

Fundraising Strategy Development

Waterford LSP
November 2021



**Transforming
Nonprofits**



Agenda

About 2into3

The Fundraising Strategy Process

Building a Vision | Costing a Vision

Funding Models | Fundraising Targets

The Funding Plan

Case for Funding | Who to Approach?

Breakout: Programmes and Methods

Meet the team



WELCOME TO 2INTO3
DUBLIN - BELFAST - CORK

Transforming Nonprofits



Advocacy, Law & Politics



Arts, Culture & Media



Education, Research



Environment



Health



International



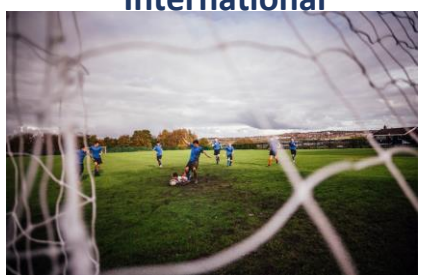
Development & Housing



Philanthropy & Voluntarism



Professional & Vocational



Recreation & Sport



Religion



Social Services

We work with **mission-driven** organisations to **build capacity**, so that they can have a **transformative impact** on society in **Ireland** and the world

How we do it

Consulting



Masterclasses &
Webinars



Workshops

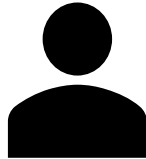


Reviews

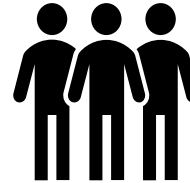


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Recruitment



Executive Level



Middle Management



IRELAND'S NONPROFIT GRADUATE PROGRAMME

For Purpose Graduate Programme

Research



Irish Giving Index
& Monitors



Reports



Giving Ireland Report



Insights

The Fundraising Strategy Development Process

Fundraising Strategy Development

Process

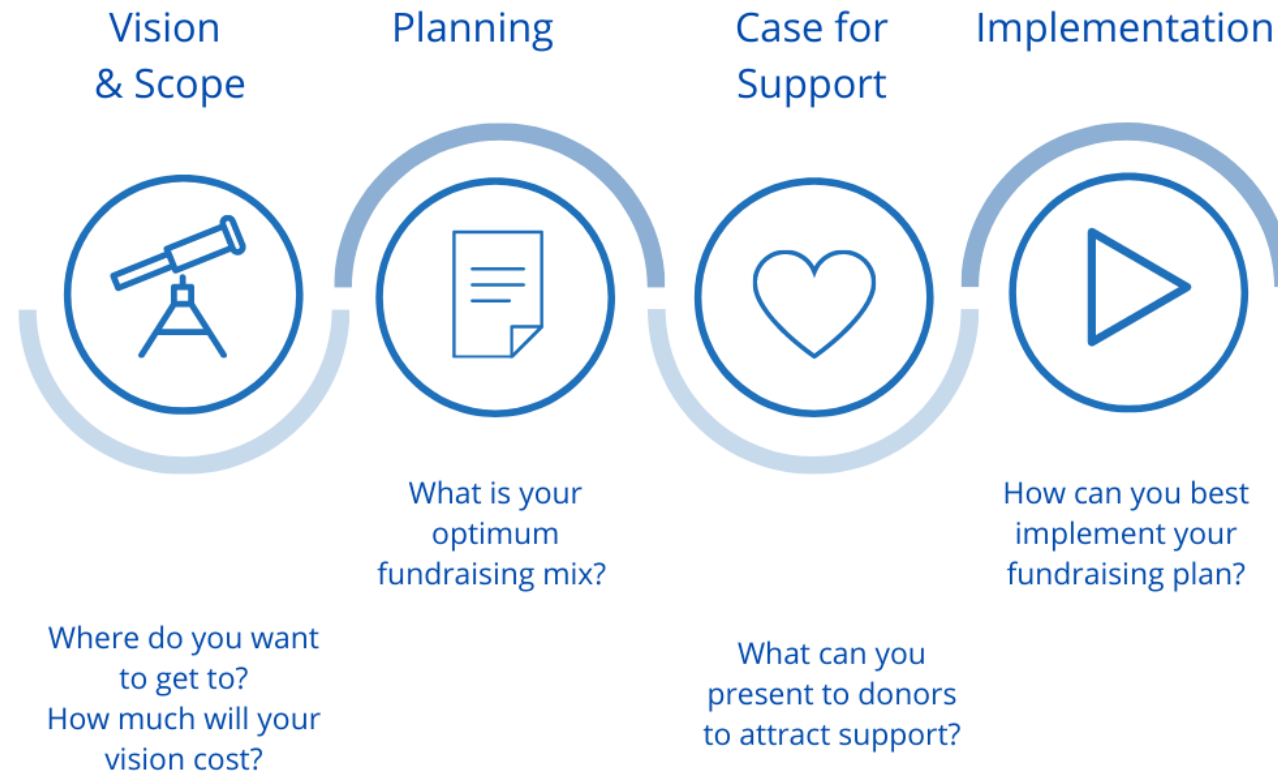
- Dream and communicate your vision
- Clarify the financial need
- Set income targets and timeframes
- Broaden income streams and avoid dependency
- Focus on the most appropriate fundraising techniques
- Unite everyone in fundraising efforts

Fundraising Strategy Development

"in a nutshell"

- Why do you want it? (Case)
- How much do you need? (Scope)
- What are the likely benefits for you and your community (impact)?
- How do you plan to get it? (Planning)

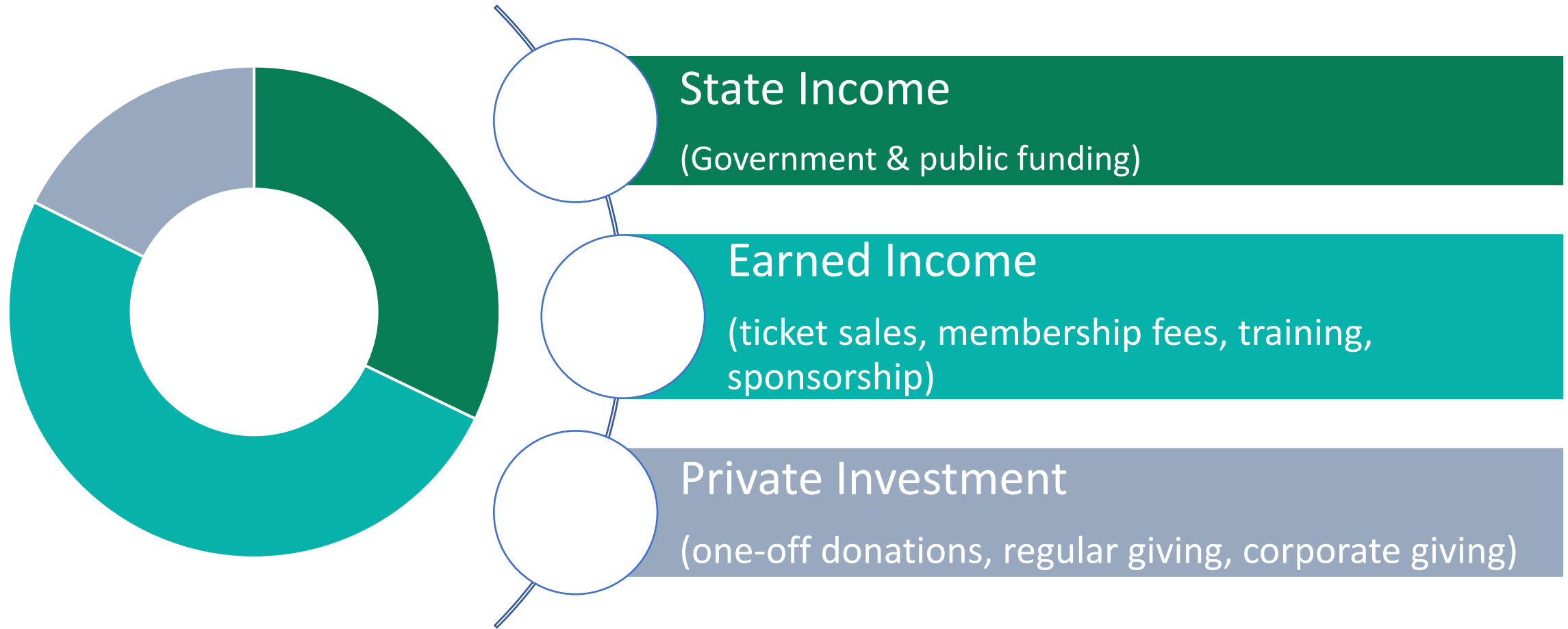
Our Fundraising Strategy Process



Funding Model & Fundraising Scope

- What is your organisation's vision?
- What is your current and future funding model?
- What additional investment is needed to meet your goals?
- What is the funding gap?

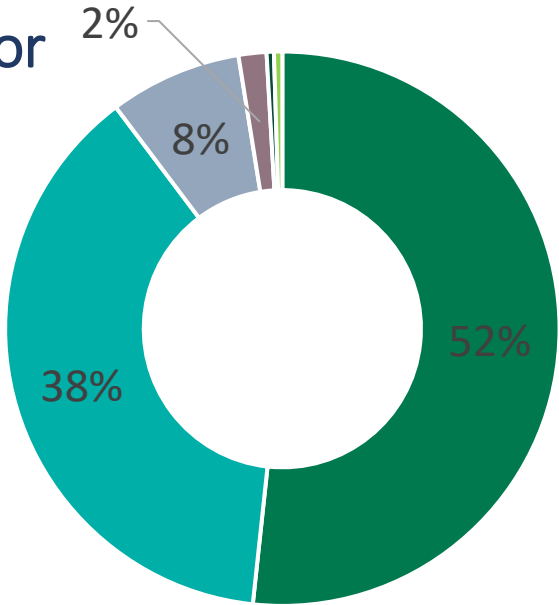
Funding Model: Definition



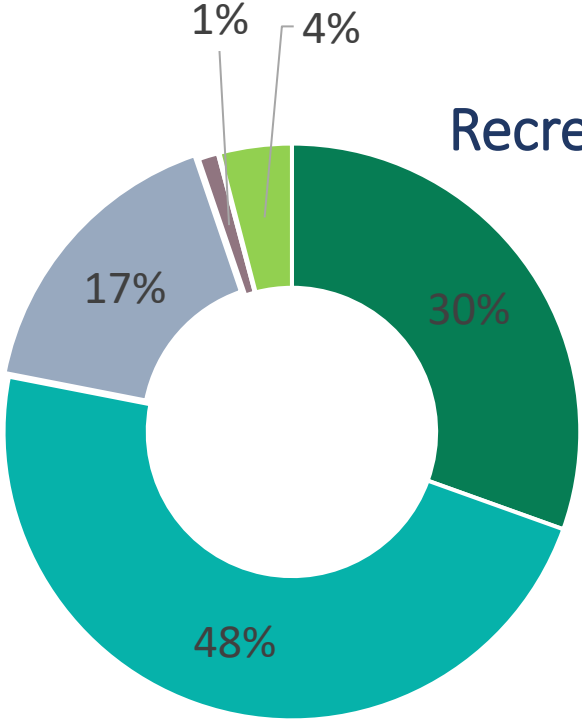
Funding Model

Sports organisations rely more on fundraised income and sponsorship than sector as a whole.

Non-profit Sector



Recreation, Sports Sector



■ State
■ Earned
■ Fundraised
■ Other
■ Investment
■ Sponsorship

Your Funding Model

Income	2018	2019	2020	2021	2022	2023	2024	2025
Earned Income								
E.g. Membership								
E.g. Rental Income								
E.g. Gym								
E.g. Matches/Event								
xxx								
Total earned income	0	0	0	0	0	0	0	0
State Income								
E.g. Department of Transport, Tourism & Sport								
E.g. Local Authority Grant								
E.g. European Union								
xxxx								
Total state income	0	0	0	0	0	0	0	0
Private Investment								
Private Investment - Voluntary income								
E.g. Major gifts								
E.g. Membership subscriptions/Friend's scheme								
E.g. Trusts and foundations								
E.g. Legacies								
E.g. Gifts in kind (donated services and facilities)								
E.g. Other - please specify								
xxx								
Total private investment - voluntary	0	0	0	0	0	0	0	0
Private Investment - Sponsorship								
E.g. Gifts in kind (professional services, volunteering etc)								
E.g. Cash								
xxx								
Total private investment - sponsorship	0	0	0	0	0	0	0	0
Total Income	0	0	0	0	0	0	0	0



Your Funding Model

Expenditure	2018	2019	2020	2021	2022	2023	2024	2025
Programme 1								
E.g. direct costs								
E.g. marketing								
E.g. admin								
E.g. staff costs								
Total Cost	0	0	0	0	0	0	0	0
Programme 2								
E.g. direct costs								
E.g. marketing								
E.g. admin								
E.g. staff costs								
Total Cost	0	0	0	0	0	0	0	0
Programme 3								
E.g. direct costs								
E.g. marketing								
E.g. admin								
E.g. staff costs								
Total Cost	0	0	0	0	0	0	0	0
Programme 4								
E.g. direct costs								
E.g. marketing								
E.g. admin								
E.g. staff costs								
Total Cost	0	0	0	0	0	0	0	0
Programme 5								
E.g. direct costs								
E.g. marketing								
E.g. admin								
E.g. staff costs								
Total Cost	0	0	0	0	0	0	0	0
Total Expenditure	0	0	0	0	0	0	0	0

Your Funding Target

- Identify the private investment target for your **5-year plan**

Fundraising target identification:

$$\begin{aligned} &\text{Annual Expenditure} \\ &- \text{Annual Income (state + earned)} \\ &= \text{Private Investment Target} \end{aligned}$$

Fundraising Planning & Modelling

- **What** is your 5-year plan?
- **What** is your optimal funding mix?

Fundraising Plan

Setting fundraising income targets

Year 1:

Break even

Relationships and systems developed.

Those closest to the organisation showing support

Fundraiser (ROI): cover costs

Year 2:

Raise double the cost

Systems in operation, prospects cultivated and asked to give.

Retention of current donors, increased gift levels and new donors

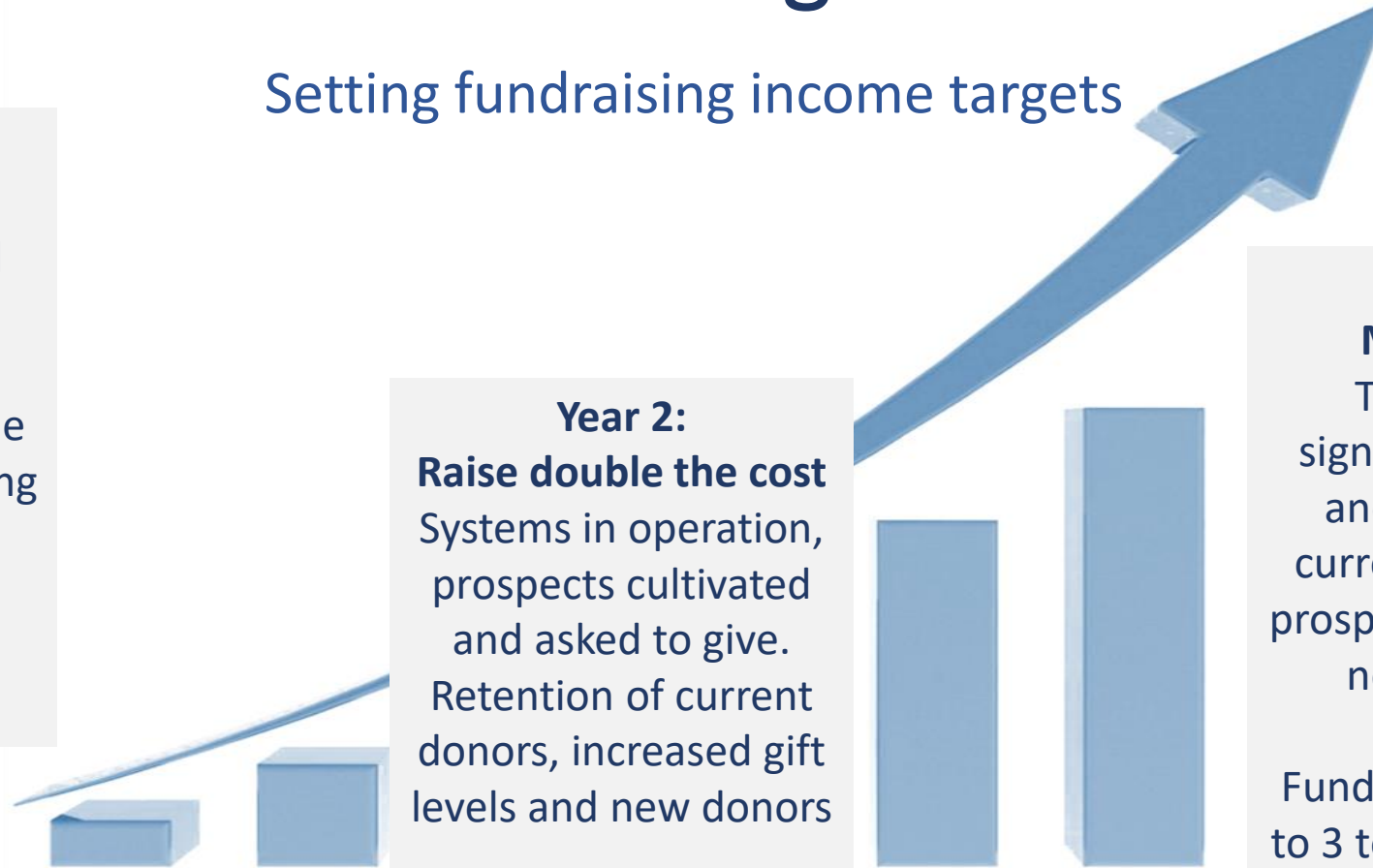
Fundraiser (ROI): raise double costs

Year 3:

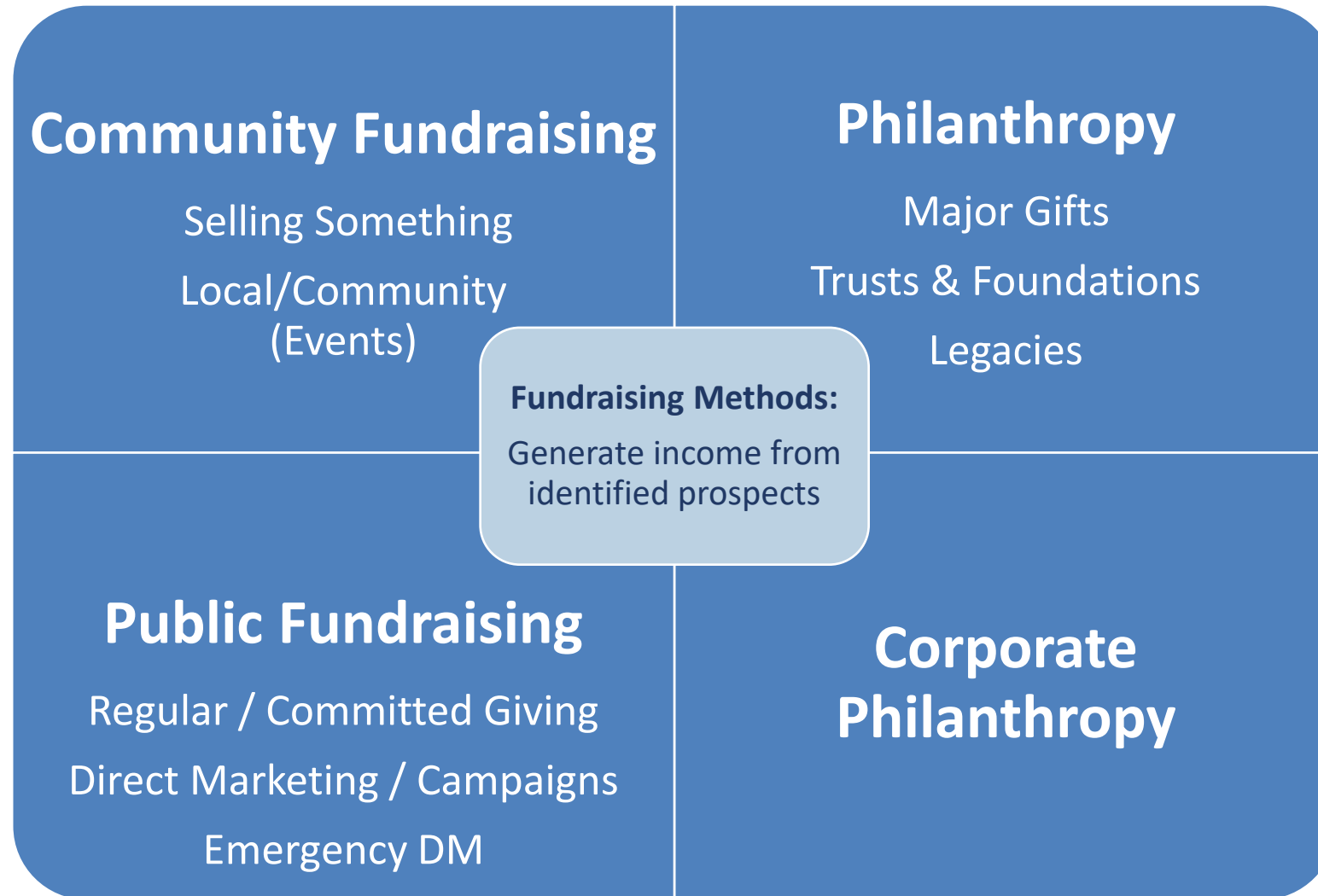
Momentum

Track record, significant pipeline and database of current donors and prospects. Implement new methods

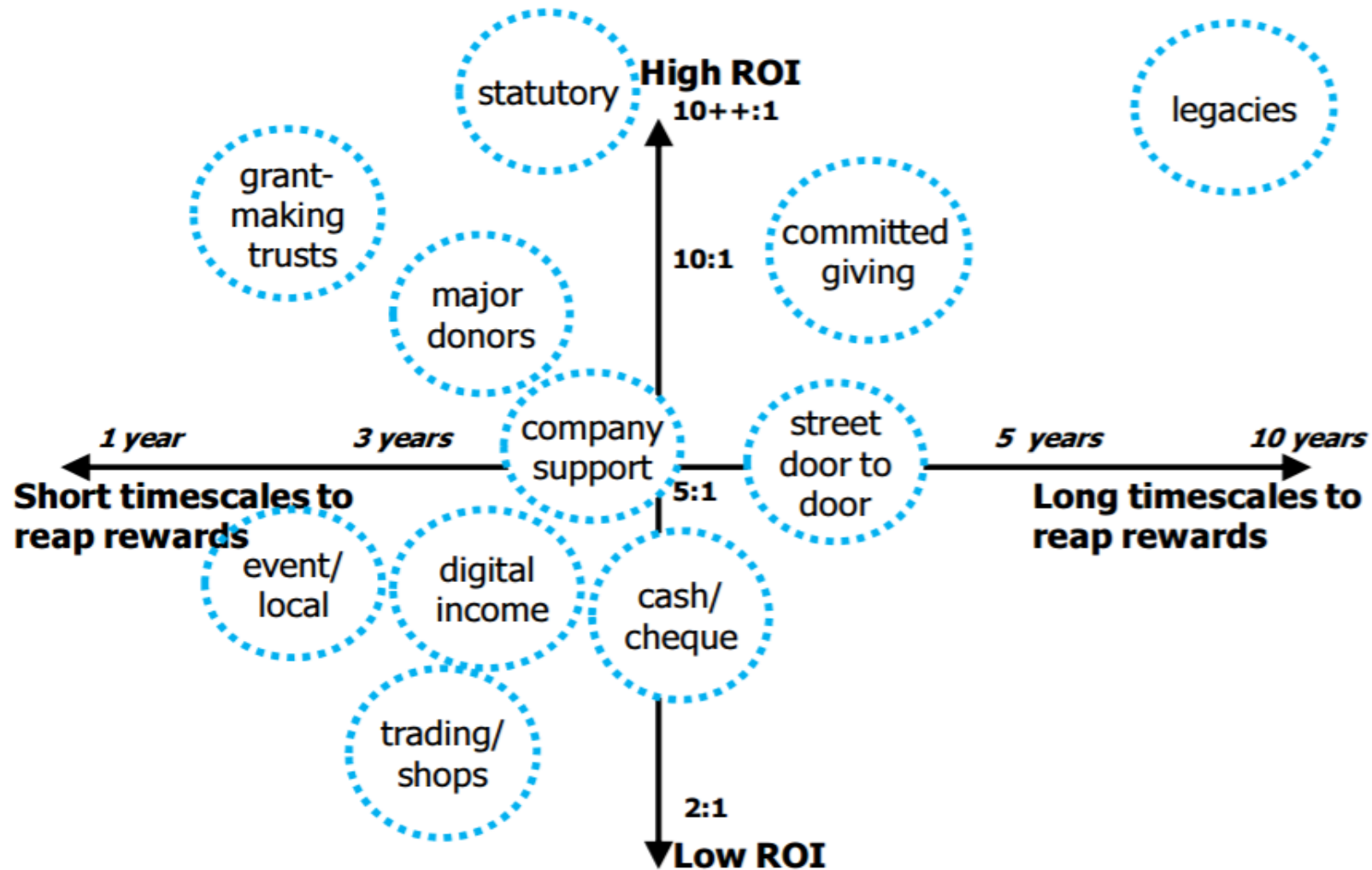
Fundraiser (ROI): get to 3 to 4 times cost of fundraising



Fundraising Mix



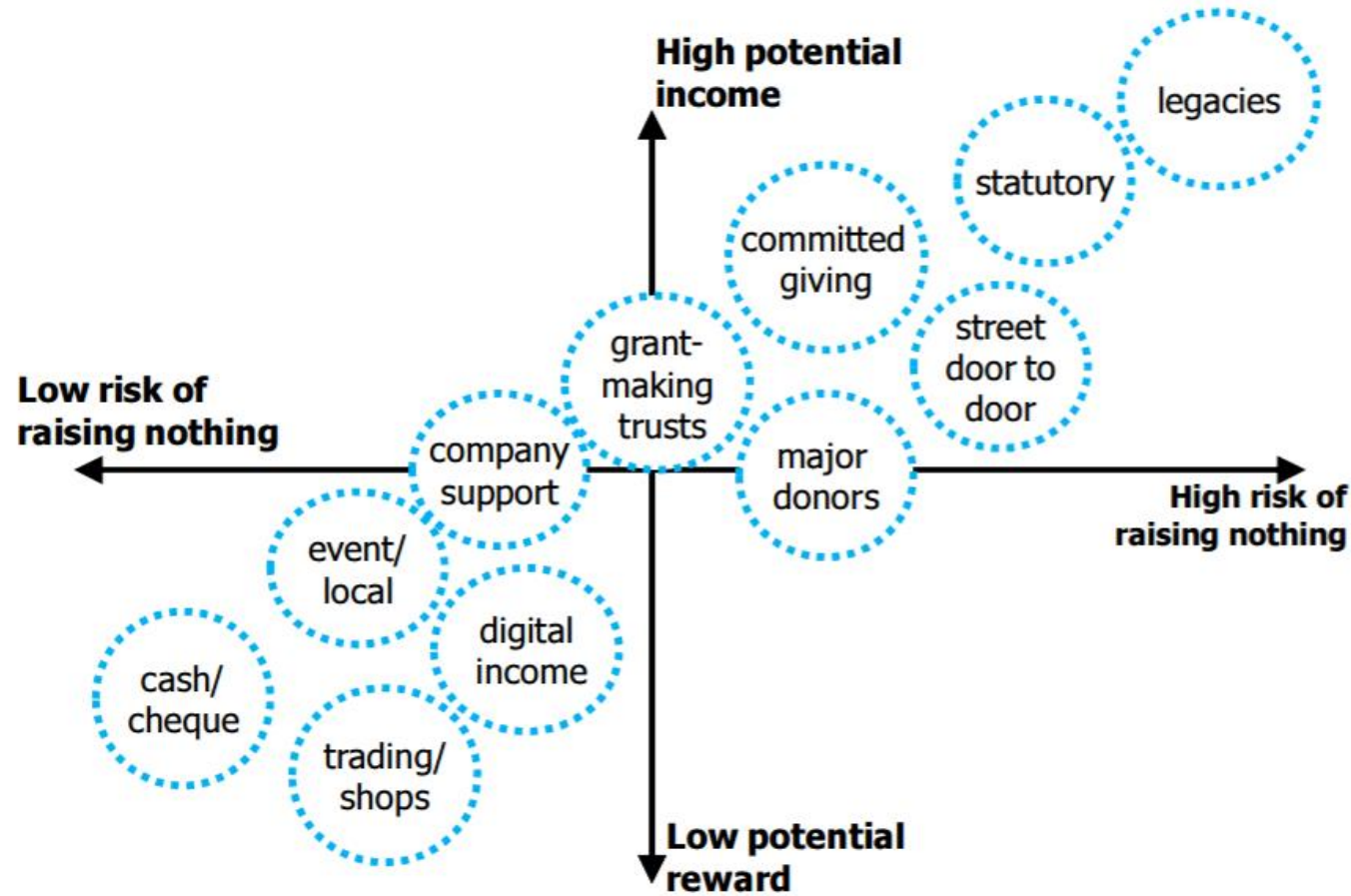
Fundraising Mix



Source: Irish Giving Index

Fundraising Plan

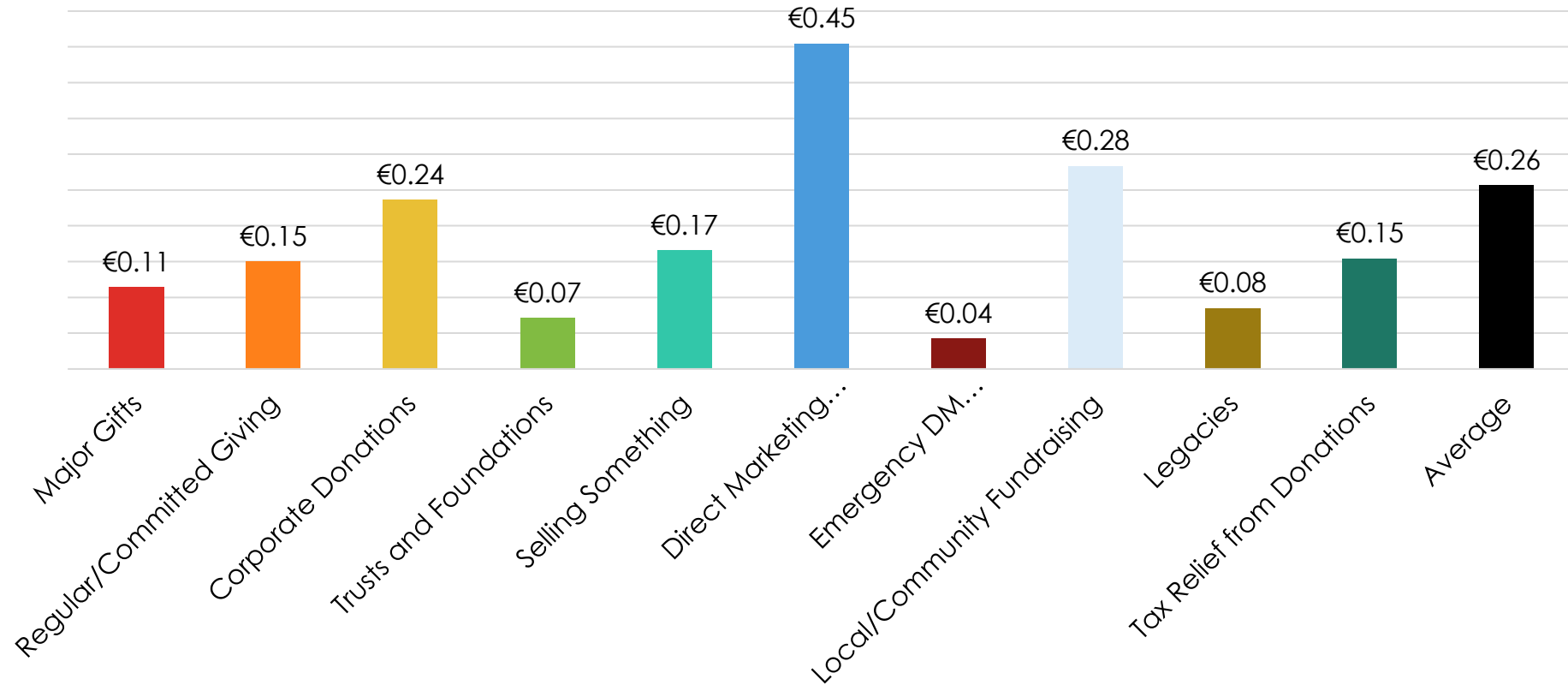
Risk vs Return

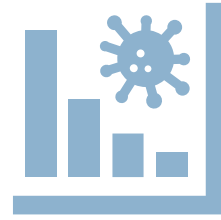


Fundraising Costs

Cost to Raise €1

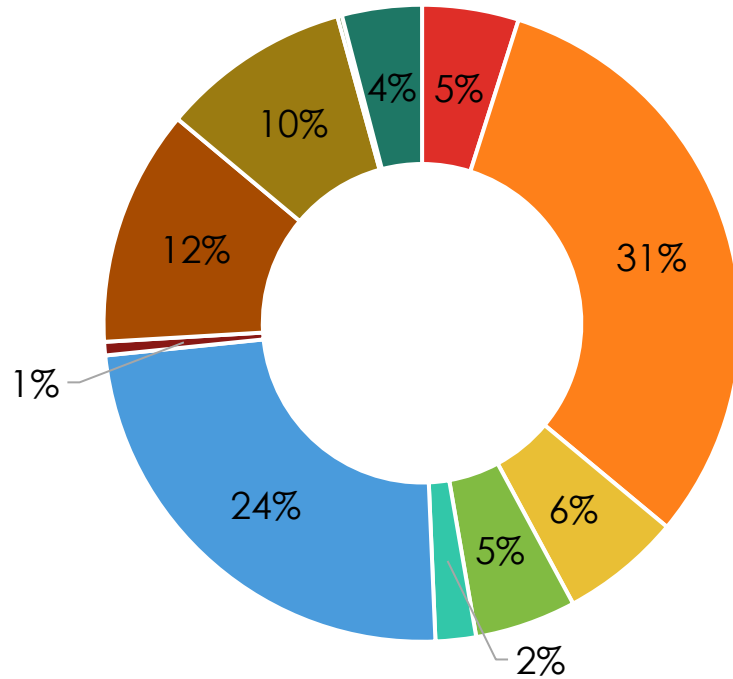
(Irish Giving Index 2021 Q1, 13 organisations surveyed)





Impact of Covid on Fundraised Income

Fundraising in 2021



What fundraising methods do you rely on?

Where is support likely support to come from?

Have you looked at a variety of fundraising methods?

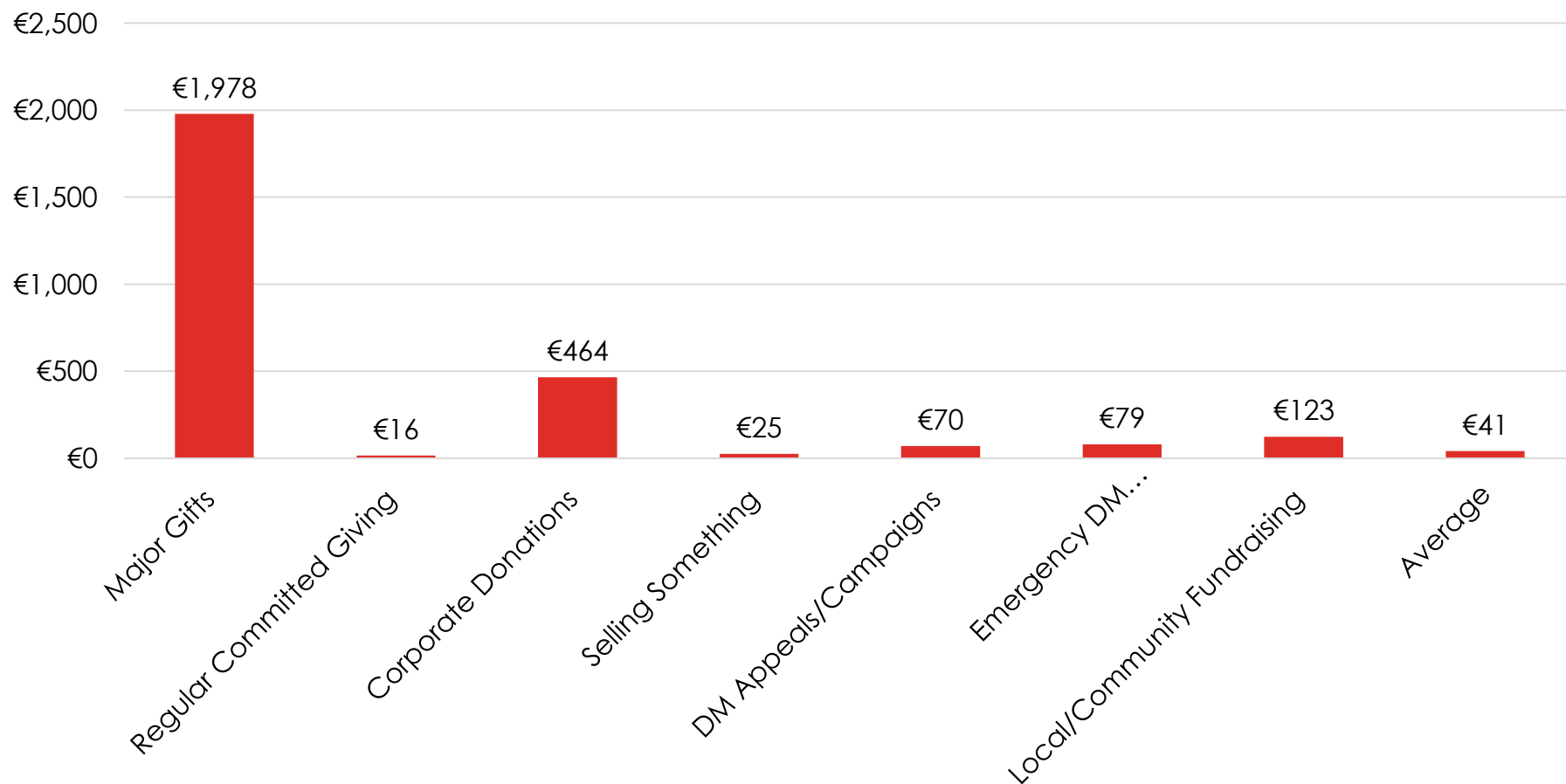
Source: Irish Giving Index, Q1 2021
Sample: 17 organisations reporting



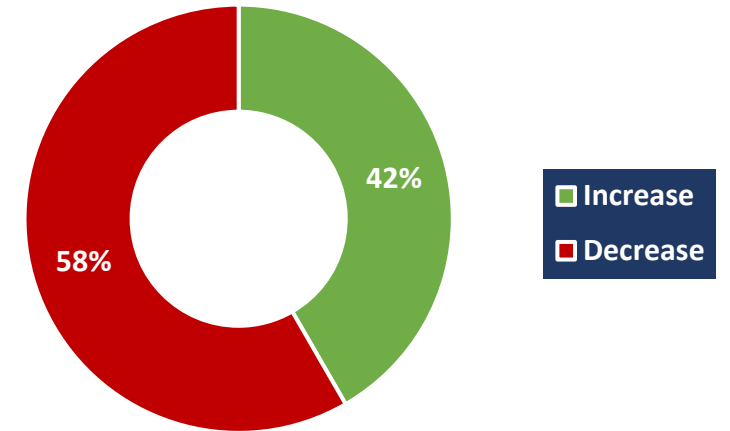
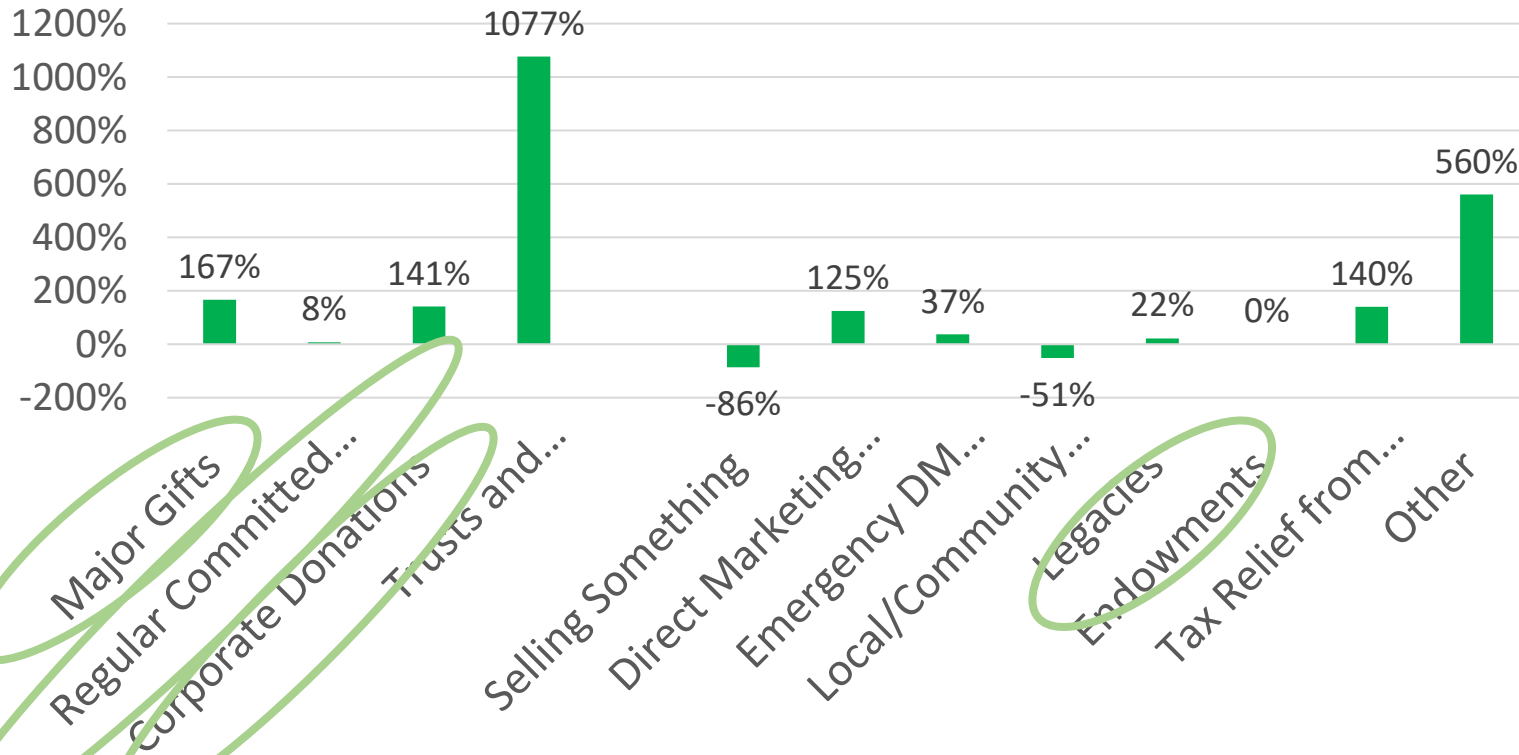


Gift Levels

Average Gift Income by Method



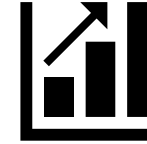
April 2020 Year-on-year Changes Across Methods



Relationship-based Fundraising



Controlled revenue streams

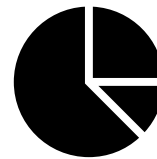


Increased revenue/
tax reliefs

Why?



Cost efficient



Diversify revenue streams



Leverage people networks

Fundraising Planning

Major Gifts

	2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026
Major Gifts						
Major Gift 1 - €20,000						
Prospects						
% Success rate	33%	33%	33%	33%	33%	33%
New gifts	0	0	0	0	0	0
Lost/Completed gifts	0	0	0	0	0	0
Cumulative gifts	0	0	0	0	0	0
Gift Income Per Annum	€0	€0	€0	€0	€0	€0
Major Gift 2 - €10,000						
Prospects						
% Success rate	33%	33%	33%	33%	33%	33%
New gifts	0	0	0	0	0	0
Lost/Completed gifts	0	0	0	0	0	0
Cumulative gifts	0	0	0	0	0	0
Gift Income Per Annum	€0	€0	€0	€0	€0	€0
Major Gift 3 - €5,000						
Prospects						
% Success rate	33%	33%	33%	33%	33%	33%
New gifts	0	0	0	0	0	0
Lost /Completed gifts	0	0	0	0	0	0
Cumulative gifts	0	0	0	0	0	0
Gift Income Per Annum	€0	€0	€0	€0	€0	€0
Total Prospects per Annum	0	0	0	0	0	0
Total Gifts per Annum	0	0	0	0	0	0
Total Major Gift Income	€0	€0	€0	€0	€0	€0

My dads club are 300k in debt after a major development project. They decided to ask 300 people for €250 a year for 4 years. After 4 years, all they will be asked for is the weekly blotto. No gimmicks, no prizes. They can't believe how well it's going. Mostly families who know their kids will benefit from the facilities. €250 also means that the club can claim tax relief on top of this. €250 per year works out as €4.81 per week, or roughly half a packet of fags. An argument that convinced more than a few sceptics!!

Fundraising Planning

Regular Gifts

Gifts of €21 per month or €250 per year allow us to claim tax relief (for ROI tax payers only) which means you get €365 for a €250 donation.

Regular Giving (Friends Scheme)	2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026
Level 1 (€600 PA, €50 per month)						
New Prospects						
% Success Rate	33%	33%	33%	33%	33%	33%
New gifts	0.00	0.00	0.00	0.00	0.00	0.00
Lost gifts	0.00	0.00	0.00	0.00	0.00	0.00
Cumulative gifts	0	0	0	0	0	0
Total Income	€0	€0	€0.00	€0.00	€0.00	€0.00
Level 2 (€300 PA, €25 per month)						
New Prospects						
% Success Rate	33%	33%	33%	33%	33%	33%
New gifts	0.00	0.00	0.00	0.00	0.00	0.00
Lost gifts	0.00	0.00	0.00	0.00	0.00	0.00
Cumulative gifts	0	0	0	0	0	0
Total Income	€0	€0	€0.00	€0.00	€0.00	€0.00
Level 3 (€120 PA, €10 per month)						
New Prospects						
% Success Rate	33%	33%	33%	33%	33%	33%
New gifts	0.00	0.00	0.00	0.00	0.00	0.00
Lost gifts	0.00	0.00	0.00	0.00	0.00	0.00
Cumulative gifts	0	0	0	0	0	0
Total Income	€0	€0	€0	€0	€0	€0
Total Prospects per Annum	0	0	0	0	0	0
Total Gifts per Annum	0	0	0	0	0	0
Total Major Gift Income	€0	€0	€0	€0	€0	€0

Prospect ID & Case for Funding

- Who has the capacity, propensity and interest to support your work? Who are your regular/committed givers?
- What message should the organisation present to donors? Why do you deserve support?
- What is the vision? What is the impact?

Building your vision

Vision

what is our end goal?

Mission

how do we achieve our goals?

Purpose

why do we exist, and
why do we merit support?



Case for Support: 8 key concepts

1. An emotional, understandable opening
2. Your reason for existing/ your vision
3. Your inception story
4. Your reason for being unique and deserving support
5. State the problem or need
6. Your thematic areas that require support
7. Long term financial needs to realise your vision/ ambition
8. Call to Action

To ponder!

What is the organisation's vision for the next 3-5 years?

What is your organisation's **current funding model**?

What is your organisation's future **funding model**?

What can you **expect from state and/or earned** income?

Is there a **funding gap**?

Can you describe your work by **thematic areas**?

Can you **identify prospects** interested in your story?

Brain Storm I

- **What** are your organisations 3-4 key programmes?
- **What** is your funding need over the next 3-5 years?

Brain Storm II

- What new and existing **fundraising methods** could you use to fund your club's programmes?

Thank you!



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