Everyone's Job is Institutional Advancement:
How Librarians can be Partners in Fundraising

Introduction

You need to be familiar with the playbook if you're going to be an effective member of the team. "The best customer is an informed customer."

It begins with relationships and perceived value.

> "When I started … you were the first teacher that greeted and welcomed me into their office. I have always felt that you care about the well being of the students and our success…. Throughout the year you have been my teacher and a faculty member that listens to the students concerns. I hope you know your kindness does not go unnoticed. I cannot begin to express in words how much I appreciate your daily concern for the students. Thought the year you have touched my life without even knowing. I hope you have a great summer. Thank for all that you do as a faculty member." --student, Class of 2004

> "When I think of what this institution has done to prepare me for my profession and the livelihood that I have enjoyed because of it, it reminds me that this is the best investment the church makes with its money." --student, Class of 1951
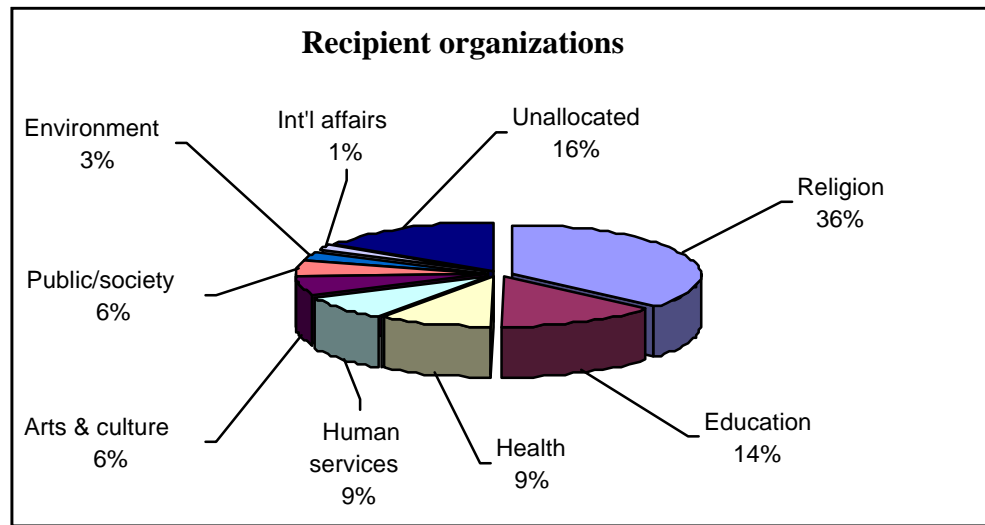
Who gives

Giving is individual
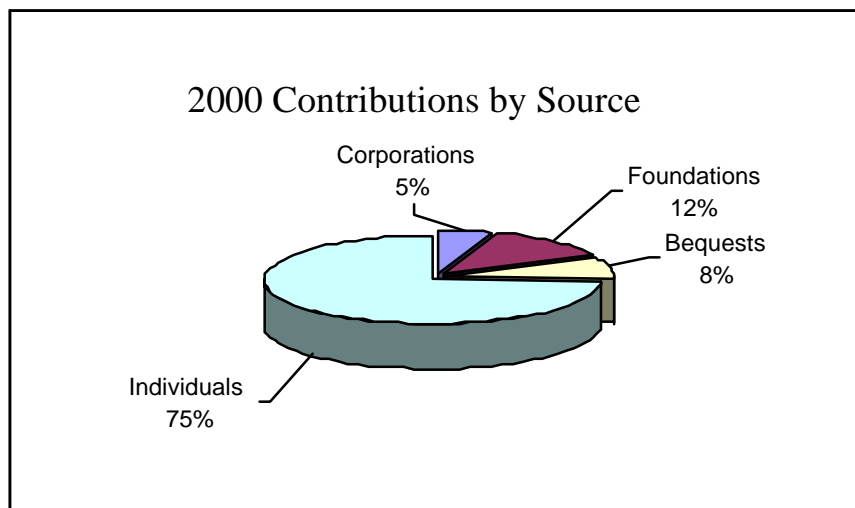
Charitable gifts form all sources in 2000 totaled $203.45 billion. Giving has roughly kept pace with inflation over the last 20 years

Where they give

Recipient organizations

Environment 3%
Int'l affairs 1%
Unallocated 16%
Religion 36%
Public/society 6%
Arts & culture 6%
Human services 9%
Health 9%
Education 14%

SDA's 25th on per capita giving list of US denominations
Religion has been slipping
Private foundation giving expanding

Why they give

    Top five reasons large donors give for making contributions

        Belief in the mission of the institution
        Community responsibility and civic pride
        Regard for staff leadership
        Fiscal stability of the institution
        Respect for the institution in a wider circle—region, state, national

What they give

    Types of gifts

        Cash
        Securities
        Gifts in kind

        Special rules apply to various types of gifts
                Receipting ($250 rule, Form 8283,
                Appraisals)
                Deductibility

When they give

Better questions is, "when should I ask?" Every day.

How they give

Gift progression

Who are your best gift prospects? Those who have given before

Gift pyramid (See Appendix D)

- Get the gift
- Get the gift repeated
- Get the gift upgraded
- Get the major gift
- Get the legacy gift

Ladder of effectiveness—The Ask

1. Personal visit by a teach
2. Personal visit by one person
3. Solicitation by personal letter with a follow-up telephone call
4. Solicitation by personal letter without follow-up telephone call
5. Personal telephone call by a peer with a letter follow-up
6. Personal telephone call without letter follow-up

Ladder of effectiveness—The Donor

1. The "house list"
2. Grantsmanship
3. Phone-a-thons
4. Special events
5. Door-to door
6. Media use
7. Direct mail

Annual fund and direct mail

Purpose of annual fund

1. Stimulates unrestricted support
2. Broadens the base of support
3. Identifies potential leadership

4. Identifies potential major gift prospects
5. Establishes an awareness and acceptance of the organization within the constituency
6. Provides prospect cultivation mechanism that help to promote greater interest and involvement.

Major gifts and capital campaigns

    Five I's
1. Identification
2. Information
3. Interest
4. Involvement
5. Investment

    Giving clubs
    Capital campaigns

Planned gifts

- All gifts are planned
- Not all gifts are current
- Usually involve significant transfers of assets
- Aided by charitable gifting laws

Donor advised funds
Bargain sales
Charitable gift annuities
Charitable remainder trusts/annuities
Charitable lead trusts
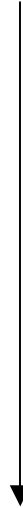Testamentary gifts/Bequests

Where will your donors and prospects come from

Past givers
People with strong ties to the library

Friends of the library members
Staff and faculty members
Bibliophiles
Friends of past givers
Gift-in-kind donors

People you have served (any alumni)
Foundations

National foundations
Federal government
Bill Gates
Vague others

What are the most important things librarians can do?

1. Provide excellent service to your clientele/students/visitors/others
2. Promote affiliation and involvement
3. Be a part of the team

Appendix A

What Grantmakers Want Applicants to Know

Competition for foundation money can be intense. To help nonprofits increase their chances of success, GuideStar asked grantmakers what they would most like to tell applicants.

Here are their recommendations, 15 in all. The grantmakers who shared their advice are Nathanael Berry, program director of the Sandy River Charitable Foundation in Farmington, Maine; Michelle L. Greanias, director of grants management at the Fannie Mae Foundation in Washington, D.C.; Kippy Ungerleider King, grants associate for the Mathile Family Foundation in Dayton, Ohio; and Tom Springer, staff writer and editor at the W.K. Kellogg Foundation in Battle Creek, Michigan.

Do your homework—research, research, research

Before sending your application, make sure the organization supports the kind of program or activity you want to fund. Grantmakers, Michelle Greanias explains, face "an incredible demand … for our limited funds." Thus proposals that "do not fit well within our programs … will likely not be competitive."

Tom Springer agrees: "Foundations have their own funding priorities; [including] geographic considerations." He stresses that applicants should "plan on spending time to research and identify potential foundations who appear to have the best fit with regard to the type of program or target audience you are seeking funding for."

Grant guidelines are one source of this information. Greanias urges applicants to "read our guidelines carefully." Nathanael Berry advises, "If you don't fit, don't apply. If you are unsure, contact the foundation and discuss the matter, or submit an application that is straightforward."

Springer suggests checking an organization's Web site to identify its funding priorities. He notes that applicants can also ask for recent programming information, copies of requests for proposal (RFPs), and the most current annual report.

GuideStar's database contains images of the financial returns (IRS Forms 990-PF) for more than 60,000 private foundations and information about more than 1,000 community foundations. Two other valuable sources for grant seekers are the Foundation Center Web site at www.fdncenter.org and the Community Foundation Locator at www.communityfoundationlocator.org.

Don't limit your search to the "top ten" largest foundations

According to Tom Springer, "The best fit and least competition for dollars may be through a local community foundation."

Follow the application guidelines

Kippy Ungerleider King urges grant seekers to pay special attention to "guidelines that specify proposal length, content and any additional documentation that is requested." She also notes that "all financial information that is requested should be provided without hesitation."

Be concise

"Avoid using a lot of adjectives that 'puff up' your organization," Michelle Greanias advises. "It's hard to see around the extra words to determine what you are actually doing. A professional presentation outlining who you are and what you are trying to accomplish is much easier to assess."

Nathanael Berry echoes her sentiments: "Keep proposals/applications short and to the point. We will ask for more information if needed."

Be specific

"Provide a strong and credible description of the need for the project, especially if the project is community based," says Kippy Ungerleider King.

Tom Springer advises, "Don't provide a list of possible different projects with the hope that the grantmaker will pick out one of the ideas that best meets their priorities. Be specific and tailored in your request for support." Should a grantmaker permit your organization to submit more than one proposal, he recommends that you "put the requests in separate letters so they can each be reviewed by the appropriate team." This procedure, he explains, "could potentially speed up the review time."

Define precisely your goals, how you will reach them, and how you will measure your success

"Make sure your project has clear, reasonable and measurable outcomes," advises Kippy Ungerleider King.

"Be very specific about outputs (things you can count) and outcomes (changes in status or behaviors)," adds Michelle Greanias. "Help us understand exactly what your goals are and how you know when you meet those goals. It is easier for the foundation to make an investment when it knows what it will 'get' for its money."

Show how the project relates to your organization's future

Kippy Ungerleider King advocates, "Have a strategic plan that communicates the long-term growth of the organization demonstrating where you want to go and how you're going to get there." Link your proposal to the strategic plan.

Describe how you will fund the project once the grant money runs out

"The foundation," explains Michelle Greanias, "will not want to fund your organization in perpetuity. You will have a much better chance of being funded if you have a long-term fund-raising strategy for the project/program that phases out the solicited foundation's support." Such a plan, however, "doesn't mean you can't come back for funding of future projects."

Think beyond money

"Is there some other way that the funder can help you?" asks Michelle Greanias. Perhaps they can provide volunteers, technical assistance, in-kind donations, loans, or meeting space. "It might be better to build a relationship through non-monetary contributions before you hit them up with a big funding request," she explains.

Make sure the application is legible

Your fifth-grade teacher was right: neatness counts. Tom Springer notes, "If the request or address information is not legible, a review may not be conducted and/or a response to the request may never be received."

Provide clear contact information

Specifically, Tom Springer advises:

- Make sure an individual, organization, and complete address or valid e-mail address are indicated on the letterhead or within the letter itself.
- If the letterhead indicates multiple organizations, indicate in the letter or signature block which organization is to receive the response.
- If several individuals are signing the submitted request, identify one person for future contact.

Avoid sending piles of fliers, videos, books, and similar materials

"Instead," Nathanael Berry advises, "make a list of what is available, a summary if not self-explanatory, and how to obtain items easily."

Don't send copies of the same request to multiple contacts at an organization

According to Tom Springer, multiple submissions merely increase costs for both grant seekers and grantmakers. "Additional postage, supplies, and increased handling are just a few of the human and financial expenses that result," he explains.

Send information electronically whenever possible

"In most cases," says Nathanael Berry, "you are paying for the connection—use it! Post annual reports, audit reports, IRS determination letter, organization history, and any general information on publicly available sites (your own, GuideStar, etc.). Use links to this information wherever appropriate … , and avoid reproducing the same information over and over. Cut and paste if links won't do. E-mail when appropriate."

But, Tom Springer cautions, "Avoid faxing or submitting requests via the Internet and then following up with a hard copy in the mail." He also advises applicants to "give the grantmaking organization time to receive and initially process/acknowledge the request before calling to see if they have received it. Grantmaking organizations typically receive anywhere from hundreds to thousands of requests per year. In the event your request cannot be located or was not received, the person to whom you speak should be able to advise you on the best way to resubmit."

Start early and be patient

"It may take awhile to identify and locate a funding partner for a project," Tom Springer notes. "While it can be disheartening to receive one decline letter after another, many projects are successful at locating dollars eventually."

Springer also warns, "Don't expect to send a letter for support and expect the check to arrive the very next month. Grantmaking priorities are often set years in advance and thoughtful review processes do not readily accommodate the quick turnaround time grant seekers sometimes demand."

Following these suggestions doesn't guarantee that you will receive the funds you seek, but they will make your application more competitive. As Nathanael Berry notes, "A healthy grant relationship involves trust. Trust is earned, and involves both grantmaker and grant receiver. Approach every application and project/organizational decision with this in mind."

"Grantmakers," he concludes, "should be doing the same on their end!"

Suzanne E. Coffman, November 2000
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Appendix B

Writing Grant Proposals: An outline

Principle: Think beyond the money. "We're not here to get the grant; we're here to get things done."

The Elements

   Proposal summary

1. Introduction
   Establish credibility—many organizations are funded merely on the basis of who they are. They have a known track record. If you don't you have to establish that credibility in another way. Organizations want to know who you are why they should entrust their funds to the grant applicant.

2. Problem statement

   Proposals may ask for [1] project support, [2] general support or [3] equipment [4] program support.

   What is the situation that caused the organization to prepare the grant proposal? What is the external causation? The lack of money isn't a reason to fund an organization. Problems refer to something that can be fixed. Needs are less tangible and more values oriented. Make sure there is a connection between the organization, its capabilities and the problem.

3. Program goals and objectives
   Goals are broad statements; objectives are specific and measurable. Objectives are not methods.

4. Methods
   How is your organization going to achieve the results it says are intended? Here it might be useful to draw attention to how this project differs from other attempts to solve similar program goals and objectives.

5. Evaluation
   How will you know you have been successful when the money has been spent? Measurable objectives make the evaluation possible.

6. Future Funding
   Many funding sources have no desire to be tapped repeatedly for funds that continue a project. What will happen when the funding runs out? Is there a sustainable aspect to the project?

7. Budget
   What will it cost to do what you have proposed? Show the paper trail with detailed expenses.
   Personnel
   - Salaries
   - Fringe benefits
   Non-personnel items
   - Rent, lease, purchase of equipment
   - Supplies
   - Travel
   - Other costs
   Indirect costs (everything else that may not be evident in the budget but that may be hidden in the operation of the parent organization) Some funders do not cover these.

8. Appendix (Some of these may be required, some may not)
   Audited financial statement
   IRS letter indicating 501 C(3) status as non-profit
   Board of directors
   Letters of support
   Resumes of key personnel
   Etc. etc. depending on what the application process/funding agency requires

Cover letter—signed by the highest available officer (typically the President in the case of the University). Tells brief what the proposal proposes to do and how important it would be to the organization seeking funding (not a complete recap of the proposal).

Prospecting

Who are the prospects? Do they fund projects/programs like yours? Do they fund in your geographic area? Unless specifically directed otherwise, call the potential funding source and ask them about a project.

Finding prospective funders/Information sources:

FC Search—Available at the Riverside Public Library
Foundation Index—Available through University Library (DIALOG0
Foundation Grants Index—Available through University Library (DIALOG0

The Foundation Directory (print version)

Catalog of Federal Domestic Assistance

Resource centers
The Foundation Center
79 Fifth Avenue   New York, NY   10003
www.fdcenter.org

The Grantsmanship Center
1125 West Sixth Street, Fifth Floor, Los Angeles, CA 90017
www.tgci.com

General rules:

- If your grandmother would get it, the funding source will probably get it

- Follow the instructions and procedures of the funding source

Appendix C

Sample By-Laws
Friends of XYZ Libraries

Article I – Name

The name of this organization shall be The Friends of XYZ Libraries.

Article II – Purpose

The purpose of the Friends shall be to maintain an organization of persons interested in books; to assist in bringing to the Libraries of XYZ University funds for special needs beyond the command of the Libraries budget; to encourage gifts of books and other library materials; and to cooperate with the Libraries and the Library Advisory Committee in the development of the resources of the Libraries.

Article III – Membership

Any person, business firm, or corporate body interested in the objects of the Friends of XYZ Libraries may become a member on application duly approved, or on invitation by the Executive Committee.

Article IV - Membership

1.   Categories and levels of donations for membership dues are established by the Executive Committee.

2.   Honorary memberships may be awarded in recognition of significant contributions or services to the University Libraries as determined by the Executive Committee.

Article V - Officers and Committees

The officers of the Friends shall be the President, Vice-President, and Secretary-Treasurer, all of whom shall be elected by majority vote of the members present at the annual meeting. Officers may succeed themselves.

There shall be an Executive Committee consisting of the above officers, the Director of the University Libraries, and six members at large each to be elected by a majority of the members present at the annual meeting for a term of three years. One third of the members at large shall be elected each year.

The Executive Committee shall have the power to conduct the affairs of the Friends when they are not In session, Including the filling of vacancies. Five members of the Executive Committee shall constitute a quorum.

The President shall act as the chairperson of the Executive Committee, and he or she shall appoint additional committees as directed by the Friends or by the Executive Committee. The Dean of the University Libraries shall be a member, ex officio, of all committees.

Article VI – Meetings

The meetings of the Friends shall consist of an annual business meeting to be held at such time and place as shall be determined by the President, and other such meetings as the Executive Committee shall determine. Adequate notice having been given, members present shall constitute a quorum sufficient for the transaction of business at any annual meeting.

Article VII – Amendments

Changes in by-laws must first be approved by the Executive Committee and finalized by a two-thirds vote of those present at the annual meeting of the Friends of NIU Libraries. Notice of such proposed amendments shall have been mailed to all members at least ten days prior to the annual meeting.

Pyramid of Giving

Donor commitment

Estate or
Planned Gifts

Bequests
Planned gifts

Investment

Major Gifts

Endowment campaigns
Capital and Special
Campaigns
Major gifts from
individuals
Major gifts from Corp.
& Found.

Involvement

Donor growth

Interest

Annual Giving

Support group organizations
Special events and benefits
Annual giving campaign/direct mail
Selected publics
All the public

Information

Donor contact

Identification