



# Fundraising Plan Components

IL SSO Conference: Nov. 7-8, 2019



A RESOURCE DEVELOPMENT EXPERTISE HUB PRESENTATION



# Who we are



## Kristen Sand

- Leads team charged with providing training, resources and promising practices to the affiliate network.
- 10 years of Habitat experience in a variety of roles. I joined as Volunteer Coordinator here in Bloomington/Normal!
- I live in Middle Tennessee; where I balance my love for the outdoors and live music.



## Susan Mula

- Senior Specialist with the Habitat International Resource Development Expertise Hub.
- 6 years in Fundraising as a Director of Development on the statewide and national level. Used to wearing many hats!
- I live in the Green Mountains of Vermont and love to hike, garden, and cycle.

# At the end of today's session, you will be able to:

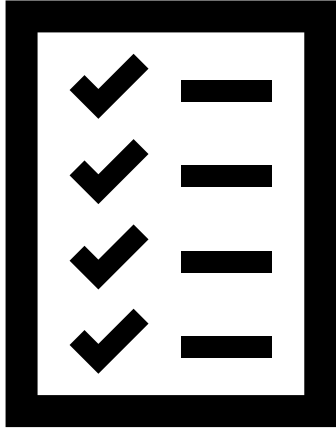
- Describe the five components of fundraising planning
- Identify 1-2 action steps that you'd like to implement

# Agenda

Deep dive into each of the five

**Components** of fundraising

planning....



**1** The 'What' and the 'Why'

**2** The Cost

**3** Sources and Markets

**4** Fundraising strategies

**5** Monitor, Evaluate and Refine



The RDEH created and fundraising plan template in the Fundraising Planning resources on MyHabitat. It is a compilation of several strong plans that we’ve received from the affiliated network, we like it because it clearly incorporates each of the five components that we’ll cover today.

Step 1: The What and the Why

Having a vision for the future impact of your affiliate in the community, with clear pathways for connectivity, inspires engagement and fosters change. Having a strategy for how to accomplish that vision is what builds donor confidence and increases support. Donors know that if you have a well-thought-out plan to move forward, they can trust you with their investment in the community.

The team responsible for crafting the annual vision should be composed of not only the staff members directly responsible for fundraising, such as the executive director and the development director, but also other staff and volunteer representatives who are critical to the success of the plan.

Learn more about pre-planning and key stakeholder engagement with the Resource Development Expertise Hub on MyHabitat

Consider:

- What is the scope of the need in your community?
- What did we accomplish last year?
- What must we accomplish this year if we hope to move closer to addressing the overall need?

Key Stakeholder Interview Summary

Access to the diverse perspective of Key Stakeholders helps broaden understanding of the past year’s successes and opportunities for improvement. The below is a summary of key findings from stakeholder interviews conducted in preparation for FY20XX.

Stakeholder name and/or affiliation	Fundraising Strengths	Opportunities to Improve	Other community considerations

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# Why have a formal written fundraising plan?



- It keeps you out of crisis mode
- It helps you control the flow of work in your office
- It protects you from the fundraising idea of the month
- Helps you shift from reactive to proactive
- Builds confidence in your fundraising strategy
- You WILL raise more money





# Component # 1

## *The What & Why*

Photo Credit: HFHI Digital Asset Network, 2019



## Habitat Lakeside's 2019-2023 Strategic Vision:

A world where everyone has a decent place to live.

### OUR GOALS

**Over the next five years, Habitat Lakeside will:**

- **SERVE** over 600 people through our housing solutions
- **ENGAGE** over 10,000 people through volunteer & financial support
- **TARGET** (but not limit) our efforts in the federal government's designated Opportunity Zones within Sheboygan County in an effort to increase property values and the homeownership rate

### OUR DIRECTION

**Expand Housing Solutions and Transform Neighborhoods**

- Provide housing solutions to improve neighborhoods
- Expand services offered in the neighborhoods where we build
- Actively support the global need for affordable housing

**Develop Value in our People, Assets, Relationships and Interactions**

- Grow the number of volunteers involved in our mission and develop strategies to maintain a high level of volunteer satisfaction
- Provide a culture which encourages professional development
- Demonstrate compassion and understanding for the different populations we serve

**Raise Awareness for our Brand and Tell Our Story**

- Educate Sheboygan County about Habitat for Humanity Lakeside AND the need for and impact of affordable housing

**Strengthen Existing Partnerships and Develop New Partnerships**

- Strengthen or grow relationships with municipalities, churches, schools, trade unions, building professionals, neighborhood associations, Veteran organizations and other housing providers

With as many specifics as possible,  
outline what your affiliate hopes to  
accomplish in the next 3-5 years.



# Start the conversation

- Talk with your **Construction team** about the **number of projects** that were completed last year, **what did that capacity feel like** for them?
- Talk with your **Finance team**, what were the 'lean' times of year? **What worked well?** What would they **like to see improved?** What were **pitfalls in our budget?**
- Talk with **Family Services** to learn about the **number of families served** and what the next year might look like in terms of **need and capacity?**
- Talk with whomever **coordinates volunteers** for the job site, for events, for committees? **What was recruitment like** this year?

# What needs to happen THIS year

1.3 Million – total budget

## FY19-20 Income Sources

Source of Funds	FY19-20
Sale of Mortgages	\$100,000
Mortgage Payments	\$36,000
ReStore Profit	\$52,000
<b>Fundraising Activities</b> <i>(broken down in next section)</i>	<b>\$585,000</b>
<b>TOTAL</b>	<b>\$773,000</b>

## FY19-20 Fundraising Activities Plan

Source of Funds	FY19-20
Individual Giving Strategies (4110)	\$75,000
Foundations (4112)	\$75,000
Churches (4113)	\$45,000
Civic Orgs & Nonprofits (4114)	\$25,000
Businesses (4115)	\$205,000
Grant Revenue (4200)	\$100,000
Special Events	\$60,000
<b>TOTAL</b>	<b>\$585,000</b>



# to arrive at the 5-year target?

9.5 Million – total budget

As everyone is talking about affordable housing . . .  
**HABITAT LAKESIDE IS BUILDING! By FY2023,**

 Habitat will build & sell <b>20 HOMES</b> through our Home Buyer Program	 Habitat will finance & repair <b>55 HOMES</b> through our Home Repair Program	 Habitat will finance & complete <b>200 PROJECTS</b> through our Rock the Block Program
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- Creates opportunity to shift from annual gifts to a five- year pledge model
- Long term pledges allow the focus to shift to donor stewardship, which increases retention and builds sustainability



## Annual Fundraising Plan Template

A RESOURCE DEVELOPMENT EXPERTISE HUB DOCUMENT



### Step 1: The What and the Why

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#### Consider:

- What is the scope of the need in your community?
- What did we accomplish last year?
- What must we accomplish this year if we hope to move closer to addressing the overall need?

#### Key Stakeholder Interview Summary

Access to the diverse perspective of Key Stakeholders helps broaden understanding of the past year's successes and opportunities for improvement. The below is a summary of key findings from stakeholder interviews conducted in preparation for FY20XX.

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Building homes, communities and hope

1911 N 8th St, PO Box 973, Sheboygan, WI 53081  
www.habitatlakeside.com  
920-458-3399

### The need for affordable housing in Sheboygan County:

- Approximately 39% of working families in Sheboygan County with income above the federal poverty line still struggle due to low wages and high costs of living
- 30% of housing is renter occupied and 40% of those renters are cost-burdened
- There is a 1 - 2 1/2 year wait for subsidized housing in Sheboygan County

Sources: USA Today [2017], U.S. Census [2013- 2017], Sheboygan Housing Authority [2019]

Habitat for Humanity knows that a decent, affordable place to live can create a situation where homeowners have more financial stability, allowing them to invest in education, pursue opportunity and build savings.

Families are considered cost-burdened when they pay more than 30 percent of their income for housing. Cost burden makes it difficult to afford necessities such as food, transportation, education and medical care, and when families cannot afford necessities, it is also very difficult to plan for the future.

Affordable homeownership provides stability and builds equity for families, helping them rise up and out of poverty.



### Habitat for Humanity Lakeside is a leader in providing permanent housing solutions for low to moderate income individuals and families in Sheboygan County.

- For individuals and families interested in becoming homeowners: Habitat's Home Buyer Program
- For current homeowners needing critical home preservation and repair help: Habitat's Home Repair and Rock the Block Programs
- For vulnerable neighborhoods - those with decreasing property values and homeownership rates or crime, sanitation or lighting issues: Rock the Block and Neighborhood Revitalization
- For the entire community: Habitat ReStore



### The Details:

	Cost	Repayment	Sweat-equity
Home Buyer Program	Average home costs approximately \$110,000 to build.	<ul style="list-style-type: none"><li>• Home is priced for sale at fair market value</li><li>• Habitat provides affordable financing</li><li>• Payment is 23% of gross monthly income with a 20-30 year mortgage</li><li>• Balance (if any) is a forgivable 2nd mortgage</li></ul>	Families invest 250-500 hours working on their own home, other Habitat homes, in the office and ReStore and through homeowner education.
Home Repair Program	Project costs will not exceed \$15,000. Typical work includes: roof, windows, siding, code violations.	<ul style="list-style-type: none"><li>• \$100 down payment</li><li>• Habitat provides affordable financing using a secured loan</li><li>• Payments based on income, 5-year max term</li><li>• Balance (if any) is a deferred loan</li></ul>	Families invest at least 8 hours working on their own project or other Habitat homes.
Rock the Block Program	Project costs will not exceed \$3,000. Those with greater need are referred to the Home Repair Program.	<ul style="list-style-type: none"><li>• 10% down payment</li><li>• Habitat provides affordable financing on the balance using a deferred loan that is due when the home is no longer the primary residence</li></ul>	Families are required to participate in the repairs as they are physically able.

### How can you help?

You can help by volunteering, donating or spreading the word about Habitat and the need for affordable housing in our community. You can volunteer on our worksites, at our ReStore, by joining a committee and much more! We accept donations of land, materials and money. You can learn more at [www.habitatlakeside.com](http://www.habitatlakeside.com).

### How are your financial contributions spent?

Over 90% of all donations directly support Habitat's programs, services and staff who operate them. The remaining 10% supports administrative and fundraising functions. **Donate to Habitat for Humanity Lakeside today!**

Additional  
Case for  
Support  
Resources are  
available on  
**MyHabitat**



# At your table.....

What's one aspect of the HFH Lakeside case study that you could take home and implement?





# Component # 2

## *The Cost*



# Setting the Goal

**A** = How much will it cost to realize the vision set forth in your strategic plan?

**B** = Your mortgages receivable, ReStore income and all OTHER sources of revenue BESIDES fundraising

**A-B = YOUR FUNDRAISING GOAL**

# The Math

## 1.3 Million – total budget

### FY19-20 Income Sources

Source of Funds	FY19-20
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**A** = How much will it cost to realize the vision set forth in your strategic plan?

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**A-B = YOUR FUNDRAISING GOAL**





## Step 2: The Cost

You have outlined what you hope to accomplish in the coming fiscal year. The second step of the fundraising planning process is determining the cost. This is the amount of money necessary to meet the goals established in Step 1. With the vision for the future set and the number of projects agreed upon, determine how much it will cost to make the vision a reality. This total cost reflects more than just construction and land costs; also consider the cost of doing business, such as overhead, administration, fundraising costs. What will it take to fully fund what has been outlined? This is the basis for the fundraising goal.

What is your budget (Letter A)?

Construction capacity	FY2019	FY2020	FY2021
New construction			
Repairs			
Other construction:			
Other construction:			
TOTAL:			
Current annual budget			
Administrative expenses			
Fundraising costs			
New construction costs (homes + staffing)			
Repair costs (repairs + staffing)			
Other construction costs (other + staffing)			
Other expenses			
TOTAL = LETTER A:			

If you are using no philanthropic funds, such as repayments fees, interest income, etc., you will subtract that total from the total amount of funds needed. The amount remaining is the fundraising goal.

What are your nonfundraising sources of income (Letter B)?

Source of funds	FY2019	FY2020	FY2021
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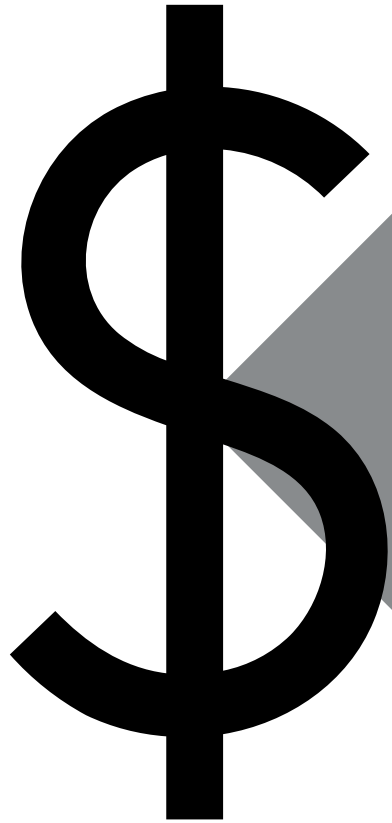
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# Component # 3

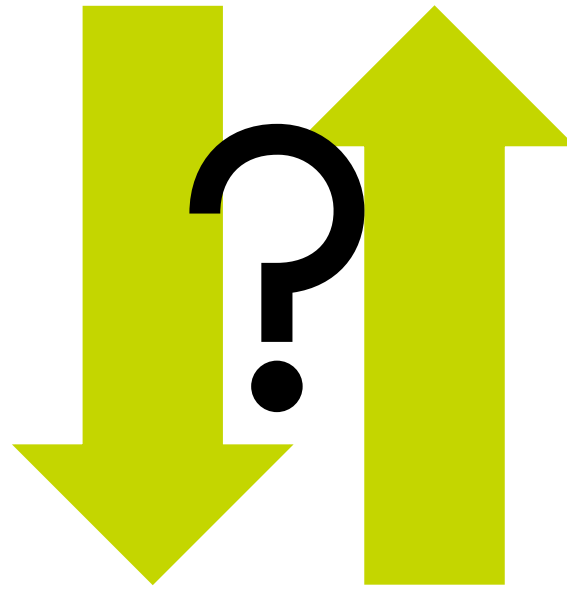
## *Sources and Markets*



# Sources and Markets

- Individuals
- Corporations
- Churches
- Foundations
- Civic Groups

## Analyzing our sources and markets





# At your table.....

Which markets are underperforming? Which are on the decline? What indicators did folks use to make those forecasts?



### Step 3: Sources and Markets

You have subtracted your projected non-philanthropic funding from the total required, and you have your fundraising goal in hand. Now it's time to break that big fundraising goal down into market-specific goals. Sources and markets are 'who' you will invite to financially support.

#### Source and Market Data

Access to solid data and the ability to interpret and apply the data is foundational to the creation of solid fundraising strategy and a successful plan to arrive there. Reports utilized include: Budget to Actuals, Trend, Donor segmentation, and ROI reports. The below is a summary of key data findings in preparation for FY20XX.

Philanthropic Income Categories	FY16-18 Income Average (trend)	FY19 Income (estimate)	% insights (increase/decrease/stable)	FY20 Goals
Individuals	\$151,000	\$150,000		\$250,000
Businesses	48,900	15,000		18,000
Organizations	31,700	27,500		40,000
Grant income	108,200	357,000		400,000

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Photo Credit: HFHI Digital Asset Network, 2019

# Component # 4

## *Fundraising Strategies*



# WHO will do WHAT and WHEN



## Example Fundraising Strategies

Signature  
Event

Direct Mail  
Appeal

Sponsorship  
Program

Monthly  
Giving Society

Individual  
Giving  
Strategy

## Example 1: WHO will do WHAT and WHEN

**More Than Houses Society member cultivation track** (*donors who pledge \$1,000 or more each year for five years*)

All More Than Houses Society members – goal to increase by 15%

Tactic	What	When	Habitat contact
1	Thank-you letter upon enrollment.	Immediately upon enrollment	Administrative assistant
2	Enrollment thank-you phone call from homeowner.	Immediately upon enrollment	Homeowner services assistant
3	Invitation to personal meeting with assigned development staff.	One time per year (if newly enrolled, arrange meeting within first three months)	Engagement director/CEO/executive director
4	“What your gift has accomplished” thank-you email/postcard from CEO/executive director (homeowner).	March – End of first quarter	Marketing director

## Individual Giving Strategies

Combined Goal: \$75,000

Staff Lead: Sarah Beckman  
Solicitation Dates: July 2019 – June 2020

### Component #1 – Board Giving

Lead: Board President (Executive Director to assist)

Date: December 2019

Goal: \$4,000 (12 Board members, 100% giving with an average gift of \$350)

Strategies:

1. Board President and Executive Director ask each Board member personally in first quarter (Kyle, Sarah)
2. Each personal ask followed up with mailed request letter and commitment form (Sarah)
3. Each ask followed up with emails and calls bi-weekly until gift/pledge is made (Kyle, Sarah)

### Component #2 – Board Circle of Influence (Personal)

Lead: Board President (Executive Director to assist)

Date: July 2019-June 2020

Goal: \$15,000 (12 Board Members, 3 meetings each, average of \$1,250/Board Member)

Strategies:

1. Each Board member is asked to influence at least \$1,250 in gifts from their circle of influence (personal) by opening a minimum of one door per quarter for staff (Sarah, Emily) to share the Habitat story.
2. To ensure staff are not overwhelmed with this request Board Members will be asked to spread out this work by opening one door in each of the following quarters: Q1 (July/Aug/Sept), Q3 (Jan/Feb/Mar) and Q4 (Apr/May/June).

**Example 2:**  
**WHO will do**  
**WHAT and**  
**WHEN**

**Action 3: Mortgage Burning Happy Hour**

*Goals: Host event to cultivate current donors and acquire new donors in community. Secure \$312,000 in funding*

*Timeline: Second week in November*

Action s	What	When	Habitat Contact
1	Brainstorm Table Captains at all-staff meetings	Ongoing	Communications Team
2	Engagement Vision for Breakfast with expert panel	Aug./Sept.	CEO/ED/VP Community Outreach
3	Invite Table Captains to host tables	September	Communications Team
4	Follow up with Table Captain invites who have not responded	5-10 days after September invitation	Communications Team
5	Post-Whirlpool build, review people who were involved that should be Table Captains or invited to the breakfast	October	Communications Team
6	Send invitations to HPDs, MTH members, Women Builders, Builders Blitz sponsors, Monthly Giving who haven't already been invited	October	Communications Team /Donor Care Coordinator

Example 3:  
WHO will do  
WHAT and  
WHEN





#### Step 4: Strategies

Now that you know exactly how much you'd like to raise from each market, it's time to develop and apply the strategies that will result in reaching the target goals. Specifically, this portion of the fundraising plan outlines "who" will do "what" and "when." This is the basis for structuring the necessary fundraising touchpoints for the entire year. It also helps build in accountability and consistency for the entire fundraising team. Each market identified in Step 3 requires an accompanying strategy for success.

**Direct Mail and Online Giving** (*cost of acquisition extremely high, focus on renewal to realize the benefit*)

*Goals: Secure \$20,000 in funding, increase donor base, achieve 70% overall ROI*

*Timeline:*

Date	Vehicle	Audience	Fundraising Action	Responsible
October	Annual Report	All donors / volunteers from past 3 fiscal years	Soft ask with remittance envelope included	Marketing Director /PR Team
November	Holiday appeal letter	All donors / volunteers from past 3 fiscal years with no email	Direct appeal with remittance envelope and reply card	Marketing Director
December	Online eblast with holiday appeal	All email lists	Eblast during first 2 weeks of December with reminder eblast between Dec. 25-31 <sup>st</sup>	Marketing Director

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At your tables..... How are your operational systems strong? What is something that you saw in these plans that you'd like to incorporate?





# Component # 5

## *Monitor, Evaluate and Refine*

# Segmenting Your Donors

Total donors who gave in the last year and the amount that they gave.

Example (in dollars):

0 - 100

100 - 500

50-1k

1k+



# Segmentation by Affinity

## **Step 1: survey sample group of donors to identify their affinity**

- Future homeowner children success stories
- Economic impact of homeownership
- Educational impact
- Volunteerism
- ReStore
- Local business community

## **Step 2: Plan the communication**

- Start small, consider adding 1 additional electronic communication annually for each group

## **Step 3: Test and evaluate**

- Compare the results

# Donor Retention

Defined as: Donors who gave last year and gave again this year.

2018 Donors who also gave in 2017 divided by 2017

Donors x 100

= 2018 Donor Retention % Rate

# Assessing your Fundraising Strategies

Percent Participation

Average Gift Size

Net Income

Average Cost per Gift

Fundraising Cost

Return on Expense

# A fundraising plan is a living document...we need to evaluate and adjust



Plan reaches certain milestones

After key fundraising events

End of each quarter



At your tables..... When do you build in time to evaluate and adjust? What metrics do you monitor? What metrics would you like to monitor?

# Our Time Together

## 1 The What and the Why

*Utilize key stakeholder perspective and data to set vision*

## 2 The Cost

*How to apply numbers to the specifics of the vision*

## 3 Sources and Markets

*How to maximize groups and individuals that will be invited to the vision*

## 4 Fundraising strategies

*How you will ask the groups and individuals for their support*

## 5 Monitor, Evaluate, and Refine

*How to include continuous improvement*

support

At your  
tables.....  
What will  
you put  
into  
**ACTION?**



# Additional Resources

- [HFHI news lists](#): Advocacy communication, U.S office news, & the Monday Money Memo
- [Canva](#) – Nonprofit free version and discount for collateral design
- [Funding Activities Page](#) on MyHabitat and join the conversation with colleagues on [Yammer](#) (we recommend Funding Activities, Funding Opportunities as a great starting point)
- [Case for Support Resources](#)
- [Fundraising Planning](#) resources on Funding Activities page included samples and templates

# Thank you!

