

*Shelter  
Management  
Series*

# FUND-RAISING

## for Animal Care Organizations

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**THE HUMANE SOCIETY**  
**OF THE UNITED STATES.**

**HUMANE SOCIETY**  
UNIVERSITY



Made possible through  
a generous grant from the  
Munder Family Foundation

## *Getting Started: How to Set Yourself Up for Fund-Raising Success*

*A for-profit's mission is to create as much value for its stockholders as possible, within the constraints of society. The nonprofit's mission is to create as much value for society as possible, within the constraints of its money.*

—Peter W. Likins, president, University of Arizona (Jensen 1999, 2).

Your organization works hard every day to improve the lives of animals and people in your community. The public should appreciate that and place bags of money at your door to help your cause. And the public should do it happily, without any prompting on your part. After all, you are busy enough with spay/neuter campaigns, adoptions, humane education, public outreach, pet-behavior counseling, animal rescues, and lobbying. Certainly, you cannot be expected to actively raise funds, too!

Alas, as you no doubt have discovered, the world does not work as it should. People do not part with their money readily; they need to be enticed to open their wallets for a cause—no matter how worthy. So you and your peers in the animal care community face a catch-22: you need money to carry out the (literally) life-saving work you do, but you cannot seem to find time to plan anything beyond the occasional dog walk and hastily produced “how to donate” link on your web site. Fund-raising is a back-burner project that never makes it to the front burner.

The result? Your organization's programs never sizzle. Your animal care organization is so busy putting out small fires, the result of inadequate planning and funding, that it simply can't fulfill its principal goals or even its mission. If this statement makes you shift uncomfortably in your seat, then *Fund-Raising for Animal Care Organizations* is for you. In it you will discover how successfully planned fund-raising has helped hundreds of animal care organizations raise thousands of dollars for basic necessities and ambitious, innovative programs, and you will learn about the many types of fund-raising that can be channeled to meet the diverse needs of your organization.

But first you will need to take the first step—have an attitude adjustment. You need to view fund-raising not as a sideline project that you get to when you find time but as the center-stage program that fuels your organization. Do not be hesitant or shy about asking for money—you are a charity case! Remember the fund-raising mantra: “The key to giving is asking.” To succeed, you simply cannot separate raising funds from operating an animal care organization. The success of the second depends on the success of the first.

### **Loose Change Is Not Enough**

Not all fund-raising methods are equal. Setting up “please help” coin canisters inside a few local shops and sitting with a donation jar in front of a supermarket do not demand much planning or people power. But if you have tried raising money for your animal care organization this way, you likely have discovered that the pocket change of passersby cannot pay for operational expenses or innovative new projects.

What can pay for these essentials is a combination of the more sophisticated fund-raising methods, such as annual giving, major gifts, direct mail, grants, planned giving, special events, and capital campaigns. While these certainly demand more planning, people, resources, and follow-through, well-executed fund-raisers can bring in the larger and more consistent donations that allow your organization to stop treading water and instead serve as an effective lifeguard for animals in your community.

## **It Is Worth the Effort**

By prioritizing fund-raising, busy organizations have found the time to develop a strategic development plan and raise enough resources to expand beyond basic programs. Here are just a few examples of the fund-raising successes realized by local animal care organizations.

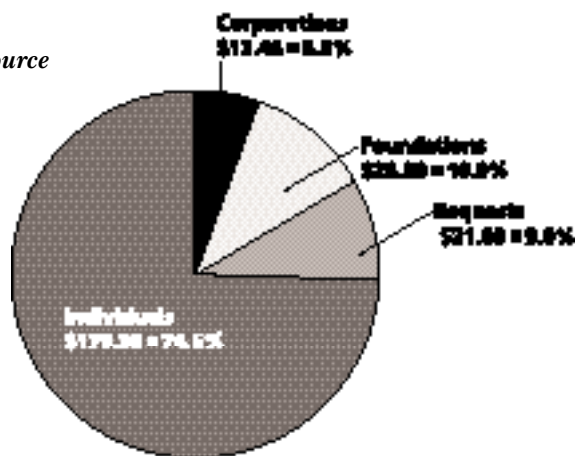
- Careful planning and creative thinking earned the Fox Valley Humane Society \$25,000 at its innovative “special event” held a few years ago. Guests at the “Mystery Made to Order” event were encouraged to help solve the “kidnapping” of an opera-singing golden retriever named Basso Profundo Pooch while enjoying an elegant dinner. Not only did the event bring in substantial funds, it also gleaned a priceless contact. One of the attendees, who happened to be the executive director of the Wisconsin Committee to Prevent Child Abuse, was so impressed with the event that she agreed to combine efforts for the following year’s fund-raiser and launch a joint educational campaign focusing on the link between animal abuse and child abuse.
- Through dedicated and skilled volunteer support, the Anne Arundel County (Maryland) SPCA raised \$40,000 via its used-vehicle donation program. The program was run by one dedicated volunteer, who picked up vehicles from donors’ residences, cleaned and repaired the cars, placed “for sale” ads, and negotiated the final sale.
- Developing relationships with corporate contributors brought the Atlanta Humane Society (AHS) big bucks. It teamed up with the Atlanta Braves to produce a calendar featuring burly ball players and cuddly animal centerfolds. Sales of the popular calendar generated \$53,000 and plenty of visibility for AHS, and the Braves management considered the cooperative effort a great way to promote the team’s philanthropic efforts.
- Taking the time to create and manage an appealing, user-friendly web site generated thousands of dollars for the Humane Society of Rochester and Monroe County (New York). Site visitors see instantly how to donate or become a member online. The site also links to the shelter’s online gift shop, where people can make donations or purchase shelter T-shirts, dining discount coupon booklets, and memorial bricks for the shelter’s entrance walkway.

## Wait—Not So Fast

Hungry for money to fuel their programs, many organizations attempt to replicate these kinds of fund-raising success stories before developing the foundation necessary for success. Why is it so critical that you devote scarce time and resources to plan and run your fund-raisers? According to The Center on Philanthropy at Indiana University (2004b), charitable organizations in the United States receive more than \$240 billion in contributions annually. The environment/animal sub-sector receives 2.9 percent or \$6.95 billion of that \$240 billion (Figure 1.1). The percentage received by animal care organizations could grow over time if they were to professionalize their programs and outreach.

**Figure 1.1**

*2003 Contributions by Source  
(in billions)*



*Total 2003 Contributions =  
\$240.72 billion*

*Source: Center on Philanthropy  
at Indiana University 2004.*

So why not just rush out and grab your rightful share? In reality, poorly run fund-raising programs can end up costing you more than you bring in. Need more convincing? Take a look at these real-world fund-raising disasters:

- One local animal care organization was left in disarray when the disgruntled employee who controlled the organization's web site quit, taking the web site and all fund-raising records with her. She then started another organization in the same area. Had the original organization invested in creating a dependable fund-raising tracking system accessible and managed by more than one individual, it could have avoided this costly catastrophe.
- Eager for "easy" money, an animal care organization accepted a socialite's proposal to chair a gala event to benefit the organization. The organization had an unwilling board, a poor committee structure, and no money to pay for the event. Its leadership just assumed that the socialite would cover the up-front costs necessary to create the event; she was given the reins to steer the project but no policies or process to follow. Later, the organization's director was shocked to discover that the socialite had signed contracts—in the name of the organization—for a band, the most exclusive hotel in town, champagne, and a sit-down dinner. She even asked to set up a bank account in her name to receive all the

donations. By jumping at the chance for “free” money, the organization learned too late how dangerous it is to rely on offers that sound too good to be true.

- An animal care organization received a large gift from an individual to build a spay/neuter clinic that bore her name. Because donor records were maintained poorly, information about that “major-gift” project was eventually lost and forgotten. The new management, which had no details about the gift or the donor, decided to take the name off the building. The donor was still living in the area and was planning to leave half of her substantial estate to the organization. Luckily, the new management discovered its error before the donor found out about its plan. Strong, long-term donor relations depend on strong, long-term donor record systems.

A less dramatic but possibly bigger mistake many organizations make is to go after money for special projects without first ensuring their long-term sustainability. Committing revenues from supporters to underwrite a new project or enhanced service may simply result in robbing Peter (kennel-cleaning staff) to pay Paul (innovative spay/neuter mobile clinic). Make sure that you can guarantee general operation funds to protect basic existing services before soliciting donations earmarked for popular but optional new projects.

## Starting on the Right Footing

The key to increasing donations, fulfilling goals, and avoiding calamities is to launch your fund-raising program from a firm, reliable base. Your organization must first possess or create the solid policies, people, programs, and plans needed for successful fund-raising. Take a look at this checklist to make sure your organization has what it takes.

- Our organization has and actively uses a current, detailed, customized, workable strategic plan on which to base our development (fund-raising) plan.
- Our organization has a reliable, integrated, comprehensive record-keeping system to manage our programs.
- Our organization produces detailed, accurate financial records that enable our leaders to monitor and understand our organization’s current and future financial needs.
- Our organization’s staff, volunteers, and leadership have a clear sense of our organization’s mission, vision, and constituency (supporters and service users).
- Our organization’s board of directors understands and is committed to its roles and responsibilities, including fund-raising.
- Our organization’s staff, volunteers, and board cooperate and communicate effectively to advance the mission of our organization.
- Our organization understands the needs and expectations of our community and customizes programs and projects to meet those needs.
- Our organization is aware of the other local animal-related organizations and strives to cooperate with them without duplicating services.

If you were able to check all these boxes, you are well on your way to creating a top-notch fund-raising program. If you have left a few boxes unchecked, this manual can help you bridge those gaps.

Different fund-raising methods can help your animal care organization bring in needed income. Each method produces different amounts of money at different rates. Some fund-raising initiatives take months or years to develop, while others can be completed in a few weeks. Each technique has its pros and cons: grant money, for example, can be a terrific boost to a new program, but it is no substitute for the small, steady trickle of monthly donations that your organization can use as unrestricted operational money.

To develop the best way to approach these fund-raising methods, it may help to play a game of darts at your local watering hole. Visualizing a dartboard can help you understand how the best fund-raising strategies unfold. “At the center is your board of directors,” explains Robert DeMartinis, a fund-raising consultant and guide to *About.com*’s Nonprofit Charitable Organizations. “In separate concentric circles moving away from the center are staff and volunteers, vendors, community businesses and individuals, and finally foundations” (DeMartinis, n.d., 1). As you expand your fund-raising programs and incorporate new methods, make sure you tap the talents and wallets of those closest to your organization. Remember, too, that big givers come from your pool of small givers.

## Why Do Donors Give?

Donors give for many reasons: their interests match your organization’s mission; they want to be seen as leaders in the community; they see your organization as financially sound and reputable; they want to make a difference in the world; they feel a sense of gratitude to your organization; or they have a strong relationship with someone in your organization.

### Why People Give

- People give to people.
- People give money because they want to.
- People don’t give unless or until they are asked.
- People don’t give large donations unless they are asked for large donations.
- People give to opportunities, not to needs.
- People give to success, not to distress.
- People give to causes that improve their “quality of life.”
- People give because they want to “make a difference.”
- People give because they want to be involved in something bigger than themselves.
- People give because of an “attitude of gratitude.”

### Types of Giving

#### *Annual Giving*

Acquiring new donors (such as those who use agency services) can help your organization broaden its base. Typical activities to generate first-time annual giving—also known in the industry as “acquisition”—include direct mail, telethons, donor clubs, telephone gifts, special events, and media. This is the primary fund-raising method used to broaden support, upgrade giving levels, and provide operating support for ongoing programs.

“Repeat annual giving” is what provides financial stability. As donor commitment grows, you build a strong donor base and begin to encourage donors to consider larger gifts and deeper involvement in your organization. Typical activities to generate this type of giving include personal

contact, letters, and phone calls. Fund-raising is friend-raising, and this is where you begin to expand your circle of friends. Workplace giving campaigns can facilitate recurrent giving as well through payroll deductions and direct contribution via United Way, Combined Federal Campaign, or similar campaigns for state employees.

Direct mail, another form of annual giving, is covered in chapter 7.

### **Major Giving**

The process of obtaining larger gifts focuses more on relationships than it does on money. To develop major gifts, the organization must match donors' interests with the organization's needs. Typical activities to generate this type of giving include personal contact, letters, and phone calls. Individuals, corporations, and foundations are involved in fund-raising at this level (see chapter 6).

### **Capital Giving**

This is an intensive, organized fund-raising effort to secure donations for specific capital needs or projects. A capital campaign typically is executed within a specific time frame, usually more than one year. These large gifts can be considered "stretch gifts" for donors, so these donors are solicited only once (see chapter 11).

### **Planned Giving**

As people age and retire, their capacity for making lifetime gifts grows. Donations through bequests, gifts of life insurance, and other types of life income and deferred gifts increase with asset accumulation. Typical vehicles for this type of giving may include wills, bequests, estate planning, insurance policies, and gift annuities (see chapter 9).

**Table 1.1**

*Diversity of Income Sources for Animal Care Organizations*

Shelter	1	2	3	4	5	6	7
Events	\$63,000	\$12,000	\$20,000	\$195,000	\$20,000	\$10,000	\$25,000
Publications	\$4,000						
Tag Sale	\$4,000						
Donations		\$70,000	\$245,000	\$140,000	\$500,000	\$150,000	\$200,000
Canister Program		\$1,000					
Bequests		\$11,000	\$20,000				
Interest/Dividends		\$40,000	\$1,000	\$2,000	\$10,000	\$15,000	\$4,000
Trusts/Foundation		\$62,000					
Grants						\$250,000	
Municipal Contract		\$75,000					\$140,000
Merchandise		\$41,000	\$60,000				
Catalogue Sales					\$12,000		
Adoption Fees		\$125,000		\$15,000			\$175,000
Service Fees			\$50,000			\$15,000	\$12,000
Direct Mail	\$18,000			\$30,000			
Member Fees				\$5,000	\$10,000	\$45,000	
<b>Total</b>	<b>\$89,000</b>	<b>\$437,000</b>	<b>\$396,000</b>	<b>\$387,000</b>	<b>\$552,000</b>	<b>\$485,000</b>	<b>\$556,000</b>

Source: Data compiled from various animal shelter annual reports.

This list does not include all categories of giving. For example, other sources for funding can include income from rentals, sales/service (i.e., veterinary care and grooming), investment/endowment, and municipal contracts. Table 1.1, which provides an example of animal care organizations' diversity of income sources, shows that significant funds are available to such organizations. When creating a development plan, explore all possibilities and never close doors to any opportunity for increasing your financial growth and, ultimately, your program growth.

A successful fund development program integrates the types of giving to support the funding needs of your organization over the course of its lifetime. The appropriate mix of all of these types will depend on your organization's need for operating income, capital improvement, physical plant, income, and funds for special programs. Most organizations begin with annual giving programs to build their organizational friendships and develop a strong donor base to build depth. As you develop your fund-raising campaign, diversify the types of giving you seek and avoid focusing on one method over another. Even if you are not yet prepared to launch a major-gifts or capital campaign program, be sure to include the concept in your planning for long-term sustainability of your organization's funding needs.

Despite the billions donated to charities, fund-raising today remains a challenge for nonprofits that must compete for donor dollars in uncertain times. Although this manual cannot cover everything you need to know about fund-raising, it can give you the jump start you need to customize a development plan that works for your animal care organization, in your town, for your animals. If you need more information, see *Resources for improving and expanding your fund-raising knowledge and programs*.