

relocalization.network

Fundraising Toolkit for
Local Post Carbon Groups



Post Carbon Institute fundraising toolkit introduction

Introduction

Fundraising can be daunting for those who are not used to it. However, it is crucial to the development of any non-profit organization, including Post Carbon Institute and the Local Groups within the Relocalization Network. For this reason, we want to make sure that all Local Post Carbon Groups are set up for success!

The Fundraising Toolkit for Local Post Carbon Groups contains advice, templates and examples based on successful fundraising techniques. This package is designed to help your Group set up fundraising systems which will allow you to tap into the resources required to make your vision a reality.

Please note: We are currently in the process of developing this toolkit and will have a more complete version finished by September 2006. In the meantime, please let us know what you think by emailing your feedback to members@postcarbon.org.

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The Basics

If You Need Money, You Have To Ask For It

The number one impetus for people who have contributed to non-profit organizations is that they are asked!

Create a fundraising plan

The more proactive, organized and prepared you are, the more opportunity you will have to successfully engage potential donors. Every plan is different but you may want to start by:

- Defining what you want to achieve and by when. Work backwards from these goals
- Establishing how much money you need to achieve your goals
- Developing Wish Lists of items that your Group needs
- Creating a basic fundraising proposal that you can tailor for different potential funders

Do Not Fear Rejection

We have been raised to be anxious about money, so it is natural that many of us get anxious about fundraising. The fact of the matter is that some people will say no when you approach them for money. You can assume that for every three to ten people you ask, only one person will actually donate...and that is a generous estimate. There is no way of getting around rejection in the fundraising arena. The only way to deal with rejection is to:

- Have high hopes and low expectations
- Maintain an unwavering belief in your cause. Keep the faith!
- Stay close to your purpose. Do not switch gears as a last ditch effort to keep the potential donor interested.
- Gracefully accept rejection when you encounter it

Build Relationships With Donors

This is the essence of fundraising: it is an exchange between people who care about a cause and want to address it. Your group is doing work that other people could not do alone and donors are, in a sense, compensating you to do that work. Foster those relationships and turn donors into lifetime friends of your Local Post Carbon Group. This important aspect of fundraising is touched upon in more detail later in this package.

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Funding sources

There are several ways for an organization to generate funding. This includes securing money through:

- An Earned Income
- The Public Sector
- The Private Sector

Earned Income

Some organizations secure some of their funding through earned income, such as the sale of books, buttons, t-shirts or other related items. This can help organizations increase their financial stability and reduce their reliance on grants and individual donations.

However, please be aware that for non-profit organizations, earned income can only constitute a small percentage of total income. Please consult your federal tax laws for more detailed information.

Accounting for your current sources of earned income will help you to understand what type of funding you will need to pursue in order to close the gap between what you have and what you need. This is an important step in preparing a funding proposal to present to potential donors in the public and private sectors.

Public Sector

Funding under this category comes from the government. You will most likely be asking for funding from local and, possibly, national government entities through grant applications. Only apply to grants that are in line with your Local Group's vision. The last thing you want is to receive a grant that requires you do work in an area that takes your focus away from your identified goals. Applying to grants is addressed in more detail later in this information package.

Private Sector

This category includes individuals, businesses, foundations and other grantmaking organizations. The majority of funding for most Local Post Carbon Groups will come from the private sector. Individual donations are particularly important, as approximately 85% of all contributions to charitable organizations in the U.S. come from individuals. For this reason it is worth developing a good system for attracting and maintaining individual donors. The rest of this information package focuses on private sector donations.

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Building your donor base

Current Donors

Current donors have already expressed an interest in helping your Group (and Post Carbon Institute as a whole) achieve its goals. Statistics show that if someone has donated to an organization before, they will most likely donate to that organization again. This is an important piece of information to cultivate in the fundraising process because lifetime donors to an organization make up a huge chunk of individual donations to non-profit organizations.

The key to encouraging people to become lifetime donors is creating relationships with existing donors that tie them further to your Group and its overall purpose. Customize a highly personalized approach to engage in a give-and-take dialogue with your donors by:

- Inviting them to Group events
- Giving them a call on a regular basis or when you come across something that might be of interest to them
- Meeting them for coffee and a chat about what is going on with the Group
- Sending them newsletters or regular updates
- Thanking them for their contributions in a timely fashion [See the Thank You Template included in this package]
- Holding free feel-good cultivation events to show them your appreciation (and to meet their friends – potential first-time donors!)
- Getting creative with how you engage in dialogue with them

You can get as creative as you want in regards to how you engage in dialogue with your current donors. Just ensure the dialogue allows you to:

- Keep track of their preferences and actions
- Ask for feedback
- Incorporate what you have learned into your next conversation with them
- Keep donors up-to-date on everything about your Local Group and the Relocalization Network including, but not limited to, what type of funding is needed to attain your specific goals

New Donors

The first step in hooking potential first-time donors is to educate them about your organization. This education should include:

- A brief history of your Local Post Carbon Group, the Relocalization Network and Post Carbon Institute
- A basic statement of programs and services offered
- A breakdown of numbers (ex. people served, budget size)
- A Group and organization vision for the future and an outline of what is required to achieve that vision. Identify the gap.
- An emotional hook

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Building your donor base

Initial contact with potential first-time donors can take place in a number of ways including, but not limited to:

- Public screenings of the End of Suburbia (see www.endofsuburbia.com for more information)
- Presentations aimed at raising awareness
- Lunch meetings with member(s) of your group
- One-on-one meetings
- Following up thoroughly on a request for information
- Guiding them through the website

Always ensure you have a system of capturing names, addresses and e-mails (with permission, of course).

Follow up with potential first-time donors within a week of their education. This will provide you with the opportunity to:

- Thank them for participating in the educational session
- Ask them to share their thoughts about the session
- Listen to what their specific interests are in the Group
- Ask whether they see themselves being involved in the Group
- Ask whether they know of anyone else who would be interested in hearing about the Group and its mission

Make the ask. Once a potential first-time donor has been educated and you have followed up with them, you are at an appropriate stage to ask for money. Use the information you have gathered about them so far in order to determine how their contribution can best serve both the Group and the donor. Lay out the different methods of donating:

- **Specific Amounts:** explain your financial needs in general and specify which ones are related to their interests
- **Levels of Donation:** explain what certain contribution levels can typically do for the Group
- **Multiple Year Pledges:** explain how this type of funding is best for helping to support the operating needs of the Group

To help with the collection of pledged donations, you may wish to create a donor pledge sheet. Just remember that the donations you collect will not be tax-deductible unless your group has charitable status or can find a fiscal sponsor who does.

See our Post Carbon Institute Sample Funding Pledge Sheet for ideas on how to set up your own pledge sheet.

Keep track of your donors. Make sure that you maintain a donor tracking system. Knowing who speaks to donors in what way and how often will help you learn more about how your Local Group relates to its donors. This, in turn, will help you learn how to develop and maintain strong relationships with loyal donors. It will also give you a list of regular donors, who you can use to ask for future support and link you to more potential-first time donors. Tracking donors over time increases the likelihood of developing a strong base of lifetime supporters.

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Foundations and other grantmaking organizations

Fundraising tactics aimed at foundations and other grant making organizations require finding a 'good fit' between the goals of your Group and the requirements of the particular foundation or organization. Remembering the common principle that not all of your fundraising attempts will be successful, you will need to ask as many potential donors for money as possible.

Finding foundations that fit. In order to find a 'good fit' there are a few things that you can do:

- Develop, maintain and update a list of potential 'good fits' in your area.
- Subscribe to a server that lists foundation profiles [A good example is the Foundation Center at <http://fdncenter.org>]
- Mine your contacts to find out whether they know anyone influential who could help achieve the goals of the organization; ask for an introduction.
- Make sure that you discuss the mission and goals of the Group candidly with your own contacts so that they are well-versed when talking to others.
- Approach community funds through one of its members who would likely advocate the goals of your Local Group and Post Carbon Institute. Use your contacts for an introduction and remember that grants or donations typically go to organizations that the community fund is tied to in some way.
- Remember that foundations want their contributions to have the largest possible impact. For this reason, you may want to emphasize that your group's resources will be shared among an international network of over 100 other Local Post Carbon Groups and that, in this way, your successes will help many other communities.

Once you have made and cultivated contacts for potential 'good fits', it is time to write and send them funding proposals. Don't forget to tailor your proposals to each individual funder.

See our Post Carbon Institute funding proposal template for more help writing funding proposals.

Businesses

Soliciting funding from businesses can be tricky because they often have a large set of criteria that an organization must meet before they commit to a donation. They may not view a potential partnership with the Post Carbon Institute and your Group as beneficial to their overall image or may not find our mission conducive to the way they wish to continue running their business. You can start by making a list of local businesses that have demonstrated a concern related to any of the issues that your Local Group addresses.

Conclusion

This information should help to start you and your Local Group on the path to fundraising success. If you have any questions about this package or need more fundraising support, please contact our Development Coordinator at members@postcarbon.org or by phone at **604-736-9000**.

Good luck!!

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DONOR PROSPECT PROFILE TEMPLATE

Profiled by:

Date:

Context:

- Include a brief statement about the relationship between the potential donor & your organization (i.e. who referred them to you or how they became interested in your Local Group)

Current activities:

- Include the donor's current jobs, volunteer activities

Boards he/she currently sits on:

Organizations he/she currently funds:

- Include all charitable donations, political contributions, and anything else you can find

Past activities:

- Old jobs, past involvement with other organizations, books written, talks given, etc.

Education:

Personal:

- Include anything else that is relevant to your donor's interest in your Local Group

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DONOR THANK YOU LETTER TEMPLATE

[Print on your Group's letterhead, if you have one]

[address]

[Date]

Dear [addressee],

Thank you so much for your generous donation to [Local Group name here]. We are extremely appreciative of the support you have shown for our group.

With your gift, we will be able to [insert use of funds here]. The ability to [sum up outcomes and/or positive benefit of the activity which you will be undertaking] is critical, and we are grateful for the opportunity to continue doing so. Thank you for helping to ensure the success of our group's mission. Your invaluable support helps us grow and develop.

We will be sending you an update in [date 9 months from receipt of funds, if the donor is reasonably large] to let you know how we have been making use of the funds you so kindly provided. Please do not hesitate to contact me personally at any time if you have any questions or would like further information.

Yours truly,

[Contact person]

[Title]

[Contact information]

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FUNDRAISING PROPOSAL TEMPLATE

Post Carbon Institute

Post Carbon Institute is a non-profit think, action and education tank offering research, project tools, education and information to implement proactive strategies to adapt to an energy constrained world. The development of Post Carbon Institute came out of a concern for the environmental, social, political and economic ramifications of global over-reliance on cheap energy. Our main response to these concerns is the strategy of Relocalization, which aims to rebuild societies based on the local production of food, manufactured goods and energy, and the Relocalization of currency, governance and culture. The main goals of Relocalization are to increase community energy security, strengthen local economies, dramatically improve environmental conditions and foster social equity.

An Imperative to Act

Relying on a system of cheap energy and globalized trade has many negative implications. These include climate change and environmental degradation; the erosion of small businesses and the diversion of profits away from local communities; loss of energy security and increased geo-political conflict; the proliferation of suburbs and resulting social dislocation; and increased dependence on oil, a finite resource which many experts predict will hit its global production peak before the end of this decade.

[You may want to add more information to this section which addresses the foundation's area of focus. For example, if a potential funder is concerned about local food production, you might want to talk about the fuel used in fertilizer & transportation and the environmental benefits of local farming. If a funder is concerned about climate change, you can focus on the emissions reductions that come from decreased energy consumption.]

The Response- Relocalization

Relocalization provides community solutions to these significant challenges by allowing community members to source essential goods and services much closer to home and, as a result, dramatically reduce their overall energy consumption.

Each individual Relocalization response has additional positive benefits. For example, making food or manufactured goods locally reduces the amount of energy intensive long-distance shipping that is required to bring products to consumers. Producing local renewable energy decreases the need for large-scale polluting sources of energy, such as oil, nuclear, natural gas and coal. In addition, linking communities' outputs to their capacity for local energy production will encourage them to stay within their local limits to growth, reducing environmental degradation and climate change.

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The Relocalization Network

Post Carbon Institute supports the Relocalization Network, a growing network of Local Post Carbon Groups and Relocalization Network affiliates all over the world which are working to prepare their communities for an energy-constrained future. These community-based groups receive guidance, educational resources and electronic infrastructure from Post Carbon Institute. The Groups work within their communities in cooperation with local governments, businesses, non-governmental organizations and educational institutions to put the concept of Relocalization into practice.

While working primarily within their communities, these groups also share knowledge, experience, and educational resources with the all of the other Local Groups within the global Relocalization Network. Local Post Carbon Groups are experimenting with Relocalization projects with the aim of developing viable solutions to the challenges of peak oil. All successes and failures are valuable contributions, helping the network develop a comprehensive Relocalization strategy.

[Insert your Local Group's name here]

[Here, you will want to describe a bit about your group including its most recent accomplishments, current activities and future plans. Make sure to tailor the information to appeal to the particular funder you have in mind each time you write an application.]

Appendices

[You should include a copy of your project's budget, overall goals, timeline, specific tasks and deliverables, along with a listing of key project staff or board members and their relevant qualifications. You may also want to include a list of past funders and information about your fiscal sponsor or charitable status**.]

***** Note: Fiscal sponsorship is when a charitable organization contracts another non-profit organization without charitable status to do some of its charitable work. This allows organizations without charitable status to accept tax-exempt grants. For more information about fiscal sponsorship or charitable status, please consult a lawyer specializing in non-profit tax law.***

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Pledge Card

I would like to become a friend of Post Carbon Institute

- \$75 per year for 3 years
 \$100 per year for 3 years
 Other amount: _____ per year for _____ years

I would like to make a one time gift

- \$250 \$500 \$1,500 Other amount: _____

Please charge my credit card

Card #: _____ Exp: ___/___

Please find a check enclosed

Name: _____

Organization: _____

Address: _____

City: _____ State/Prov: _____

ZIP/Postal Code: _____ Country: _____

Phone: _____ Email: _____

I am most interested in:

- Developing the Relocalization Network
 Global Public Media
 Oil Depletion Protocol
 Municipal Action
 Think tank and research fellows
 Other _____
- I have other thoughts I would like to share with Post Carbon Institute.
Please contact me.

Please mail donations to:
3683 West 4th Ave Vancouver, BC V6R 1P2 Canada

Thank you for your support!

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