


Take your Fundraising Program to the Next Level!



*Learn How to Evaluate Last
Year's Results and Write Next
Year's Development Plan*

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Fund Development Planning

- Step 1: Analyze fundraising performance
- Step 2: Write the annual development plan

Fund Development Planning can produce the following benefits:

- More money for the university
- More volunteers to help with fundraising
- Better use of volunteers in fundraising
- Growing understanding of what works and what doesn't work
- Criteria to measure success
- Specific fundraising activities assigned to volunteers and staff with a timeline and goals

Comparing Fundraising Effectiveness Over Time Can Help Determine:

- How well existing solicitation activities are achieving their potential
- What improvements can be made based on previous results and changing conditions
- What expectations can be set for higher levels of productivity and profitability with reliability.

Data Points Needed to Evaluate Fundraising Performance

Solicitations – Total number of people contacted

This is an important data point, which is tied to the number of donors and impacts fundraising costs.

Data Points Needed to Evaluate Fundraising Performance

- **Participants – Number of gifts received**

This data point provides evidence of the success of your message and helps to decide whom to ask again.

Data Points Needed to Evaluate Fundraising Performance

- **Income – Gross contributions**

This is a critical data point, one that can be impacted by the amount suggested to a donor based on prospect research; the message, who solicits the gift, timing of the request, and donor cultivation.

Data Points Needed to Evaluate Fundraising Performance

- **Expenses – Fundraising costs**

Budgets are estimated in advance and dictate how much effort is put into each solicitation. Costs vary from one fundraising strategy to another.

Fundraising Performance Measures

□ Percent Participation

Divide participants	50
by solicitations	83
(x 100 to get percent)	

Percent Participation: 60%

Fundraising Performance Measures

□ Average Gift Size

Divide income	\$10,000
by participants	50 gifts

Average Gift Size: \$200

Fundraising Performance Measures

□ Net Income

Subtract expenses	\$500
from income	\$10,000

Net Income: \$9,500

Fundraising Performance Measures

□ Average Cost per Gift

Divide expenses	\$500
by participants	50 gifts

Average Cost per Gift: \$10

Fundraising Performance Measures

□ Cost of Fundraising

Divide expenses	\$500
by income	\$10,000
=	\$.05

Cost of Fundraising: \$.05 to raise \$1

Fundraising Performance Measures

□ Return on Investment

Divide net income	\$9,500
by expenses	500
=	19

(multiply by 100 to get percent)

Return on Investment	1900%
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Analysis of Each Fundraising Activity

For Example: ANALYSIS OF DONOR CLUB PROGRAM

	\$100/yr	\$250/yr	\$500/yr	\$1,000/yr	TOTAL
Solicitations	265	184	78	72	599
Participants	218	135	65	57	475
Income	\$225,500	\$38,750	\$35,000	\$62,500	\$361,750
Expenses	\$ 22,150	\$8,250	\$4,350	\$2,800	\$37,550
% Participation	82%	73%	83%	79%	79%
Average Gift Size	\$1034.40	\$287.03	\$538.46	\$1,096.49	\$761.58
Net Income	\$203,350	\$30,500	\$30,650	\$59,700	\$324,200
Avg. Cost per Gift	\$100.60	\$61.11	\$66.92	\$49.12	\$79.05
Fundraising Cost	\$.10	\$.21	\$.12	\$.05	\$.10
Return	918%	370%	705%	2132%	863%

Fundraising Effectiveness Over Time

	2 Years Ago	Last Year	Annual Rate %	This Year	Annual Rate %
Solicitations	3474	3647	5%	3459	-5%
Participants	1355	1605	18%	1799	12%
Income	\$448,765	\$507,855	13%	\$571,235	12%
Expenses	\$116,550	\$123,540	6%	\$131,850	7%
% Participation	39%	44%	13%	52%	18%
Average Gift Size	\$331	\$316	-4%	318	.6%
Net Income	\$332,215	\$384,315	16%	\$439,385	14%
Avg. Cost per Gift	\$86	\$77	-10%	\$73	-5%
Fundraising Cost	\$.24	\$.24	0%	\$.23	-4%
Return	311%	311%	0%	333%	7%

Reasonable Fundraising Cost Guidelines

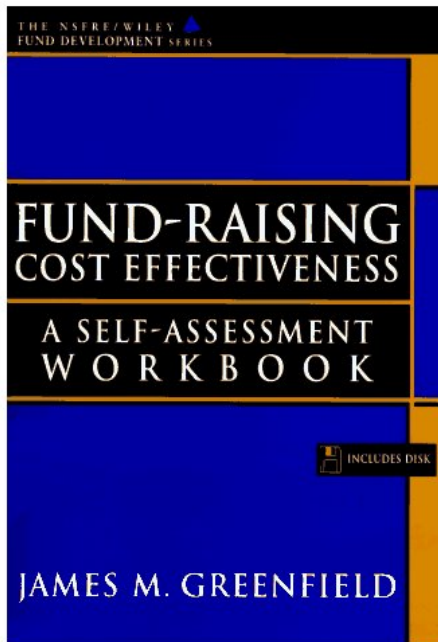
Solicitation Activity

Reasonable Cost Guidelines

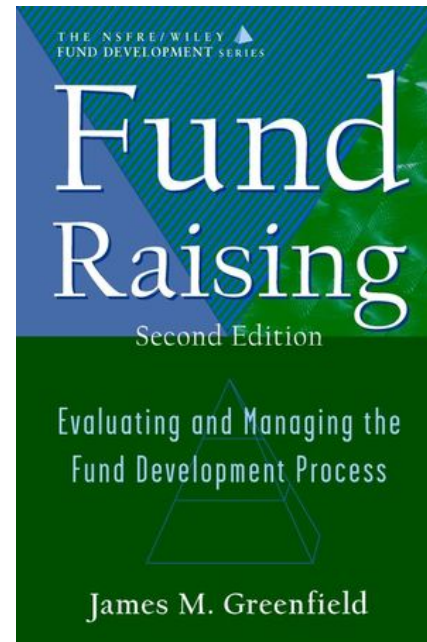
Direct Mail (acquisition)	\$1.25 to \$1.50 per \$1.00 raised
Direct Mail (renewal)	\$0.20 to \$0.25 per \$1.00 raised
Membership programs	\$0.20 to \$0.30 per \$1.00 raised
Benefit events	\$0.50 per \$1.00 raised (gross revenue and direct costs only)
Donor clubs/support groups	\$0.20 to \$0.30 per \$1.00 raised
Volunteer-led solicitations	\$0.10 to \$0.20 per \$1.00 raised
Corporate solicitations	\$0.20 per \$1.00 raised
Foundation solicitations	\$0.20 per \$1.00 raised
Capital campaigns	\$0.10 to \$0.20 per \$1.00 raised
Planned giving programs	\$0.20 to \$0.30 per \$1.00 raised

References on Fundraising Cost-Effectiveness

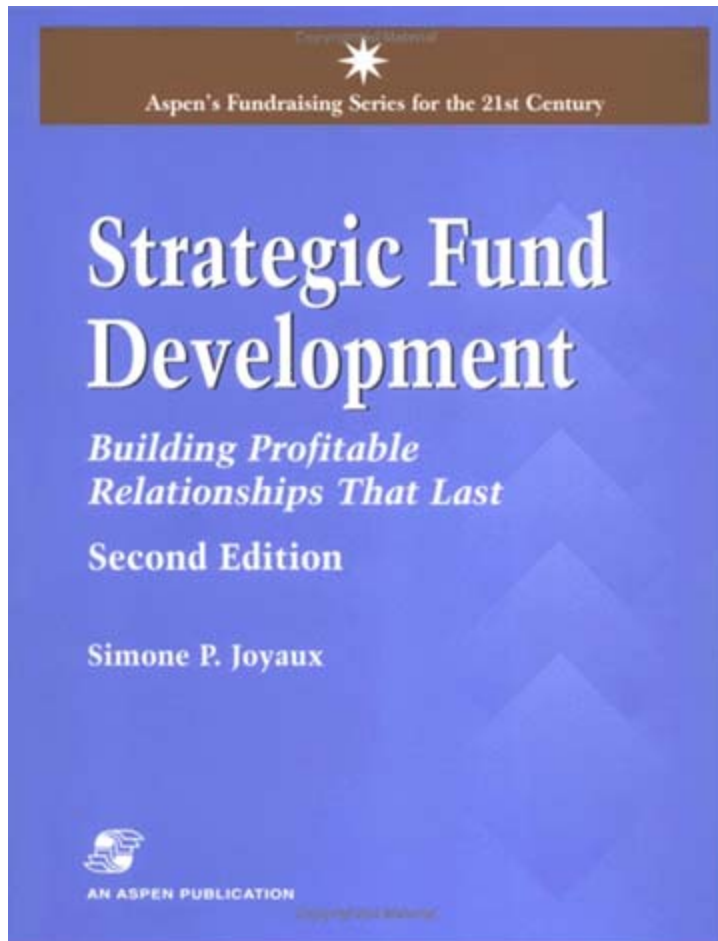
- James M. Greenfield, ACFRE, FAHP



[Out of print - used books are available]



Using Fundraising Analysis in Writing Your Annual Development Plan



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Sample Development Plan:

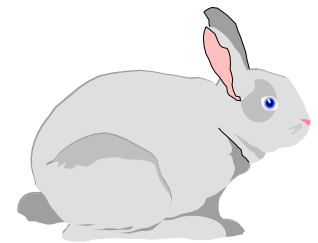
See Appendix 6-A:

***Women's Foundation of
Southern Arizona***

Can You Do the Numbers and Improve the Plan?

Workshop Exercise

Hippity Hop Zoo





Hippity Hop Zoo Fundraising Results

Event	Solicitations	Participants	Income	Expenses	Percent Participation	Average Gift Size	Net Income	Average Cost per Gift	Cost of Fund Raising	Return
Board Solicitation	10	8	\$8,056	\$500	80%	\$1007	\$7556	\$62.50	\$.06	1511%
Corporate Campaign	35	20	\$10,250	\$250	57%	\$512.50	\$10,000	\$12.50	\$.02	4000%
Major Gift Campaign	15	6	\$30,500	\$500	40%	\$5083	\$30,000	\$83.33	\$.02	6000%
Foundation Campaign	8	5	\$20,100	\$100	63%	\$4020	\$20,000	\$20	\$.01	20,000%
Direct Mail Renewals	200	100	\$2600	\$100	50%	\$26	\$2500	\$1	\$.04	2500%
Direct Mail Acquisition	400	25	\$700	\$200	6%	\$28	\$500	\$8	\$.29	250%
Online Giving	50	6	\$120	\$10	12%	\$20	\$110	\$1.67	\$.08	1100%
Bunny Hop Ball	500	200	\$15,000	\$2500	40%	\$75	\$12,500	\$12.50	\$.17	500%
Frog Jumping Contest	300	50	\$5,000	\$1,000	17%	\$100	\$4000	\$20	\$.20	400%