



How To Write A Comprehensive Resource Development Plan

Presented by Nicole Beatty CFRE



Nicole Beatty CFRE

making good things happen for a good cause.

Nicole Beatty CFRE is a charismatic and entrepreneurial development professional whose 13-year career has raised over \$25 million in philanthropic capital. Passionate about start-up social enterprises, international movements, and charitable campaigns that support education, the arts, women's rights, healthcare and social injustice, Nicole's worldly curiosity and career has provided her with the opportunity to work with some renowned causes in Canada, Australia, New Zealand and Southeast Asia; collaborating with some of the most caring minds to raise meaningful gifts that ultimately change lives.

Her portfolio includes fundraising for Best Buddies Canada, Canadian Red Cross, Toronto General & Western Hospital Foundation, Cancer Society of Victoria, Australia, University of Melbourne, Samuel Marsden Collegiate School in Wellington, New Zealand, Saint Elizabeth Health Care Foundation, OneChild Support & Network Inc., Peterborough Public Health, Northumberland Hills Hospital Foundation, Green Wood Coalition, Sounds of the Next Generation and the Northumberland Violence Against Women Community Hub.

+ Learning Outcomes

- Planning the business case for your non-profit / charitable organization
- Monitoring and tracking your success
- Forecasting your cash flow for sustainability and impact



+ Purpose of a Resource Development Plan

- Strategic goal setting
- Board engagement
- Financial targets
- Pace setting
- Activity planning
- Monitoring and control
- Monthly tracking
- TO KEEP YOU FOCUSED



+ Prior to planning ...

- Focus on analysis
- Analysis informs next year's annual plan (including financial forecasting)
- Key areas to focus on (understand):
 - Case for support and the need for contributed income
 - Donor history
 - Fundraising strategies (programs)
 - Resources





The need for contributed income



- Is the Case for Support understood?
- Fundraising materials?
- How much is required to sustain annual operations?
- How much is required for highest-priority / special projects?
- Endowment goal?
- Capital fund drive goal?



Donor history



- How many donors contributed in each of the previous three years?
- What was the total amount contributed in each of the previous three years?
- How many individual donors contributed? What was the total contributed by individuals?
- How many corporations contributed? Total?
- How many foundations made grants? Total?
- In the last three years, how many gifts, and what was the total amount received in each of your prescribed gift ranges (per donor recognition)?
- Names? Lists? Prospective supporters added to database?

+ Fundraising strategies

- Focus on net contributed income
- Three-year analysis – how much did you raise (net) from each:
 - Personal major gift solicitation
 - Direct mail
 - Online appeals
 - Telephone appeals
 - Special events
 - Third party fundraising
 - Grants
 - Planned giving



+ Fundraising resources

- Fundraising staff?
- Fundraising volunteers?
- Board involvement? Role?
- Equipment?
- Fundraising information system (DRM)?
- Facilities?
- Budget for the fundraising function?
 - Staff salaries
 - Fundraising materials
 - Cost-effective operation (that maximizes net contributed income)



+ Annual goal-setting

- Maximize net contributed income
- Increase the number of donors and sources of contributed income
- Nurture positive relationships
- Strengthen and enhance organization's reputation
- Control of time
- Focus on results
- Build on strengths
- Recognize responsibility
- Have vision
- Internal competencies
- Motivation
- Policies and procedures – keep them simple!



+ Parts of the Plan

- Fundraising objectives
- The project(s)
- Funding requirements
- Fundraising metrics
- Fundraising priorities
- Fundraising strategy
- Tactical plans
- Fundraising operations
- Finances
- Monitoring



+ Fundraising Metrics



- Fundraising performance in the PREVIOUS year
- Compare effectiveness and efficiency of each solicitation activity
- Results informs the coming year's budget
- Fundraising activities
- Gift income
- Approved budget
- Actual expenses
- Cost per dollar raised

+ Fundraising Objectives

- The amount of funds that will be raised
- The categories of donors who will supply these funds
- The acceptable costs of raising these funds
- Monetary vs. nonmonetary objectives



+ Sample FD Objectives

- Attract \$30,000 in revenue from major donors (both corporate and individual)
- Attract an additional \$40,000 in grants from trusts and foundations and government funds
- Acquire approximately 150 to 200 new annual donors
- Raise \$50,000 (net proceeds) from a signature event (joint fundraiser with either Team Fox Toronto or Baycrest Foundation)
- Raise approximately 45% of annual funds from direct program fees
- Convert 5% of 2016 crowd funding supporters into annual donors
- Maintain a 15% cost of fundraising annually

+ Funding Requirements



	Targets
REVENUE	
Charitable Gifts/Donations	\$151,500
Earned Revenue	\$114,800
Total	\$266,300
Estimates	
EXPENSES	
Employee-Related Expenses	\$92,000
Operations and Administration	\$26,905
Program and Services	\$109,510
Fundraising	\$37,650
Total	\$266,065
BALANCE	
Revenue	\$266,300
Expenses	\$266,065
Net/Loss (+/-)	\$235

+ Fundraising Metrics

In order to develop a stable and renewable source of financial support to cover its expenses, the following objectives have been set to direct the course of charity X's fundraising efforts in its first year:

- Test various revenue activities to identify income diversification.
- Acquire gifts and lead donor support (grassroots and major individuals) to build a renewable Annual Fund.
- Focus on unrestricted revenues
- Identify community supporters by acquiring monthly donors and leveraging donor participation

The key development activities addressed in this plan to achieve the \$266,300 financial requirement include:

- Establishing six core fundraising streams: Annual Programs, Major Gifts, Trusts and Foundations, a Signature Event, Sponsorship and Program Fees
- Providing a Performance Index for annual program evaluation
- Following a detailed operating budget that provides revenue targets by program (source of funding)
- Converting crowd funding supporters and members' contacts into annual donors
- Implementing organizational processes for managing prospects, counting and accepting gifts, and stewarding donors.

+ Fundraising Priorities

In addition to raising \$266,300 in its first year of formal fundraising, Charity X will also build a development practice that aims to:

- Identify major prospects, cultivating trusting relationships and steadily improving the standing of the organization's reputation with these prospects
- Add important value to Board governance by engaging major prospects to form a Fund Development Committee
- Fundraising efforts to focus on renewable support (i.e. launch of monthly giving program, pledge commitments paid on a regular basis, asset-based gifts that could be paid early) as a means to build more sustainable capacity rather than revenue from one-term, non-renewable funding actions



+ Fundraising Strategy



- Overall direction – selection of fundraising methods that will be used to raise funds
- Segmentation strategy – to whom it intends to address with these activities
- Targeting strategy – single market vs. multisegment
- Positioning strategy – identity and point of differentiation
- Branding – strategic issues for fundraisers (sector, cause, organization)
- Case for support – organization case for support to design the content of specific campaigns and appeals

+ Tactical Plans



Description	Types of annual giving that supports the PRC Annual Fund (pool of unrestricted gifts used for general purposes and/or highest priorities) include one-time donations, monthly donations, online gifts, memorial and tribute gifts and any other unrestricted charitable donations.
Annual Fundraising Target	<p>Monthly Giving = \$3,000</p> <p>Spring Appeal = \$1,500</p> <p>Holiday Appeal = \$3,000</p> <p>Conversion Mailing = \$2,000</p> <p>Newsletter Response = \$2,500</p> <p>Commemorative Giving = \$1,000</p> <p>Memorial Gifts = \$0</p> <p>Online Gifts = \$10,000</p> <p>Total = \$23,000</p>
% Of Total Project Revenue	9%
Activities	<ul style="list-style-type: none"> • Brand the monthly giving program by giving it a unique name • Inspire one-time annual gifts by launching a PRC Gift Catalogue or annual “wish list” (target gifts of \$1 to \$500) -- impact gifts with branded gift handles • Introduce a commemorative giving program (memorial, in honour and celebration gifts) by setting up personal fundraising pages via Canada Helps (once charitable status is obtained) • Test a conversion appeal to acquire annual donors from the 2016 crowd funding campaign (segment data) • Phase in scheduled direct e/mail appeals – Spring (May) and Holiday (November); schedule a follow up reminder 4 weeks after initial drop; bi-annual donor newsletter with a reply card/link included • Input all donor data into records management system: Canada Helps, events, one-time gifts, memorial gifts, next of kind, etc. • Register for HST/GST account to benefit from rollback advantages available to non-profits and charities

+ Fundraising Operations



- Human resources
- Donor records management
- Gift records (designation, campaign/appeal, approach, soft credit)
- Reports (campaign, fund, constituency and gift)
- Gift policies
- Funds for designation and terms of reference
- Donor recognition and stewardship program

+ Finances



- Reexamine mission
- Estimate expenses (new programs? Estimate aggregate costs?)
- Estimate income
- Reconciliation
- Board approval
- Monitor and administer the budget



Annual Performance Indicators



Performance Measurement	Evaluation Formula
Participation	Total # of gifts received
Income	Total amount of dollars raised
Expenses	Costs related to fundraising programs
Average gift size	Total amount of dollars raised divided by total # of donors
Net income	Total amount of dollars raised minus expenses
Average cost per gift	Total expenses divided by total # of donors
Cost of fundraising	Total expenses divided by total amount of dollars raised
Return on investment	Net income divided by total expenses

+ Monitoring



- The actual donations achieved compared to the budget
- The actual costs incurred relative to those budgeted
- The performance of specific forms of fundraising
- The appropriateness of the strategy and tactics adopted
- Participation (response % rates)
- Cost to raise a dollar
- Average cost per gift



Questions?

Ideas!

Thank you 😊

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