



MAEOPP
EMERGING
LEADERS
INSTITUTE
CLASS OF 2009
PRESENTS

A FUND DEVELOPMENT SAMPLE PACKET
FOR MAEOPP/TRIO PROFESSIONALS

FUNDRAISING IS...

*The right person asking
The right prospect
For the right gift
For the right program
At the right time
In the right way.*

SAMPLE PACKET OUTLINE

	Page
I. Outline for Preparing to Seek out Funds	4
II. Sample Cover Letter for Grant Proposal	5
III. Sample Grant Proposal Cover Page	6
IV. Sample Grant Proposal Outline	7
V. Sample Grant Proposal	8-9
VI. Fundraising Strategies	10-13
<i>“The Donor Pyramid”</i>	
<i>“Most Successful Fundraising Strategies” by Subsector</i>	
<i>“Most Successful Fundraising Strategies” by Annual Revenue Size</i>	
<i>“Most Successful Fundraising Strategies” by Donor Base</i>	
VII. The Donor Solicitation Process	14
VIII. Sample <i>“Thank You”</i> Letter for Donors	15
IX. Tax Benefits of Giving (attachment to <i>“Thank You”</i> Letter)	16-18
X. A Donor’s Bill of Rights	19

OUTLINE FOR PREPARING TO SEEK OUT FUNDS

1. Mission (Why do we exist?)
 - a. Philosophical
 - b. Human/Societal Need
 - c. Value and Values
2. Goals- What do we want to achieve?
3. Objectives- How will we achieve the goals?
4. Programs and Services- Which methods will we use?
5. Governance
6. Staffing
7. Facilities or mechanics of service delivery
8. Finances- Narrative, numerical, graphic
 - a. Total expense and income
 - b. Philanthropic support required
9. Strategic Planning and Program Evaluation

Sample Cover Letter for Grant Proposal

The cover letter should contain a summary of your proposal, introduce your organization and summarize any recent communications you've had with the funding organization. Include the amount of funding that you are requesting, the population it will serve, and the need it will help solve. Try to bring your project to life in the cover letter and actively engage your reader.

Date

Name of contact from prospective funding source

Title

Name of prospective funding source

Address

City, State Zip Code

RE: Mid America Association of Educational Opportunity Program Personnel (MAEOPP)

Dear _____,

MAEOPP is pleased to present this proposal for your review. We look forward to partnering with you to provide the MAEOPP _____ Program/Project. **Please be certain to state the objective of the program seeking funds.**

Also give a brief statement of success if program has already been operating.

We have seen measurable success and we are now seeking to expand our _____ program to address the needs of all at-risk students in the _____ community/area. Our proposal requests \$_____ in funding to _____.

We appreciate _____ taking an interest in helping our _____ program. Please give me a call at _____ if you require any further information or have any questions concerning this proposal.

Thank you,

Contact person and info

MAEOPP

(MID-AMERICA ASSOCIATION OF EDUCATIONAL
OPPORTUNITY PROGRAM PERSONNEL)

Name of program/project seeking funds

Submitted to:

Date:

Name & contact info of presenter

Sample Grant Proposal Outline

- XI. Abstract
- XII. Statement of Problem/Needs
- XIII. Program Description
- XIV. Program Goals & Objectives
- XV. Timelines/Methods
- XVI. Budget
- XVII. Evaluation
- XVIII. Staff & Organizational Information
- XIX. Appendix

Sample Grant Proposal

MAEOPP _____ Program/Project

Project Abstract

The project abstract should present a concise summary of the project. It should be no longer than one page and should include the need for the project and the population and the population it will serve, a brief description of the project and its goals and objectives, as well as the applicant's background and qualifications. Make sure you include the amount of funding that is being sought. Finally, mention how the program will be evaluated to measure the success of the programs. The abstract should be the last section you write.

Statement of Need

The statement of need should describe the problem that the project will attempt to address. Also, describe the population that will be served.

Program Description

Describe the project or program and provide information on how it will be implemented. Include information on what will be accomplished and the desired outcome.

Goals & Objectives

Describe the project objectives in measurable terms that address the academic and technology needs of the students.

Timeline

This could be in the form of a graph or chart to show which activities will take place through the grant and in what timeframe.

Budget

Include in the budget all expenses for your project, including necessary training costs. Mention any co-funding that you are using from other sources. You may want to include a brief narrative of expenses along with a table of individual component costs.

Evaluation

Provide information on the metrics that will be used to determine the effectiveness of the project or program.

Staff and Organizational Information

Include the staff qualifications, certifications, and skills. Describe the organization and include information indicating the organization's capacity to implement and sustain the program.

Appendix

Include relevant items in the Appendix including letters of support, research support, organizational collateral, proof of non-profit tax status, annual reports, etc.

THE DONOR PYRAMID



MOST SUCCESSFUL FUNDRAISING STRATEGIES

(REPORTED BY SUBSECTOR)

Subsector	Most Successful	Least Successful
Arts, Culture, and Humanities	Direct Mail Major Gifts	E-mail Internet
Public Benefit, Environmental, Animal, and International	Special Events	E-mail Internet Telephone
Education	Major Gifts Planned Giving	Corporate Giving E-mail Internet
Health	Planned Giving	E-mail Internet Telephone
Human Services	Foundation Grants Special Events	E-mail Internet Telephone
Religious Organizations	Direct Mail Major Gifts Planned Giving	Corporate Giving E-mail Internet
Consultants	Major Gifts Planned Giving	E-mail Internet
<small>*Source: <i>Philanthropic Giving Index</i>, Center on Philanthropy at Indiana University; December 2004</small>		

MOST SUCCESSFUL FUNDRAISING STRATEGIES

(REPORTED BY ANNUAL REVENUE SIZE)

Annual Revenue Size	Most Successful	Least Successful
Less than 1 Million Dollars	Direct Mail Special Events	E-mail Internet Telephone
1-5 Million Dollars	Direct Mail Special Events	E-mail Internet
5-10 Million Dollars	Major Gifts Special Events	E-mail Internet Telephone
10-50 Million Dollars	Major Gifts Planned Giving	E-mail Internet Telephone
50-100 Million Dollars	Major Gifts Planned Giving	E-mail Internet
More than 100 Million Dollars	Major Gifts Planned Giving	Corporate Giving E-mail Internet
<small>*Source: <i>Philanthropic Giving Index</i>, Center on Philanthropy at Indiana University; December 2004</small>		

MOST SUCCESSFUL FUNDRAISING STRATEGIES

(REPORTED BY DONOR BASE)

Donor Base	Most Successful	Least Successful
Local	Foundation Grants Major Gifts Special Events	E-mail Internet
Regional	Major Gifts Planned Giving	E-mail Internet
National	Planned Giving Major Gifts	Corporate Giving E-mail Internet

*Source: *Philanthropic Giving Index*, Center on Philanthropy at Indiana University; December 2004

The Development Process

Objective

Identify prospects.

Qualify prospects.

Convert proposals into donors.

Convert initial giver into donor.

Increase gift.

Secure special gift. (\$1000+)

Secure major gift. (\$10,000+)

Secure planned gift.

“Thank You” Letter to Donors

Methods/ Activities

Develop and build lists, identify and research constituency.

Test list effectiveness, identify linkages, and refine prospect development.

Build on linkages, test interest, solicit (by phone, mail, or special event), acknowledge.

Build on interests and linkages, ask, record, acknowledge, report use of gift, invite to renew.

Research, build on interests and linkages, inform, involve, invite to renew and increase gift, acknowledge, and give recognition.

Continue research, involve through linkages and build on interest, tell about special needs, inform on how money is used, solicit personally, acknowledge, give recognition.

Use all linkages, validate as major prospect, add to interests, involve in institutional planning and as advocate through cultivation, ask, acknowledge, provide personal reports, reward.

Continue involvement, strengthen linkage and involvement, create feeling of belonging to and identification with institution, foster mutuality of interests.

Send out a letter, thanking donors for their support, also highlighting that you look forward to a continued partnership.

Sample “Thank You” Letter to Donors

Thank you for your recent generous gift of [amount donated] to the _____ **TRiO Program at _____ University.** Your commitment to helping low income and first generation college bound students is appreciated by them, their families, as well as the professionals who service them.

Thanks to you, the _____ **TRiO Program at _____ University** has provided _____ students _____.

Your donation will be used to

We will keep you updated on the students and our campaign through our quarterly newsletter, as well as our website at www.putinyourprogramswebsitehere.edu.

Again, thank you for all you do for our students and programs.

Sincerely,

Executive Director

Tax Benefits of Giving

The following is a brief summary of certain federal income tax laws for informational purposes only. We urge you to consult your tax advisor for the federal, state, and local tax consequences of a charitable contribution.

Benefits to You of Giving to Charity

While we believe at Charity Navigator that your primary motivation to donate to charity should be altruism, we also think you should know that great tax benefits exist for those who give. Here are some of the benefits you should know about.

* A gift to a qualified charitable organization may entitle you to a charitable contribution deduction against your income tax if you itemize deductions.

If the gifts are deductible, the actual cost of the donation is reduced by your tax savings. For example, if you are in the 33% tax bracket, the actual cost of a \$100 donation is only \$67 (\$100 less the \$33 tax savings). As your income tax bracket increases, the real cost of your charitable gift decreases, making contributions more attractive for those in higher brackets. The actual cost to a person in the lowest bracket, 15%, for a \$100 contribution is \$85. For a person in the highest bracket, 35%, the actual cost is only \$65. Not only can the wealthy afford to give more, but they receive a larger reward for giving.

* A contribution to a qualified charity is deductible in the year in which it is paid. Putting the check in the mail to the charity constitutes payment. A contribution made on a credit card is deductible in the year it is charged to your credit card, even if payment to the credit card company is made in a later year.

* Most, but not all, charitable organizations qualify for a charitable contribution deduction.

You can deduct contributions only if they are made to or for the use of a qualified recipient. No charitable contribution deduction is allowed for gifts to certain other kinds of organizations, even if those organizations are exempt from income tax. Contributions to foreign governments, foreign charities, and certain private foundations similarly are not deductible. Below, you can view a list of organizations for which your donations can be deducted. All organizations rated by Charity Navigator qualify for charitable status, and you can deduct your donations, subject to certain limitations.

An organization could lose its charity status if it devotes a substantial part of its activities to formulating propaganda or otherwise trying to influence legislation. However, an organization, other than a church, may qualify as a charity and still perform some of these activities by keeping its political expenditures to an "insubstantial" part of its activities. Furthermore, donations to needy individuals are not deductible.

* There are limits to how much you can deduct, but they're very high.

For most people, the limits on charitable contributions don't apply. Only if you contribute more than 20% of your adjusted gross income to charity is it necessary to be concerned about donation limits. If the contribution is made to a public charity, the deduction is limited to 50% of your contribution base. For example, if you have an adjusted gross income of \$100,000, your deduction limit for that year is \$50,000.

Tax Benefits of Giving (continued)

The rules on 20% limits and 30% limits are way too complicated to delve into in this space. If you are giving to organizations other than those mentioned above, first consult with your tax adviser to determine whether these other ceilings will apply. If you give an amount in excess of the applicable limitation to charity in one year, the excess is carried over for the next five years.

* Rules exist for non-cash donations.

If you contribute property owned for more than one year, the value of the deduction is normally equal to the property's fair market value. You have an advantage when you contribute appreciated property because you get a deduction for the full fair market value of the property. You are not taxed on any of the appreciation, so, in effect, you receive a deduction for an amount that you never reported as income.

You should clearly contribute, rather than throw out, old clothes, furniture and equipment that you no longer use. However, bear in mind the condition of your donated goods. The IRS only permits deductions for donations of clothing and household items that are in "good condition or better."

If you bring \$1,000 in clothes or furniture to Goodwill or the Salvation Army, make sure that you get a receipt. Never throw such contributions into a bin where no receipt is available. If you are in the 25% bracket, that receipt may be worth \$250 in tax savings to you. And remember that the IRS requires a qualified appraisal to be submitted with your tax return if you donate any single clothing or household item that is not in good used condition or better, and for which you deducted more than \$500.

* Remember to document.

No deduction is allowed for a separate contribution of \$250 or more unless you have a written confirmation from the charity. A canceled check alone is not enough. If the contribution is to a religious organization solely for an intangible religious benefit (annual dues, for example) written proof is still required. All other contributions of cash require the charity to estimate the fair market value of any goods or services given to you in exchange for your contribution.

Starting in 2007, the IRS requires written documentation to substantiate deductions for all monetary donations - including cash. In case of an audit, you must have a canceled check, credit card statement or a written acknowledgement from the charity (showing the charity's name, the date of the donation and the amount given). You will no longer be able to deduct those few dollars you dropped in a charity's collection bucket without a receipt from the charity to back up your claim.

Remember, it's always better to give than receive. The glory of charitable donations is that you give and receive at the same time.

Organizations to Which You Can Give and Deduct Your Donation

Your contribution to every organization that Charity Navigator evaluates is tax deductible. If an organization is not evaluated by Charity Navigator, and you still want to support them, you are generally allowed a 50 percent ceiling on your adjusted gross income for contributions if they are any of the following organizations:

1. Churches and other religious organizations;
2. Tax exempt educational organizations;
3. Tax exempt hospitals and certain medical research organizations;
4. A government unit, such as a state or a political subdivision of a state;
5. Publicly supported organizations such as a community chest;
6. Certain private foundations that distribute all contributions they receive to public charities within two-and-a-half months after the end of the foundation's fiscal year;
7. A private operating foundation which pools all of its donations in a common fund;
8. Certain membership organizations that rely on the general public for more than a third of their contributions.

Source: <http://www.charitynavigator.org/index.cfm?bay=content.view&cpid=31>

A Donor's Bill of Rights

This Bill of Rights for charitable givers was developed by the following four industry experts: American Association of Fund Raising Counsel, Association for Healthcare Philanthropy, Council for Advancement and Support of Education, National Society of Fund Raising Executives. It is industry-accepted and all quality charities should subscribe to the beliefs espoused here.

"Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes that they are asked to support, we declare that all donors have these rights:

- I. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- II. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- III. To have access to the organization's most recent financial statements.
- IV. To be assured their gifts will be used for the purposes for which they were given.
- V. To receive appropriate acknowledgment and recognition.
- VI. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
- VII. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- VIII. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
- IX. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- X. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers."