# FUND RAISING PREPARATION

## WYOMING PUBLIC LIBRARY ENDOWMENT CHALLENGE

### GETTING STARTED

You MUST be well prepared. Plan, Plan, PLAN! With 23 Wyoming public libraries of varying sizes and organizational structures, the intent of this material is to cover primary aspects of a fund raising campaign, beginning with recruiting staff (volunteer or paid) and board members, developing the case, identifying donors and their capacity to give, preparing materials and approaching and asking donors, finalizing the gift process and managing the endowment funds once received. The following is a set of introductory guidelines to help keep everyone on the same track, but allowing for flexibility because of the varying degrees of preparedness and experience within each library for conducting its endowment challenge campaign.

### STAFF AND VOLUNTEERS

Each library has different needs and situations concerning the structure of its staffing and volunteers, so consider the following as needed.

A Foundation director (paid, or volunteer) needs to be well-organized and capable of working with and for every person involved in the process - board members, donors, volunteers, even financial experts when needed. That person does not need to be an expert in all the aspects of the campaign. It is important to find someone who can absorb all the variables, communicates well (with speaking, writing and listening skills) and delegate, not to mention to keep everything moving along on schedule, serving as the primary contact. Finding someone with some kind of experience in fund raising is critical.

Each library's endowment challenge process will need a group of volunteers, ideally in the form of a Foundation board of directors separate from the Library board of directors. When creating two boards is not possible in a timely manner, consider appointing an ad hoc committee to oversee the endowment challenge campaign as soon as possible. Selecting members of a board or committee should be based on the individual's standing in the community, comfort level in fund raising, knowledge of those able to give, and personal ability to give. Form a 100% Club of all volunteers, because you can't start fund raising unless everyone "on board" has made a donation to the endowment fund. You cannot ask without giving first!

### DEVELOPING YOUR CASE

This is your most important task in the beginning. Donors are more receptive and generous when they have a clear understanding of why you are asking for their dollars. The endowment challenge is a perfect "product," which gives the case validity and simplicity - it is solid GOLD! Donors are much more likely to give if they learn their gifts will double - a BIG PLUS for libraries with the 1:1 match, and the 2:1 and 3:1 matches give even more strengths to your Case! Emphasize how important the endowment is to ensure the future of the library, but also prove your visionary goals, with a Case for how the earnings will be spent for the library in the short term and the long term. Your Case should be structured to primarily reflect what the <u>patrons needs are</u> in the library in the most compelling format possible. Be sure everyone is in agreement about the case and extremely familiar with its facts - especially those concerning how the endowment works.

## IDENTIFYING DONORS AND THEIR CAPACITY TO GIVE

Organize your potential list of donors based on these guidelines:

I. Type and Capacity to Give

A. Consider not just what you think they will give, but what they are capable of giving. (i.e. Don't ask for $5,000 when you have determined they are capable of giving $20,000 - ask for $20,000!)

B. Categorize into Type by determining donor giving ranges - ($10,000 and more; $5,000 to $9,999; $1,000 to $4,999, etc. - adjust the ranges (larger or smaller) to fit your potential donor gift levels)

C. Identify who will visit each of the names on your list so you are not duplicating efforts and so the person(s) with the highest level of potential success make(s) the visit. Two people are ideal, three is fine, but more than that is overwhelming. In some specific cases, a one-person contact is all that is necessary.

II. Accessibility and Readiness to Give

A. Determine how much potential donors use or believe in the importance of the library.

B. When possible, identify donor's giving history and how recently significant gifts have been given, particularly to the library.

C. First cultivate those who you know are ready to invest, then concentrate on those who need some cultivation, then move on to those who only have some to marginal interest.

III. Useful Indicators for Identifying Donors

A. COMMON INTERESTS - libraries, education, cultural events

B. COMMITMENT TO PHILANTHROPY - involved in giving and/or raising money for other causes

C. LINKAGE - individual and families have connections to the library

D. PEER LEADERSHIP - involvement should lead to others to give

E. COMMON POLITICS/PHILOSOPHY - person's beliefs should coincide with the library's mission and goals. (Does the person stand to the far right or left politically?)

F. DONOR PERSONALITY -

1. Highly caring person wanting to make a major contribution to the community.
2. Person seeking visibility that the campaign could provide.

## CREATING COLLATERAL MATERIALS

I. Publicity

A. Make use of press releases which work best in your community and with your available media such as:

1. Announce drive to raise your limit for the endowment, while explaining the endowment itself
2. Announce when you have reached a milestone - halfway, etc.
3. Announce large gifts when donors are willing to go public
4. Announce successful end of the campaign

B. Request live and call-in radio/TV coverage

C. Keep your story alive to raise the level of interest, knowledge and giving

II. Brochures/Flyers

A. Include the Case statement

1. Emphasis on plans to satisfy patron needs
2. Include proposed priorities
3. Use photos and artist renderings when appropriate or available
4. Securing the future for generations to come

B. Message from board president, library director, committee chair

C. Explain endowment challenge including limits, deadlines and conditions for receiving state match only when gift has been deposited. (Please refer to instructions from the Wyoming State Treasurer's Office.)

D. Identify some naming opportunities

E. List suggested giving levels with their matches which are needed to reach the maximum match allowed

III. Create materials for donors submitting pledges and gifts

A. Statement of Intent* asks for the following:

1. Name, address, phone number, email
2. Amount of pledge/gift
3. Specified as a single gift or multiple-year pledge with scheduled giving, indicating payments to be made monthly, quarterly, semi-annually or annually ending by deadline stipulated in the law.
4. Credit card information, if needed, including signature
5. Status of publicity: anonymous or public gift

B. Pledge card can be used for those making their full payment at the time of the pledge, which should include 1., 2. and 5. from above (and 4. when needed).

*Sample available from Mary Meyer, Laramie County Library Foundation Director at foundation@LCLSonline.org or by calling 307.773.7221.

## APPROACHING AND ASKING POTENTIAL DONORS

Everyone has a personal style, and that should be at the center of the variety of phases one must go through on the way to closing a gift. Each phase encompasses its own objective, which should become part of the customized method for approaching a prospect and working the way to the final task.

OBJECTIVE ONE - <u>Arranging an initial meeting with the prospect</u>

A. Arrange a meeting by:
   1. Writing a letter
   2. Making a phone call - preferred
   3. Approaching the prospect in a social setting

B. Under no circumstances should the case be presented or a gift mentioned when setting a date for the meeting.

OBJECTIVE TWO - <u>Presenting the case</u>

A. The case should be presented in such a way as to surprise and please the prospect. (Keep in mind that most, if not all prospects will not have most, if any, of the information you have about your project and the case to support it).

B. Prepare your notes with an agenda, assuring that your own passion and involvement has the potential to engage your prospect in the project, even to the extent that he/she begins to offer ideas for management of the case.

C. With the agenda set, assign specific portions of it to each participant involved in making the presentation.

OBJECTIVE THREE - <u>Clarification of the prospect's reaction</u>

A. This is the opportunity for an exchange of thoughts about the case and the proposal. Give the prospect time for his/her thoughts.

B. Solicit the prospect's reaction to the presentation, particularly in regard to any:
   1. Misunderstandings
   2. Objections
   3. Skepticism

C. Prepare for and be sensitive to the correct timing for proceeding to the next step.

OBJECTIVE FOUR - <u>Ask for the gift and/or for the prospect to take a leadership role on the Campaign Committee.</u>

A. Briefly review the discussion up to this point, making the most of what you observed to have been the strongest points of the case as interpreted by the prospect.

B. Be specific in your request (amount of the gift or area of leadership expected) which eases the prospect's response.

OBJECTIVE FIVE - <u>Have details set up for the close.</u>

A. Know the date or range of dates for beginning a term or pledging a gift.

B. Location of meeting - keep control without intimidating prospect.

C. Determine the person who will be making the close.

D. Be prepared with materials which might strengthen the case and the close.

OBJECTIVE SIX - <u>Achieve a yes or no.</u>

A. Close as per the agreements reached in discussions as they emerged from this meeting.

B. Agree to prospect's request for a period of reflection and decision, keeping it within the range of 24-48 hours.

OBJECTIVE SEVEN - <u>Considerations in managing the funds</u>

A. Carefully set up your Endowment account(s)
    1. Invest funds in a variety of ways to maximize earnings
    2. Carefully determine the level of risk you are willing to take
    3. Be realistic in your expectations, considering the economy and fluctuations experienced in the market
    4. Have a strong plan in place as to how and when the earnings will be paid to the library

B. Consider finding a volunteer with experience to serve as your investment consultant if you can't afford to hire one.
    1. It is critical to keep track of the corpus so that you are not spending any of it
    2. Professional accounting practices are vital to ensure you stay within the limitations of the law

OTHER CONSIDERATIONS

A. Give careful thought to the best location for your meeting with the prospects - a place that provides privacy, where you can keep control and is not intimidating like "your turf" might be. (a meeting room in the library versus your office, for example).

B. Anticipate all negatives and objections and be prepared to address them.

C. Keep in mind the personality of your prospects:
    1. *Risk Takers* are interested in new ventures. 5% - 10% of donors
    2. *Leaders* choose their causes carefully. They want to know the facts and that the project is or will be successful. 30% - %40
    3. *Band Wagoners* will give when they realize they might be left out of the venture where so many others have already committed. They want success to be much more certain and see the list of key players. In a few cases they have major gift capacity and could create a final challenge to get over the top. %50 or more.

## IN CONCLUSION

I. Avoid the four major obstacles
    A. Failure to prepare.
    B. Failure to present compellingly, including a positive opening.
    C. Failure to ask.
    D. Failure to follow up in a timely manner.

II. Be positive, informative, focused and HAVE FUN!