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Affinity Table Discussion - “Running an Annual Fund”

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Annual Fund is the Building Block for All Fundraising

- Serves to involve, inform and bond constituency
- Provides necessary resources for program and services
- Provides accountability to your cause

Annual Fund Objectives

- Solicit and secure new gift, repeat gifts and upgrade gifts
- Build and develop a base of support
- Establish “habits” and patterns of giving through regular solicitation
- Expand donor base by soliciting new prospects
- Raise annual unrestricted and restricted money
- Inform, involve and bond constituency to the organization
- Engage the donor base as vital source of information to identify potential large donors
- Promote habits of giving that encourage and promote future capital and planned gifts
- Remain fully accountable to the constituency through Annual Reports or communications

Begin With a Plan

- Carefully thought out in relation to organization’s overall needs
- Defined and detailed
- Written plan to be utilized by committee

Annual Fund = Discretionary Spending

- Typically annual giving comes from discretionary spending as opposed to assets that might support capital or planned gifts
- Interest in support must be nurtured
- Involvement with your organization can happen through annual solicitation

The Mathematics of Annual Giving

- Top 10% of gifts \geq 60% of your goal
- Next 20% of gifts accounts for 20 to 25% of goal
- Remaining 70% of gifts cover remainder
- Create a gift chart and strategically target specific gift levels
- 4:1 – Identify 4 prospects for each gift

Building a Prospect Pool

- Profile your donor base
 - Have you identified enough prospects for your pool to meet the 4:1 ratio?

Building an Effective Volunteer Team

- Identify and recruit volunteers
- Properly train volunteers to help

Effectiveness of Approaches to Yielding Donations

1. Face to face solicitation
2. Personal letter – followed by follow-up personal phone call
3. Personal solicitation by phone
4. Personalized letter and e-mail
5. Impersonal letter (purchased or rented lists intended for donor acquisition)
6. Impersonal or “cold” telephone calls
7. Benefits/Special Events
8. Media or general communications

“Fundraising is the gentle art of teaching people the joy of giving.” Hank Rosso