



# How Do We Fundraise Now?

By Kim Klein

**AT THE WOMEN'S MARCH IN WASHINGTON** on Jan. 21, Gloria Steinem pointed out that one of the advantages of being old is that you can remember when things were worse. Although Steinem is older than I am, I found myself completely agreeing. Since Trump was selected by the Electoral College, liberals and leftists have run around with their hair on fire, acting like this is the absolutely worst thing that ever happened to our country. While there is no doubt he is bad, it is important to step back and remember there have been other bad times. From the Civil War to the Great Depression, the rise of McCarthyism to Jim Crow segregation, Japanese internment to assassinations of major civil rights icons, we have no shortage of examples of repression, state-sanctioned racism, and violence in our country's history.

And, in the lifetime of many of us, the USA PATRIOT ACT (Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism) in 2001, which brought all the anti-Islam rhetoric as well as repression and a profoundly anti-immigrant climate—very much like today's—with one enormous difference: passed just after 9/11, the PATRIOT ACT was supported by some 65 percent of Americans. As many others have noted, the internment of Japanese Americans and the Chinese Exclusion Act are other examples of the kind of racism, xenophobia and violence that were carried out with impunity toward entire groups of people in the name of national security.

The effects all of these times had on fundraising is not terribly well documented. Describing them in detail is far beyond the scope of this article. But here are some relevant relationships: The Community Chests, and later the United Way, began in the Great Depression, as people discovered that aggregating small gifts could lead to big change. Fundraising for humanitarian and arts-related causes became much more difficult during the McCarthy era because people who donated to these endeavors were afraid of being labeled as communists, causing some small arts organizations to go out of business. The death of Martin Luther King temporarily stalled fundraising for a number of poor people's movements. And of course the PATRIOT ACT reverberates to this day with many Muslim charities closed by government agencies or otherwise attacked and vilified. The leaders of the formerly larg-

est Muslim charity in the U.S., the Holy Land Foundation, were convicted on evidence that has been widely discredited.<sup>1</sup>

Finally, it is important to remember that the Obama Administration, either because its hands were tied or because Obama was truly a centrist, did not act as progressives might have wished on a lot of issues that Trump is simply worse on. The Obama administration had the dubious distinction of deporting more people than any other, earning him the moniker, "Deporter-in-Chief." (His administration deported 2.5 million people—more than all U.S. presidents of the 20th century combined). During the Obama administration, asset and income inequality increased to heights exceeding the Gilded Age that preceded the Great Depression. And whereas President George W. Bush authorized approximately

## DONATIONS ARE REFLECTING THE NEW PRIORITIES OF THE COUNTRY.

50 drone strikes that killed 296 terrorists and 195 civilians in Yemen, Pakistan and Somalia, President Obama authorized 10 times that many—506 strikes—that killed 3,040 terrorists and 391 civilians in his eight years in office.

That said, the disapproval rating—after one month in office—of the current president is the highest of any president at this time in their presidency. In simple terms, the vast majority of us do not approve of the current administration's actions and rhetoric, and many in that majority are engaging in a variety of resistance and opposition strategies.

In terms of fundraising, donations are reflecting the new priorities of the country. A large number of organizations have re-

<sup>1</sup> [aljazeera.com/programmes/aljazeeraworld/2016/10/holy-land-foundation-hamas-161004083025906.html](http://aljazeera.com/programmes/aljazeeraworld/2016/10/holy-land-foundation-hamas-161004083025906.html)



ceived more donations from people who have never given to them before in a shorter period than ever before, garnering anywhere from dozens to thousands of new donors. Beyond the current outpouring of support to the ACLU and Planned Parenthood, even far less well-known organizations have experienced a dramatic surge in giving. Organizations working most directly for immigration rights or reproductive justice are, for the most part, doing very well. Of course, they will need all the money they can get to counter what is coming out of Washington.

On the other hand, some donors to the arts or to direct service organizations are cutting back their giving to those organizations in order to give more to advocacy groups. Similarly, some donors to local efforts are scaling back in order to provide more support to national organizations.

So, how should grassroots and other nonprofit organizations think about their fundraising over the next four years? What changes should they make? What should stay the same?

Let's look at groups in the nonprofit sector in four segments, depending on their funding sources. I will offer suggestions for fundraising now for all segments, followed by ideas for fundraising for each segment.

#### Four Organizational Types by Funding Sources

- A. Organizations whose issues are likely to be, or are already being, targeted by this administration: climate change, immigration, health care, labor, reproductive justice and LGBTQ.
- B. Organizations that never had much government or foundation funding and that mostly work at a local level on issues that are not terribly controversial: feral cat rescues, historical societies, after-school programs, respite care, and so on.
- C. Organizations that are heavily funded by the government, have some foundation or corporate funding, and have few individual donors such as social service agencies.
- D. Organizations that are funded mostly by foundations that are now seeing shifts in foundation priorities in light of the current political climate.

Many organizations in Category A will rapidly move to Category D or to an as-yet unnamed category if federal funding is seriously recalibrated. A larger segment consists of organizations

with income largely derived from fees for service or from a small business. Most of these will be fine unless the fees in their fee for service are reimbursements from government programs.

I will describe first what all organizations should be doing, followed by some specifics for each segment of organizations.

#### What All Organizations Should Be Doing

**Thank your donors.** There is an old saying in fundraising, "Thank before you bank." The one thing you know for sure that donors read is the thank you note, and yet it often gets very little atten-

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tion or creativity from the nonprofit. Research published recently by DonorSearch shows that, on average, organizations that don't focus on thank-yous lose 81 percent of all first-time donors and 54 percent of all ongoing donors. Development directors sometimes feel bogged down by having to send thank you notes, but there is no reason for that. Thank you notes are a good task for reliable volunteers, and better yet, board members.

**Segment your donors.** Separate your donor lists into new donors and current donors, and treat new donors differently from how you treat your long-time donors. Within two months of their first gift, ask new donors for a second gift. Be sure to thank them for the gift they already gave and tell them something else about your organization. The first-time donors need to feel that their gift made a big difference and that you are very grateful that they have joined you. The content of the appeal will educate and deepen their understanding of your work.

**Ask your current donors for another gift.** The content of this appeal needs to make donors who have been giving for a while feel that in part, because of them, your organization is able to continue to do important work. Ideally, they already have a deeper understanding of what you do, and you are building on that.

**Ask your donors to take action in addition to giving money.** These actions need to be real. There should be no shortage of time-limited tasks to ask donors to do: attend demonstrations, sign petitions, forward information to friends, call legislators, and so on. These are all obvious actions they can take. In the longer term, asking donors to become involved in ongoing projects or campaigns and to reach out to their own networks to inform people

## TAKE THE TIME WITH YOUR BOARD, STAFF AND CLOSE VOLUNTEERS TO DISCUSS HOW YOUR ORGANIZATION SHOULD BE FUNDED.

or encourage them to become active are other ways to expand how we engage the people who support our work.

Fundraising has always been and will always be about building relationships, whether with individual donors or corporate donors, with foundation funders or government officials. When we lose sight of this fact and treat our donors like ATMs, we are in danger not only of losing them, but of moving our organizations off mission.

### Particular Advice for Each Segment

#### Segment A: Your issue is in the sight lines of the Trump administration

If you are swamped with donations, then send a generic thank you explaining that you will be in touch later. Post a thank you on your website and on social media.

**Let people know what you are doing with the money you are raising.** Send brief e-news updates and post information on your website. Post short updates frequently, particularly if you are working on an issue with a lot of moving parts. Social media, particularly Twitter, provide an easy way to give very brief real-time updates, but your email list should be used for this as well. You can give donors an option to get summaries less frequently (every two weeks or every month) if they don't want to hear from you as often, but for now, communicate as frequently as things are happening.

**Have a place (such as a blog) where people can comment or ask questions.** You may have to seed it with a couple of questions or comments to get that feature going, but people like to be able to interact with staff and other organizational leaders in times such as these.

**Figure out how to use all the volunteers who are showing up.** An organization that should know better recently complained about the number of people calling to volunteer. "They should just give money and let us get on with the work," sniffed one beleaguered staff person. But we should not be turning down people who want to give their time. If your organization truly cannot use volunteers, then find organizations who can and refer people to them. And remember, people who volunteer and give money to your organization are more likely to keep giving over a longer period of time (and some will even volunteer to raise money for you).

#### Segment B: Local grassroots organizations that never had much government or foundation funding

Repeat to yourself every morning: "We did important work before Nov. 8, and we are still doing it." Your work doesn't have to be covered by the media or attracting thousands of new donors in order to be a useful and critical component of the common good. Resist the temptation to link your work to national issues unless the link is obvious, but also don't be tone deaf to what is going on around you. Simple actions such as posting a "Black Lives Matter," "Standing Against Islamophobia," or even "All Are Welcome Here" sign on the door to your office and on your Facebook page will indicate that you are in touch with what's happening nationally. When volunteers or donors say that they are giving to other organizations, thank them for being so engaged and tell them you hope they will continue to support your group as well.

Be in touch with your donors as personally as possible. Segment your donors and work with each segment. For example,

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"Getting It Right From the Start: Building a Grassroots Fundraising Program" by Dean Spade, v24 n1.

"Organizational Assessment: Developing an Earned Income Strategy that Works for You" by Andy Robinson, v32 n2

"Build Your Fundraising Team: Tools & Rewards" by Christa Orth, v33 n1

"Just Tell Me: What's the Best Way to Raise Money?" by Jan Masaoka, v27 n4.

## IF WE ARE TO BUILD A MOVEMENT FOR CHANGE, IT CANNOT BE BUILT BY PAID STAFF ALONE.

people who have been giving for five years should get an appeal that starts, “You have been giving for five years, and here are some of the accomplishments you have helped make possible.”

Start or expand your monthly donor program: If you get your donors to make one decision, which is to give monthly, then you will have good cash flow and you will not have to worry about what else is going on in the world every time you ask your donors for an extra gift.

### **Segment C: Organizations mostly supported by government funding**

If you haven't already, take the time with your board, staff and close volunteers to discuss how your organization should be funded. If you believe your work should be funded by the government and it has been funded that way for some time, know that trying to build an individual donor or foundation-funded program is going to be very hard, and it may not work. Band together with other organizations and engage in advocacy. If your state has an association of nonprofits, ask it to help with advocacy and even lobbying. As of this writing, the Corporation for Public Broadcasting, AmeriCorps, and the National Endowments for the Arts and Humanities are all on the chopping block in Washington. There is also talk of cutting the funding enabled by the Violence Against Women Act. Some of these programs may be saved by the largesse of a few wealthy and generous donors, but this begs a more important question: What is the role of government? The issue of what is funded publicly, what privately, and what with some kind of hybrid is one some of us have been discussing since President Reagan was in office cutting government support for social programs, including school-lunch programs and payments for people with disabilities. With each administration since Reagan's, some things have gotten worse. Now, with iconic programs such as the ones named earlier in danger of being closed altogether, we need to ratchet up the pressure on the legislators that should be accountable to (and serving) our communities.

Individuals and foundations will be drawn to organizations that are making a larger case for government funding. I suggest forming a team of three to five people who focus on opening doors to people who understand advocacy and lobbying and may be willing to fund those efforts. Also, everyone on staff is going to have to help with fundraising and advocacy, and everyone will need to stay “on message” about the role of public funding in your work.

Meanwhile, you may want to consider merging with another organization. Spending most of your time trying to raise money just to stay open may not be as mission driven as bringing your work and the work of a similar organization into alignment. Remember, only your work is important. The organization itself is not important—it is simply the vessel holding the work.

### **Segment D: Organizations funded mostly by foundations**

Have you been reading the *Journal* long? How did you get yourself into this pickle? If you're a new *Journal* reader, here's a prime lesson: Foundations do not have much money to begin with and, for the most part, they have little staying power. They move from one issue to another, and organizations that think they can rely on them for steady year in and year out funding are misguided in the best of times. The role of foundations is to get things started, to call attention to pressing social issues, to help organizations develop new models and new paradigms, and to create a body of knowledge around issues that concern their staff or their donors. Any honest foundation funder will tell you that it is not the job of

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foundations to be the ongoing source of support for their grantees. They will help a grantee get going so that the grantee can build other sources of funding that will make them sustainable.

Use this time to do what you should have been doing for years, which is to diversify. There are dozens of articles in the *Journal* to help you figure out how to do that. See the box above to get started.

### **Advice for All Times**

There are two things to note about the advice I am giving to all the segments:



1. It describes work you should have been doing all along.
2. It describes work that can benefit from the involvement and leadership of volunteers.

I am amazed at the ways organizations are “staffing up” when they are also turning away offers from people who want to volunteer. If we are to build a movement for change, it cannot be built by paid staff alone. Volunteers can be trained to do all of the tasks described above, and even more.

Let’s make this “movement moment” one in which we truly engage people in an ongoing movement to make the long-term changes we want. The majority of the American people do not agree with the demagoguery coming out of the White House, and many of them will look to nonprofits to counter it effectively. Let’s not disappoint them. ■

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Kim Klein is co-founder and publisher emerita of the *Grassroots Fundraising Journal*.

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