RLI-NEA Graduate Course

Fundraising for your Rotary Club and District

Participant's Guide

RLI Graduate Course

Fundraising for your Rotary Club or District

All Rotary Club and District leaders realize that they must conduct fundraising campaigns in order to implement the service projects their clubs/districts want to complete.

Time needed: Full day (6 -1/2 hours):

SESSION 1: Why Fundraising is Important for Your Rotary Club (45 minutes to one hour)

This introductory session will cover the basic credos of raising money, the psychology of fundraising, where people donate the most, preparing your yearly fundraising plans, finding a committee, starting a 501(c) (3) organization or using one in your district.

SESSION 2: Planning and Publicizing Special Events for Your Club or District (3 hours, including two breakout sessions)

This session will cover types of events, preparing calendars and budgets, recruiting committee members, marketing your event, ancillary fund-raisers such as journals, raffles, and auctions. It will also focus on public relations as a vital part of Fundraising.

SESSION 3: Soliciting donations for your club or District's projects from individuals (2-1/2 hours)

This session will cover getting donations from individuals, including using face-to-face solicitation, direct mail, telephone solicitation and social media including *Go Fund Me* or similar pages or fundraising through Facebook. It will also cover different types of corporate and foundation grant funding, prospect research, writing grants proposals, managing funded grants, and recognition of donors.

SESSION 1: Introduction to Fundraising

Goals for this session

- Learn why fundraising is important to clubs or districts
- Explore different mechanisms of fundraising
- Learn the basic credos of fundraising
- Learn the psychology of fundraising and where people fit in on the giving spectrum
- Learn the various sources of funds
- Learn how to plan your Rotary year to include different aspects of fundraising?
- Learn how networking can help you in fundraising

1) What types of Fundraising does your club or District need to do?
2) *Ask,* “What are some projects for which your club or District has tried to raise funds?
3) What are some general ways that a Rotary Club or District can raise funds?
4) What are the two cardinal rules of fundraising?

- **Rule #1:** If you don’t ask, you don’t get…
- **Rule #2**: Don’t ask before you give personally

5) What is the importance of asking?

6) Are you apprehensive asking for money for a good cause? Why?

7) What steps can someone take to get over anxiety about asking people for funds?

Resource: Taking the fear out of Fundraising: http://www.thefundraisingauthority.com/learn-from-an-authority/fundraising-asks-marc-pitman/

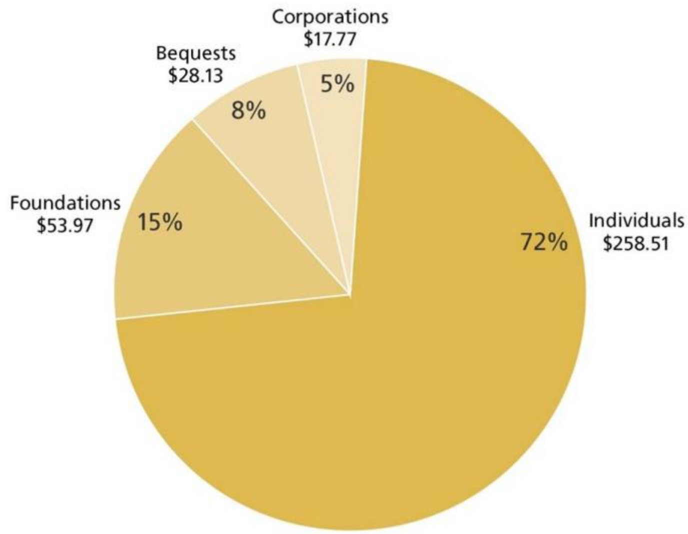
8) *Ask*, “Why do people give?” Make it personal!

Refer to resource: http://trainyourboard.com/fundraising-therapy-part-1-getting-fear-fundraising/

9) Why do you need to give your own donation before you ask someone for funds?

10) What are some types of major sources of funding for projects?

11) Which do you think is the most important source of funding?



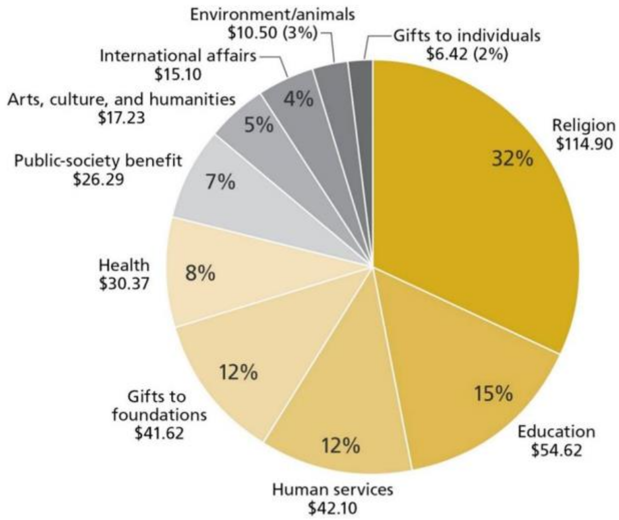
Source: Giving USA 2018

Giving USA 2018

According to **Giving USA**, Americans donate one billion dollars a day to help others. This degree of generosity resulted in an estimated $373.25 billion in charitable giving in 2015, an all-time high for the second consecutive year. The steady improvement in the economy continues to have a positive impact on charities across all sectors.

- The largest dollar increase in contributions can be attributed to **gifts by individuals**. Individual giving increased by **$9.8 billion** or 3.8% from the prior year. Total giving by individuals is estimated at $265 billion. Individuals who itemize account for 82 percent of this total estimate.
- **Giving by foundations** increased by 6.5 percent to an estimated **$58 billion**. Grantmaking by community foundations rose by 7.4 percent. Interestingly, giving to foundations is estimated to have declined by 3.8 percent.
- **Bequests** accounted for 9 percent of all gifts for an estimated **$31.8 billion** in 2015. Estimated bequests from estates $1 million and above amounted to $25 billion and those below $1 million amounted to $6.32 billion.
- **Giving by corporations** increased by 12 percent between 2013 and 2014. The increase in GDP and corporate pre-tax profits increased over the prior year. Both of these economic indicators have been found to positively affect corporate giving.

Overall, gifts from individuals continue to dominate charitable giving and account for approximately 2/3 of all estimated contributions.



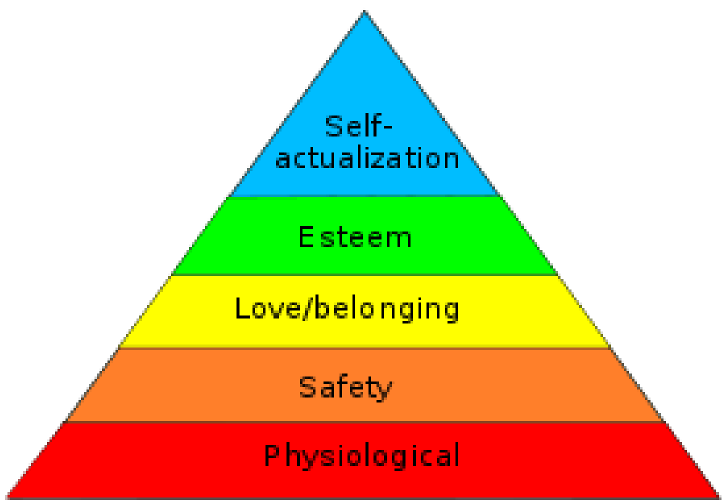
SOURCE: Giving USA Foundation, Giving USA 2018

12) What areas of giving do you think are most important to donors in the USA?

13) Where does Rotary fit into this?

14) How can we use the six areas of focus of Rotary International Foundation to help us tailor our fundraising?"

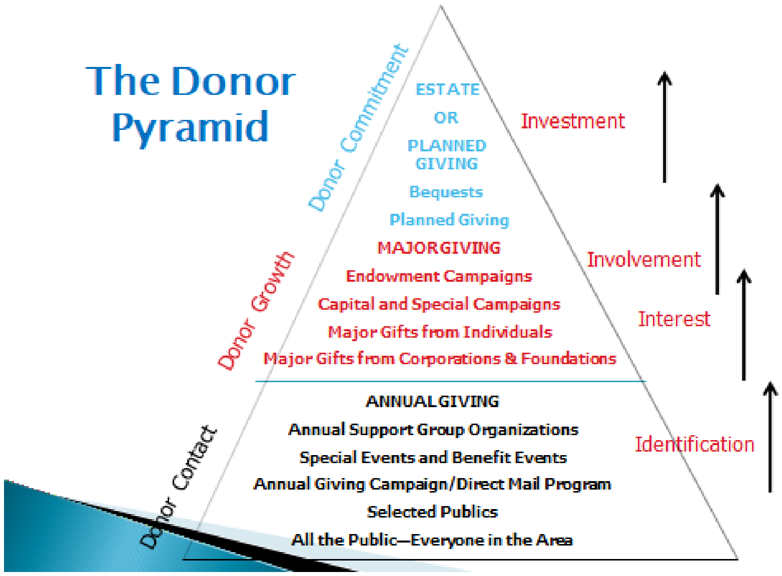
The Psychology of Individual Fundraising



Maslow's Hierarchy of Needs

1) Is anyone familiar with Maslow's Hierarchy of Needs? What is included?
2) Where Maslow's Hierarchy of does needs fit into fundraising?

The Donor Pyramid of Giving



1) What is the donor Pyramid of Giving?
2) What does each type of gift mean?"
3) How do Maslow's Hierarchy and the Donor Pyramid relate to one another?"

Networking

1) What is the importance of networking?
2) With whom can you network?

Methods of Fundraising

1) How can you plan your Rotary year to include a variety of fundraising methods?"
2) What should you include in your plan?
3) How can you make your objectives SMART?
4) What does SMART mean? *(Specific, Measurable, Achievable, Realistic, Time-Tabled)*
5) What legal mechanisms do you need before you start to fundraise?

BREAKOUT: 10 minutes

Use ATTACHMENT 1- A – Planning Your Rotary Year in Fundraising.

Starting a Foundation in your club or District

1) How many of you have a Foundation for your Rotary Club?
2) How many have a Foundation for your Rotary District?
3) What are some of the things that your Club or District's Foundation does?
4) What are the advantages and disadvantages of having a club or District Foundation?
5) What is the difference between a 501 (c)(3) organization and a 501 (c) (4) organization?

6) What does that mean to your club or District when raising funds?

7) How do you obtain a 501(c) (3) for your club or District?” (***See Attachment 1-C***)

8) What is the cost of obtaining a 501 (c)-(3)?

9) How long should it take to get your 501 (c) (3)?

10) What must you do legally to maintain a 501 (c) (3)?

ATTACHMENT 1-A
BREAK-OUT SESSION I (15 MINUTES)
Planning your Fundraising Year

With your assigned partner or group, plan one of your club's fund-raising Rotary year by filling out the table on the next page for your club or your partner's club.

1) Make a list of the service or other projects for which your club (or District) might need support.
2) How much money will you need to raise for each project?
3) What fundraising techniques will you use to raise the funds? (Can be more than one)
4) When during the Rotary year will you implement each fundraising technique
5) Who should implement each fundraising project?
6) What are the cash and other resources you will need for each fundraiser? (special events will be our focus later).

Choose someone in your group to report your decisions.

Worksheet for Breakout Session I

Projects that Need Support	How much you will need for that project	What fundraising technique(s) you will employ	When during the Rotary year will you do the fundraiser	Who might implement or chair the fundraising project	What are the resources you might need for the project

ATTACHMENT 1-B

Steps to form your club or District's own nonprofit 501(c) (3) corporation

By Bethany K. Laurence, Attorney

1. Choose a name.
The name of your nonprofit corporation cannot be the same as the name of another corporation on file with your state's corporations office (usually the Secretary of State's office). It must end with a corporate designator, such as "Corporation," "Incorporated," or "Limited," or an abbreviation of any of those words.

Your state's corporation's or Office on Non-Profits office can tell you how to find out whether your proposed name is available for your use. For a small fee, you can usually reserve the name for a short period of time until you file your articles of incorporation. For more information, contact your state's corporation's office.

2. File articles of incorporation.
You must file "articles of incorporation" with the state's corporate filing office. In this document, you fill out some basic information such as your nonprofit's name and office address. Although preparing this document isn't difficult, you do need to include specific language to ensure that you'll receive tax-exempt status. Your state's nonprofit formation packet, if available, may include the required information.

3. Apply for your IRS tax exemption.
Submit a federal 501(c)(3) tax exemption application to the IRS (along with a copy of your filed articles with your application). To apply, you must complete IRS Package 1023, *Application for Recognition of Exemption.*

Smaller nonprofits may be eligible to file Form 1023-EZ, *Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*. This is a shorter, simpler application form that you complete online. Check the IRS website and instructions to the form which include an Eligibility Worksheet you must complete to determine if your nonprofit meets the requirements for using the shorter streamlined form.

4. Apply for a state tax exemption.
This step does not apply to nonprofits in all states. In a few states, you must complete a separate application to get a state tax exemption. In most states, as long as you file nonprofit articles of incorporation and obtain your federal 501(c)(3) tax-exempt status, your state tax exemption will be automatically granted. In still others, to get your state exemption you must send in a copy of the IRS determination letter that granted your federal exemption. Contact your state tax agency to find out what steps you must take.

5. Draft bylaws.
A nonprofit's bylaws are the internal governing rules that contain rules and procedures for holding meetings, voting on issues, and electing directors and officers. Typically, the bylaws are adopted by the corporation's directors at their first board meeting. For help creating bylaws, see *How to Form a Nonprofit Corporation*, by Anthony Mancuso (Nolo).

6. Appoint directors.
A nonprofit's directors make the major policy and financial decisions for the nonprofit. Many states allow nonprofits to have just one director, but other states require at least three.

7. Hold a meeting of the board.
At the first meeting of the board of directors, the directors take care of formalities such as adopting the bylaws, electing officers, and recording the receipt of federal and state tax exemptions. After the meeting is completed, minutes of the meeting should be created and filed in the nonprofit's records binder

8. Obtain licenses and permits.

Check with your state department of consumer affairs (or similar state licensing agency) for information concerning state licensing requirements for your type of organization. For instance, if you sell anything to consumers, you'll need a sales tax permit, and your activities may require a zoning permit.

SESSION 2

Planning, Implementing, and Publicizing
Special Events for Your Club or District

Goals for this Session

- Explore reasons for holding a Fundraising event.
- Analyze your club's or districts' readiness to hold an event?
- Explore some event possibilities
- Learn how to outline event mechanics
- Review assignment of leadership responsibilities?
- Learn how to project expenses and income
- Learn how to create time lines for your event
- Learn how to reach out to the public by mail, District bulletins, e-mail and apps like Facebook
- Learn how to evaluate your event

Reasons to Hold Fundraising Events

1) Why hold a Fundraising event?

Readiness for Fundraising Events *(Refer to Attachment 2-A)*

1) How do you know if your club or district is ready for an event?
2) Are your Board/ members committed to the event?
3) In light of what we just discussed, "What leadership roles can you think of that would be needed for a special event?
4) How can you create committees and a job description for each volunteer piece you need to make your plan work?
5) What committees will your club need? ***(Refer to Attachment 2-D)***
6) What should be included in a job description for your committee chairs?
7) How often should committees meet?
8) When should committee chairs report to the Event Chair and how often?
9) *Ask,* "What expenses do you need to include when planning your event budget? **(Refer to Attachment 2-E)**
10) What might be the sources of income for your event? How much will you expect to collect for each one of these income sources?
11) How can you decide how much to charge for each of these facets of fundraising for your event?
12) How do you know if that amount is realistic?

13) What has your Rotary Club or District charged for this in the past, if applicable?
14) What are some of the necessary sources of support – people who can bring in new sources of money?
15) Whom might you see as potential leaders to run a special event?
16) Do your leadership possibilities have the capacity to raise the money necessary to meet your goal?
17) How do you know if your members are interested in participating in an event and your club can support it?
18) How will an event promote your organization?
19) Can your Rotary Club undertake the necessary start-up costs?
20) Do you have a stable donor base to support the event?
21) Are your lists current and accurate?
22) Can your organization dedicate the necessary time and effort?
23) What types of in-kind support can you garner?
24) Is an event the best use of members' time?

Types of events

1) What types of fundraisers has your club or District held
2) What other types of fundraisers could you consider? ***Refer to Attachment 2-B***

Setting Your Objectives for the Special Event

1) How do you decide how the money you raise will be used? Are you using it for a project? General funds?"
2) How can you conduct a preliminary poll first to see what might work?
3) How can you involve as many people as possible right from the beginning in brainstorming and coming up with ideas?
4) What obstacles might you face in running a special event?

Creating and implementing your plans

1) How can you set reasonable financial and attendance goals for your event?
2) How can you relate your event to what your Rotary Club or District wants to accomplish?
3) How can get you get everyone involved in planning the event and buying into it?
4) What are the first decisions and preparations you need to do to plan your event? ***(Refer to Attachment 2-C)***
5) What are the steps you need to take in planning the event?

<u>Publicizing your Event and Inviting People to attend</u>

Online resource: Five Tips to make your event a success

file:///C:/Users/Administrator-1/Documents/Rotary%202018-19/RLINEA/Graduate%20course%20on%20fundraising/eBook_5EventsTips.pdf

1) What techniques can we use to publicize the events we are holding?
2) How often should you send out Facebook pages or e-mails to advertise your events?
3) What should be included in the invitations or flyers?”
4) What does the term *Fair Market Value* mean and how does that affect the tax-deductibility of your event? **See Attachment 2-F**
5) Where should you put the information about tax-deductibility?
6) How far in advance should you send out invitations?

<u>Create Time Line For Your Event</u>

1) How far in advance should you start planning an event?
2) What happens when you don’t leave enough time?”
3) What is a backwards calendar? **(Refer to Attachment 2-G)**
4) Why should you have a backwards calendar?
5) How should you start a backwards calendar? How do you fill it out?
6) How do you schedule tasks on a backwards calendar?

Resource: https://www.smartsheet.com/blog/support-tip-work-back-schedule

BREAKOUT SESSION 2 (30 minutes)

You and your team will design a backwards calendar (*aka, Project Management*) for an event you choose. Each team will be given a different type of event to plan. Your team will choose the event, but it must be a different event from the other teams in your class. After teams have finished their backwards calendars, they will share them with the rest of the class. ***See Attachment 2-H***

PROCESS

Have everyone in your group (or your club or committee) envision what they see when they walk into the venue where the event is going to be held. (great way to get buy-in, since everyone is envisioning the event together.

Consider all the components that will go into planning your event. Make a list of what you envision, and then break it down into tasks that must be completed before the event takes place. Include:

- Venue reservations
- Decorations
- Flowers
- Music or other entertainment
- Printing invitations and journals
- Preparing for a raffle and getting prizes (including getting permits, licenses, etc.)
- Getting other giveaways or tricky tray prizes
- Publicity and advertising pieces
- Travel arrangement and accommodations
- All other details

Using an Excel Spreadsheet, and a calendar, start with the last task on your list to be completed before the program. Write it on your planning calendar and consider its components.

If there are component tasks which need to be completed by specific dates, work backwards with them and plug them into the calendar.

Proceed with the next to the last task to be completed, and so on until you have worked up to the most immediate task.

After all deadlines are decided upon, delegate tasks to team members.

By working backwards, before you ever start to go forward, you run less chance of overlooking an important component or realizing that you have eight major tasks to complete by tomorrow. This process of careful pre-planning gives you a better chance for allowing time to complete the tasks efficiently and effectively.

<u>After the event is over – obligations and evaluation</u>

1) What types of things do you need to do after the event is over?
2) What are the tax implications of thanking people for special events?
3) **How can you evaluate the event you just held**?

ATTACHMENT 2-A
Are you ready for an event?

- Are your Board/ members committed to the event?

  Your Board/Members should give or get or take credit for 45% of guests.
- Where are the necessary sources of support – people who can bring in new sources of money?
- Do you have access to potential event leadership?
- Do your leadership possibilities have the capacity to raise the money necessary to meet your goal?
- Will your membership support this type of event?
- How will an event promote your Rotary club or District?
- Can your Rotary club or District undertake the necessary start-up costs?
- Do you have a stable donor base to support the event?
- Are your lists current and accurate?
- Can your Rotary club or District justify the time and effort necessary?
- What types of in-kind support can you garner?
- Is an event the best use of staff time?
- Are your financial expectations realistic?
- You need a structure. Chairs are honoree specific. Is it an anniversary year?
- The best programs sell your mission.
- Most people come to network, interact with others.
- Are you raising funds for a special project or an unrestricted gift?
- Be careful of what you want to spend on your event.

ATTACHMENT 2-B
EVENT POSSIBILITIES

Cocktail Parties, Luncheons or Dinners

- Tribute Dinner
- Gala/Ball
- Beefsteak Dinner (small slices of beef are served on white bread, along with antipasto and dessert). Can be combined with other types of fund raisers.
- Comedy show
- Progressive Dinner (social/corporate)
- Fashion Show/Luncheon
- Theme Party; multiple dinners and common reception
- Donor Recognition events

Auctions

- Live or Silent; with or without dinner, or even online

Raffles and Gambling – see Attachment 2-I for state laws

(Be sure to allow enough time to get your permit and your licenses)

- Tricky trays
- 50/50 raffles
- On-premises drawings
- Las Vegas Nights
- Poker nights

Multi-day Events

- Antique Show
- Art Show/Gallery Opening
- Preview Party
- Car show
- House Tours

Sporting Events

- Walkathon, road race, bicycle race, etc.
- Golf or other sport tournament
- Attendance at sporting events
- Celebrity billiards, bowling, tennis (one or more locations on one or more dates)

Spectator Events

- Theater Party
- Movie Preview
- Concert or Celebrity entertainment (indoors or out-of-doors)

Community Events and Sales

- Fairs *Book Sales *Clam Chowder or Lobster events
- Festivals * Bake sales

ATTACHMENT 2-C
Preparation for and Implementation of Special Events

Preparation

- Design an event consistent with your organization's objectives
- Establish goal in terms of size and net
- Select site and develop theme or format as appropriate
- Identify and secure leadership
- Prepare expense budget
- Prepare income projection
- Prepare event timetable
- Develop lists for personalized mailing(s)

Implementation

- Coordinate design and printing of event materials such as save-the-date, stationery and invitations
- Arrange for mailing of event letters and/or invitations
- Arrange for production of other printed materials such as the program, signage, Place cards and name tags
- Process and track responses; prepare regular financial reports
- Communicate with leadership and volunteers - keep them informed
- Follow-up as necessary with potential participants
- Prepare guest lists and seating plans
- Arrange catering, decoration, entertainment, audio/visual services, equipment, photography and other professional services
- Coordinate any public relations activities
- Prepare and implement minute-by-minute schedule for day of event
- Identify who will make last minute decisions at event
- Prepare and mail thank you notes and tax receipts

Post-Event Activity

- Collect outstanding pledges
- Evaluation meeting
- Begin cultivation of selected event participants
- Begin planning for the next event

ATTACHMENT 2-D

SAMPLE JOB DESCRIPTIONS

General Chair
- Review, personalize and sign letters to honoree's list
- Provide list of corporate and personal contacts
- Personal follow-up of select people from personal list and honoree's list
- Allow phone calls for solicitation purposes to others on list
- Make financial commitment at a high level
- Appoint staff person in office as liaison with organization
- Allow use of name on all printed materials
- Attendance at event

Honoree(s)
- Provide list of corporate and personal contacts
- Make financial commitment at the highest level
- Help select and/or contact co-chairs and other key leadership
- Appoint staff person in office as liaison with organization
- Allow use of name on all printed materials
- Attendance at event

Co-Chairs
- Provide list of corporate and personal contacts
- Sign letters or send invitations to list
- Personal phone follow-up of own list
- Make financial commitment at a high level
- Allow use of name on all printed materials

Committees (e.g. **Benefit Committee, Corporate Committee)**
- Provide list of corporate and/or personal contacts
- Sign letters
- Personal phone and online follow-up of own list
- Make a financial commitment as specified for membership on committee
- Allow use of name on all printed materials

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ATTACHMENT 2-E
EXPENSE PROJECTION

Basic Expenses

- Site rental
- **Permits if needed**
- Food and beverage per person and gratuity
- Personnel and equipment

Cost of Printed Material or online

- Graphic design and production of save-the-date cards, event stationery, invitations, program and/or journal, posters, banners and signage
- Cost of online journal

Preparation of mailing(s) and online outreach

- List preparation, addressing and postage
- Additional costs for online outreach, such as on Facebook or Constant Contact

Supplemental Services

- Audio Visual Services
- Decor
- Entertainment
- Photographer (Include estimated number of prints that will be ordered)
- Publicist
- Consultants
- Video production

Other Costs

- Office expenses (photocopy, fax, telephone, messengers, overnight mail, etc.)
- Transportation and travel
- Gifts and Awards
- Any additional fees or expenses that are event related

Attachment 2-F

Tax guidelines for holding a special event

An attendee can only deduct the portion of the admission that exceeds the fair market of the goods or services received, otherwise there is no gift. Thus, whether you're figuring out if an item has an insubstantial value or if you're trying to inform a donor about how much they may legally deduct as a gift, you must be able to determine the fair market value. Generally, the charity's good faith estimate of the value of goods or services will be treated as the FMV, and a donor may rely on your estimate except when the donor knows your estimate is unreasonable. Rather than give an abstract procedure to use, here are some examples.

- **Dinner Dances** - The first thing to remember is that FMV is not the cost to your organization. If you're running a dinner-dance as a fundraising event and the space, flowers, food, printing and music are all donated, the FMV is not zero. The FMV is estimated at how much that evening would cost someone if he or she were to go out and purchase a similar evening of dinner and dancing at a commercial establishment.
- **Raffles** - Raffle tickets are not deductible at all as contributions. The purchaser has bought a chance to win something and the FMV of that chance is whatever was paid for the ticket.
- **Auctions** - Auctions are tricky. If there is a catalog produced and distributed to potential bidders before the auction, and the catalog or list includes the organization's estimates of FMV, then the general rule applies - the purchaser may deduct as a charitable donation the amount paid above the stated FMV of the items. However, if there is no prior notice or estimate of the value of the item, the IRS may assume that the FMV of the item is what was paid for it and none of the payment will be considered as a gift.
- **Goods/Services Not Commercially Available** - Examples in this category include personal services performed for the donor or his family, an open bar at a golf outing, etc. To assess the FMV in those cases, you may make a good faith estimate using closely comparable items for guidance.
- **Celebrity Appearances** - The key question here is whether the celebrity is actually doing what s/he is primarily famous for. For example, if a famous musician gives a concert to benefit your organization, then the FMV of the ticket is what a concert ticket would ordinarily cost to see that performer, and the donor may only deduct the portion of the purchase price that exceeds that FMV. However, if the same celebrity is merely appearing to sign autographs and is not performing, there is no FMV associated with the celebrity's appearance.

Attachment 2-G
Sample Timeline for dinner (7 month lead)

Date and site selection and securing of *event leadership to precede following*

MONTH 1

- Select date, site, and Chairs for committee
- Select honorees, if applicable

MONTH 2

- Organization of committees (e.g. corporate, steering, junior, etc.)
- Select music, entertainment and décor
- Job descriptions for all committee chairs

MONTH 3

- Mailing or e-mailing to committee members'
- Development of lists for general invitation
- Follow-up of initial mailings'
- Preparation of invitations and tickets
- Initial posting on Facebook or other media
  Preparation of simple acknowledgments

MONTH 4

- Continued follow-up of initial mailings
- Printing of invitation or design on e-invite
- Plan other printed material for event
- Plan remaining details of evening (menu, video, photography, etc.)

MONTH 5

- Addressing and mailing of invitations
- 'Design printed program and journal

MONTH 6

- Finalize all details of event
- Finalize printed program for the event
- Plan program for the evening and prepare necessary materials
  Continue follow-up (table, tickets, contributions)
- Weekly financial reports

POST EVENT

- Final Report
- Evaluation Meeting
- Complete collection of pledges

ATTACHMENT 2-H
Break-Out Session
Planning a backwards calendar

One of the largest tasks an organization will encounter is planning an event. The key to success is having a plan of action to accomplish every task that must be accomplished to assure a great event. The most effective method of planning an event is to start from the day of the event, working back to the present day. By looking at a timetable to get things accomplished, you'll be more apt to schedule completion dates more realistically and have a successful event.

PROCESS

Make a list of tasks that must be completed before the program. Include:

- Publicity and advertising pieces
- Space reservations
- Travel arrangement and accommodations
- All other details

- *Using a calendar, start with the last task on your list to be completed before the program.*
- *Write it on your planning calendar and consider its components.*
- *If there are component tasks which need to be completed by specific dates, work backwards with them and plug them into the calendar.*
- *Proceed with the next to the last task to be completed, and so on until you have worked up to the most immediate task.*
- *After all deadlines are decided upon, delegate tasks to team members.*

By working backwards, before you ever start to go forward, you run less chance of overlooking an important component or realizing that you have eight major tasks to complete by tomorrow. This process of careful pre-planning gives you a better chance for allowing time to complete the tasks efficiently and effectively.

Here's how to do it….

- Start with a new project sheet in Excel.

In this type of scenario, the end date of your project (rather than the start date) is what you know.

- Envision all the items you will need for the event – what do you see when you walk in the door? To get started, organizing all the tasks and put dates behind them – in order to determine a start date for all of your planning.

Attachment 2-I
Where to find information about raffles and gambling laws in various states

Note: *Every state is different and there may even be differences within towns or counties. Leave plenty of time to get your permit, your license and don't forget to file your results.*

Canada: https://www.gamblingsites.org/laws/canada/

Connecticut: https://portal.ct.gov/DCP/Common-Elements/Consumer-Facts-and-Contacts/Games-of-Chance http://www.gambling-law-us.com/Charitable-Gaming/Connecticut/

Maine: http://www.mainelegislature.org/legis/Statutes/17/title17sec1837-A.html
http://www.nonprofitmaine.org/answer/nonprofit-gaming-licenses-includes-raffles/

Massachusetts: https://www.mass.gov/guides/guidance-on-raffles
https://www.kahnlitwin.com/blogs/mission-matters-blog/not-for-profit-raffle-regulations-in-massachusetts

New Hampshire:
https://www.google.com/search?q=new+hampshire+charity+raffle+laws&oq=New+Hampshire+raffle+&aqs=chrome.2.69i57j0l3j69i64.5921j0j7&sourceid=chrome&ie=UTF-8

New Jersey: https://info.legalzoom.com/nonprofit-rules-raffle-new-jersey-20997.html
http://www.gambling-law-us.com/Charitable-Gaming/New-Jersey/

New York: https://www.gaming.ny.gov/charitablegaming/
https://www.democratandchronicle.com/story/news/politics/albany/2017/12/19/new-york-charity-raffles-become-easier/965988001/

Pennsylvania: https://www.theclassroom.com/how-to-have-a-legal-raffle-in-pennsylvania-12080329.html

Rhode Island: http://risp.ri.gov/cgu/index.php

Vermont: https://legislature.vermont.gov/statutes/section/13/051/02143

SESSION 3
Raising Money for your Club's Projects from Individuals

Goals for this Session

- Learn about various ways to conduct individual giving
- Learn the differences between annual funds and restricted gifts
- Learn how to evaluate the best way to accomplish individual solicitation
- Learn how to accomplish face-to-face solicitation
- Learn the basics of putting together a direct mail package
- Learn how to use e-mail, crowd funding and social media like Facebook to raise funds

Types of Individual Giving

1) What are some of the types of Individual Giving? Can you give examples
2) What kinds of donations can an individual give to an organization?"
3) What is the difference between Annual Giving and Restricted Giving?

Annual giving…

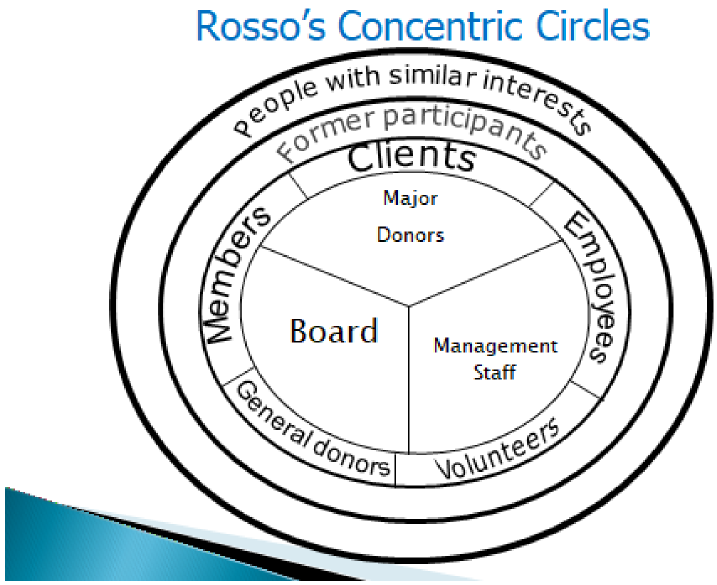
- Is ongoing; year round
- Targets a large, widespread population
- Brings in smaller donations (but more of them*)*

Restricted giving is limited to funding specific projects, such as a capital campaigns or small projects.

4) Which are you more likely to ask for in Rotary – an annual gift or a restricted gift?
5) Can you think of a time when you might make an Annual Gift? Can you think of a time when you would make a restricted gift?"
6) What is a major gift?
7) When might we ask for a major gift?"

Where We Can Find Individual Donors

1) In individual giving, what do you think a prospect is and how does it differ from a suspect?
   - Prospect: Any potential donor whose linkage, giving ability, and interests have been confirmed.
   - Suspect: A possible source of support whose philanthropic interests appear to match those of a particular organization, but whose linkages, giving abilities, and interests have not yet been confirmed.
2) Where might we find potential individual donors?"



3) How can we use Rosso's concentric circles to find prospective donors?
4) How is the search for individual donors like prospecting for new members for your Rotary Club?
5) How can we turn a prospect into a suspect?
6) What is prospect research and how can we do it?
    - It is the basis to establish, maintain, and expand the long-term gift relationship with the ultimate goal of converting donors into major gift relationships.

Break-out Session 3

10 minutes

Using Attachment 3-A, create a list of potential donors

Methods of Approaching Individual Donors

1) What are some ways of approaching individual donors to ask for funds?
2) Which do you think is the most effective way to raise funds? Why?
3) Which is the least effective?" Why? What might you use that type of solicitation to do?"
4) Going back to what we learned in Session 1, how can we relate the Giving Pyramid of types of individual fundraising to Maslow's Hierarchy of Needs?
5) What do you think is the best method of fundraising from individuals?
6) What do you think is the worst method? Why?
7) What are the advantages and disadvantages of each of these types of fundraising?

Face to Face Solicitation

1) How would you involve your Rotary Club members or Board members in individually asking their friends and colleagues for financial assistance for your project?
2) What can you develop to help to solicit potential donors?
3) What should go into the brochure or on the website?"
4) When should you ask for a gift and how should you ask?
5) What is the Benevon approach to Fundraising? https://www.benevon.com/about-us/benevon-model-overview/
6) How should you thank special individual donors?"
7) What are the tax implications in thanking individual donors?

Resource: Gift substantiation rules: see IRS Publication 1771 at www.irs.gov/pub/irs-pdf/p1771.pdf (Acrobat Reader required)

IRS' announcement of the dollar values can be found in Rev. Proc. 2018-57, available on the IRS website at https://www.irs.gov/pub/irs-drop/rp-18-57.pdf

More information is available on the IRS Web site at http://www.irs.gov/Charities-&-Non-Profits/Charitable-Organizations/Charitable-Organizations-Substantiation-and-Disclosure-Requirements

Happy Dollars

How many of you have used happy dollars at your Rotary Club to raise funds for a project? How do you use them?

Direct Mail

1) What is direct mail?
2) What are the advantages of using direct mail? What are the disadvantages?
3) What are the costs of direct mail?"
4) What does ROI mean? (Return on Investment). How is it determined? What is generally the rate of investment for a direct mail campaign?

Refer to Determining Return on Investment: https://www.printingforless.com/Direct-Mail-ROI-Calculator.html

5) What are the components of a direct mail campaign?"

6) What should you include in the solicitation letter?
7) What should the letter look like?"
8) How long should the letter be?"
9) Who should sign the letter?

The reply form and envelope

What should you include on the reply form or reply mechanism?"

The reply envelope

1) What are the advantages of using the different types of reply mechanisms?
2) What size should the envelope be?"
3) What are the advantages and disadvantages of using postage paid vs. asking the person to supply a stamp or even supplying a real stamp?"

The outer envelope

1) What needs to be on the outer envelope?
2) What would make it more likely for an envelope to be opened?
3) What should be written on the outer envelope?
4) What size should the envelope be?"

How to Send the Solicitation

1) Should you use bulk mail or first-class mail to send your direct mail?
2) What are the advantages and disadvantages of using bulk mail?
3) What do you have to do before you bring bulk mail to the post office?"
4) Should you use bulk mail stamps instead of just imprinting bulk mail?
5) How can you get a bulk mail license?

Refer to: https://pe.usps.com/businessmail101?ViewName=NonprofitPrices
https://pe.usps.com/businessmail101?ViewName=NonprofitApplication
https://pe.usps.com/businessmail101?ViewName=NonprofitPreparation

- How often should you send out direct mail solicitations to the same people?

Other Techniques to use with Direct Mail

1) What other techniques can you use with direct mail?
2) What do they entail and what advantages or disadvantages do they have?
3) Where do these techniques fit into the pyramid of giving?
4) What are some giveaways you might include with a direct mail campaign? Should these be included?
5) What are the USA tax laws regarding giveaways, sweepstakes, or contests?

Telephone Solicitation

1) Have any of you used telephone solicitation to raise funds? What did you do? How did it work out?
2) What are the purposes of telephone solicitation?"
3) What are some ways you can use the telephone to increase your giving?
4) What do you think are the advantages and disadvantages of telephone solicitation?
5) What kinds of calls can you make using telephone solicitation?
6) How should you start a telephone solicitation?
7) What should you say in the middle of a telephone solicitation?
8) How do you end a telephone solicitation?"

Using Crowdfunding and Social Media to Raise Funds

1) What is crowdfunding?”
2) How many of you have used crowdfunding or another form of social media to raise funds?
3) What did you ask for? How did that work?”
4) What do you think are some advantages and disadvantages of using crowdfunding or social media?
5) Can you think of some different ways to raise funds using crowdfunding or social media?”
6) What should you look for in choosing a crowdfunding or social media page?”
7) What do you have to include in a crowdfunding page?”

Go Fund Me Pages: https://support.gofundme.com/hc/en-us/articles/360001992627-Creating-a-GoFundMe-From-Start-to-Finish

Facebook Fundraising:
https://www.facebook.com/help/990087377765844?helpref=relate

https://www.facebook.com/help/990087377765844?helpref=related

Social Media: https://www.beacontechnologies.com/blog/2015/11/how-to-craft-a-social-media-content-strategy/

8) What is the cost of crowdfunding or using Facebook?”
9) How can you use Constant Contact to raise funds from individuals? www.constantcontact.com

Break-Out Session 2 B (30 to 40 minutes)

Each team or partner set will select a project for which it will seek funding. The team will pick one modality for funding from face-to-face solicitation, direct mail, telephone solicitation or using crowd-funding/ social media.

Each team will answer the following questions, which they will later report to the rest of the group:

1) What is the project, whom is it benefiting, and how much the Rotary Club needs to raise from individuals.
2) Why the team chose the modality of individual fundraising that it selected
3) Where the team will find potential donor prospects
4) What steps will the team take to carry out the solicitation?
5) What will the team need to spend on the solicitation? What will be included?
6) Over what period of time will the solicitation take place?

Attachment 3-A
Prospective Donors Worksheet

Think of your contacts, acquaintances, friends, and family members who might consider donating to your project.

Member name: ______________________________________

Date: ______________________________________

Professional Contacts: Consider your supervisor, current and former colleagues, acquaintances from professional associations, and people you have done business with recently.

Name: ______________________________________
Occupation: ______________________________________

Name: ______________________________________
Occupation: ______________________________________

Service Contacts: Consider neighbors, community leaders, and acquaintances who have volunteered with you on Rotary or non-Rotary events or service projects.

Name: ______________________________________
Occupation: ______________________________________

Name: ______________________________________
Occupation: ______________________________________

Name: ______________________________________
Occupation: ______________________________________

Name: ______________________________________
Occupation: ______________________________________

Name: ______________________________________
Occupation: ______________________________________

Name: ______________________________________
Occupation: ______________________________________

Attachment 3-A *Con't*

Community Contacts

- Physicians
- Dentists
- Real estate agents
- Financial managers or planners
- Religious leaders •
- Lawyers
- Business consultants
- Accountants
- Veterinarians
- Internet technology consultants
- Public relations professionals
- Entrepreneurs
- Nonprofit professionals
- School administrators
- University professors
- Civic leaders
- Social workers
- Psychologists
- Sales executives

Name: __________________________________
Occupation: __________________________________

Name: __________________________________
Occupation: __________________________________

Name: __________________________________
Occupation: __________________________________

Name: __________________________________
Occupation: __________________________________

Summary of online resources

Section 1 – Introduction to Fundraising

Taking the fear out of Fundraising: http://www.thefundraisingauthority.com/learn-from-an-authority/fundraising-asks-marc-pitman/

Why people give: http://trainyourboard.com/fundraising-therapy-part-1-getting-fear-fundraising/

Section 2 – Running Special Events

Five Tips to make your event a success:

file:///C:/Users/Administrator-1/Documents/Rotary%202018-19/RLINEA/Graduate%20course%20on%20fundraising/eBook_5EventsTips.pdf

Using Constant Contact for event outreach*:* www.constantcontact.com\

Planning a Backwards Calendar: https://www.smartsheet.com/blog/support-tip-work-back-schedule

Section 3 – Fundraising from Individuals

Information about the Benevon System:

https://www.benevon.com/about-us/benevon-model-overview/

IRS Gift substantiation rules: see IRS Publication 1771 at www.irs.gov/pub/irs-pdf/p1771.pdf (Acrobat Reader required)

IRS' announcement of the 2019 dollar values can be found in Rev. Proc. 2018-57, available on the IRS website at https://www.irs.gov/pub/irs-drop/rp-18-57.pdf

More information is available on the IRS Web site at http://www.irs.gov/Charities-&-Non-Profits/Charitable-Organizations/Charitable-Organizations-Substantiation-and-Disclosure-Requirements

Determining Return on Investment using direct mail: https://www.printingforless.com/Direct-Mail-ROI-Calculator.html

Rules for Non-Profit Mailing Rates through the United States Post Office:

https://pe.usps.com/businessmail101?ViewName=NonprofitPrices

https://pe.usps.com/businessmail101?ViewName=NonprofitApplication

https://pe.usps.com/businessmail101?ViewName=NonprofitPreparation

Creating Go Fund Me Pages: https://support.gofundme.com/hc/en-us/articles/360001992627-Creating-a-GoFundMe-From-Start-to-Finish

Facebook Fundraising: https://www.facebook.com/help/990087377765844?helpref=relate

How to Craft a Social Media Content Strategy:
https://www.beacontechnologies.com/blog/2015/11/how-to-craft-a-social-media-content-strategy/

8 Ways to grow your nonprofit social media followers*:* https://trust.guidestar.org/8-ways-to-grow-your-nonprofit-social-media-followers

How to Use Constant Contact mailings: www.constantcontact.com