting the money you need somewhere else.

2. *It has to be OK with you for people to say no.* Your job is to ask, to offer people the opportunity to give to your group. The person being asked also has a job; their job is to take you up on your offer or to turn you down. What they do will depend on their mood, their financial circumstance, their other commitments—many variables that you can't do anything about and that are not about you or your group. People who say no may say it directly: "No, I can't help you." They may say no by never responding to your letters or calls. They may say no by saying, "I'll think about it" and never get back to you. And they even may say no by saying yes and then never pay their pledge. Nonetheless, enough people will say yes to make it worth continuing to ask. But you must ask far more people than the number of gifts you need.

3. *What you believe in has to be bigger than what you are afraid of.* If you don't like asking for money, or you would rather not do it, or you wish someone else would do it for you, that is normal. That is how most people are. But I suggest you think about what is going to happen if you don't ask anyone for money. What will happen to your organization? Does it matter if your organization goes out of business? If it matters to you, then put that first, ahead of your anxiety about asking. There is an old fundraising saying, "If you are afraid to ask for money, kick yourself out of the way and let the cause talk."

4. *You will need to ask some people, but you don't need to ask everyone.* Many people never get out of the starting gate because they think they have to ask everyone they know. Don't ask people you have a difficult relationship with or who don't believe in your cause. Start with someone very easy: yourself. Make your own gift first. Make sure your gift is significant for you—that you feel it and it

feels good. Then go to friends and family members whom you like, who like you, and who agree with the cause you represent.

5. ***Put yourself in the donor's shoes.*** You may not like asking, but that doesn't mean the donor doesn't want to be asked. Most people like to be seen as helpful and generous. They like to be included. Sometimes organizations go out of business and people around the organization will say, "I never knew they were in trouble. Why didn't they ask for help?" There are far more hurt feelings from not being included and not being asked than there ever will be from being asked.

MAKING YOUR CASE FOR SUPPORT

Before you start asking people you know for money, as well as asking them to join you in asking others for money, you need to be able to make a case for why people should give to your cause. Often we get so involved in an issue or project, we forget that other people don't necessarily understand the importance, or urgency, or even the impact of the issue we're working on. We lapse into jargon or phrases that only those of us working closely on the project really understand.

So along with coming up with a solid plan, clearly defined tasks, and a group of people willing to carry them out, you also need a way to describe what you're raising money for that draws the attention and interest of the people you're trying to raise money from. Put yourself in their shoes as you imagine making a pitch to them. What would move you to respond favorably to a request? What would stand out in your mind about what that person said?

Most important in coming up with a message is that it's brief—you can say it in two or three sentences—and that rather than answering the question, "What does your group do?" it answers two other questions: "Why is this work important or necessary?" and "How can I help?" Here are a few examples:

For a community health fair: "We believe that people want to be healthy, but lack the information and choices for eating better and exercising more. The quality of our air, land, and water are also part of what makes a community healthy, and we need to learn how we can hold government and business accountable to our health. We're planning a community health fair to provide a range of information about personal and community resources for making our lives and the life

of our community stronger and healthier. We hope you'll support this event with a contribution."

For a community arts project: "We believe that art is not just something you see in a museum; it is the expression of the creative impulse that exists in all of us. By providing opportunities for people to learn how to express their creativity in a nonjudgmental setting, we see them transform their lives in amazing and wonderful ways."

To enable a member of an environmental justice project to attend a national conference: "As the toxics dumped by local industry in our town's landfill are affecting the water quality in our predominantly African-American community, we are starting to fight back. Can you help us send some of our most active community members to a national conference that is working to build a grassroots response to industrial pollution?"

MAKING YOUR FUNDRAISING SUCCESSFUL

Each fundraising strategy in this book has its pros and cons, things that make it better for some communities or situations than others. As you skim through the chapters to decide which strategies you want to try, you'll see that paying attention to the following common features will help you be successful in raising money.

Find a group of people to participate in the fundraising activity. It can be a small group—even two or three people is preferable to your doing it all yourself. Working with a team will allow you to raise more money, expand the network of contacts who will ultimately lead you to more gifts, and be more fun.

Set a goal and create a plan. Different strategies require different amounts of lead time. Make sure you have enough time to carry out the tasks that will produce a successful outcome. A plan will give you the confidence that the goal you're trying to reach is actually realistic (even if also ambitious). Each strategy in this book includes a sample workplan and timeline at the end of the chapter describing it so you can see exactly what's involved and the kind of time you'll need.

Have one person (or at most two) to coordinate the work. You may have a team of the most responsible and reliable people helping out, but having one or two people who keep on top of the details, stay in touch with everyone on the team, and encourage them along will make all the difference.

Be sure to thank everyone involved. Remember to include your volunteers as well as the people who donate money. Thanking people isn't just the right and

respectful thing to do, it will make it possible for you to go back to volunteers and donors and ask them to help again in the future.

Keep in mind that fundraising is really about relationships. Even if your plan is only to do this “one-time” activity and never agree to participate in another fundraising project ever again, how you relate to everyone you work with is important. Keeping relationships in mind means helping make the experience of volunteering, asking for money, and donating money to your cause a positive one so that people feel good about the experience and remain open to being involved in other causes in the future.

IN-KIND CONTRIBUTIONS

Often what you most need, either to make a fundraising activity net more money or in place of something that costs money, is something that a small business or larger corporation might be willing to donate. Some projects depend almost entirely on a combination of time from volunteers and items from businesses, unions, and nonprofits, with very little cash exchanged.

Many of the strategies described in this book count on at least some of the support to come from in-kind contributions. These include raffle prizes, auction items, office space (with lots of phones) to do a phonebank, a community center or parking lot to hold a garage sale or other event, printing and photocopying services, design services for your invitations and fliers, and food and drink for various events.

As you're putting together your budget, include in-kind contributions wherever you can. You also need to have a back-up plan for the possibility that you'll have to pay for something you'd hoped would be donated, but be sure to ask for donated goods and services first.

People usually find it easier to ask for an in-kind donation than to ask for money. Identify the volunteers who are more reluctant to ask for money and find out if they would be willing instead to solicit in-kind donations.

NOT BEING A NONPROFIT ORGANIZATION

You may be a volunteer or staff member of an established (large or small) organization that is incorporated as a nonprofit and has federal tax-exempt status with the tax designation 501(c)3. However, it is perfectly legal to raise money without being part of a nonprofit organization—if you understand a few basic things.

First, you need to decide how you are going to collect and manage the money that you raise. You have two choices, each of which have implications for whether your donor can get a tax deduction for their gift.

Find a nonprofit organization in your community that is willing to be your fiscal sponsor. That means they will receive the money, deposit it in their bank account, keep track of it, and then give you the money raised, minus a small fee (usually 6 percent to 10 percent of what you bring in) to handle their administrative costs. The advantage of this option is that the people making a contribution can get a tax-deduction for their gift, and they may feel more assured that their money is being well used. Of course, if someone is paying for a car wash or purchasing an item at a garage sale or auction, their payment is *not* a tax-deductible contribution because their payment is in exchange for goods or services received. If they're buying a ticket to your community dinner, you must deduct the fair-market value of that dinner from the ticket price when calculating how much of the donation is tax-deductible for the donor. So, for example, if the dinner you're serving would sell for \$25 in your community, and the ticket price is \$40, the portion of that ticket that is tax-deductible to your donor is \$15, not the total cost of \$40.

Open your own bank account. In this case *none* of the contributions people make to you will be tax-deductible. For many people this will not matter, but for larger gifts, donors may be unwilling to make a donation that is not tax-deductible. Moreover, if you go this route, your donors will need to trust that you are doing what you say you will with the money. Without the legal structure of a nonprofit organization, you do not have to meet the requirements of providing financial information to anyone who requests it or to report your financial activities to the government every year.

Note that if you're raising funds for a political campaign (either for a political candidate or a ballot initiative), keep in mind that donations to political electoral campaigns have stricter reporting laws, so check the laws of your state and region. The Federal Political Practices Commission requires that donors who give more than \$250 over the course of an election cycle must inform the commission of their employer and occupation.

With this background in mind, you're ready to find the fundraising strategy that fits best with what you're trying to accomplish and who you can recruit to participate in the project. Go for it, and good luck!