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# **THE ART OF FUNDRAISING AND EFFECTIVE BOARD MANAGEMENT**

**By**

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*“Mistakes are the portals of discovery”*

*- James Joyce*



## When Recruiting Board Members - What is Really Important?

- People who care deeply about your mission
- People that are willing to work to fulfill the vision of the organization
- People who share what wealth and connections they have



## Recruitment of Board Members

- Diversity is key for board membership - consider gender, age, ethnicity, professional training, and financial capacity
- Identify leaders within the business community, arts, community service or related industries
- Review strong donors to the organization
- During recruitment - provide a job description and a commitment letter outlining responsibilities of the position



# Board Position Letter of Acceptance

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- Holocaust Museum Houston is pleased to offer you a position on its Board of Trustees. This pledge is intended to acknowledge the shared responsibilities, commitment and conduct expected of all members. This document is not meant to be a formal contract but rather an understanding of expectations set forth during your service.
- **Terms:** Upon acceptance of this offer, your term will begin on June 1, 2017. You are currently serving the first year of a two year term which will expire at the annual meeting in 2019. Upon completion of your first term, you will be eligible to be considered for a second two-year term.



- **Participation:** Most of the Museum's day-to-day business is conducted at the committee level, as a Trustee you are required to serve actively on at least one of the Museum's standing committees, ad hoc committees, task forces, campaigns or special projects.
- You will also be asked to actively engage in fundraising for Holocaust Museum Houston in whatever ways are best suited for you. These may include participating in a development committee or campaign; opening doors with individuals, corporations or foundations; undertaking special events; writing mail appeals and the like. Please make a good faith agreement to do your best to raise as much money as you can to support our Museum.



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- **Attendance:** There will be a minimum of six meetings for the Board of Trustees throughout the year which you will be expected to attend. Trustees are expected to attend functions, programs and special events on a regular basis. Attendance will be tracked and monitored.
  - **Monetary Requirements:** You must be a member-in-good standing of Holocaust Museum Houston during each year of service.
  - All Trustees are asked to make a capacity gift commensurate with your personal resources. At this time the minimum amount is **\$7,500.**



- **Oversight:** As a Trustee, it is your responsibility to provide financial oversight, with other Trustees, for the Museum. Please do your best to be informed concerning the financial status of the Museum and prepared for relevant discussions. Also you are responsible for reading and accepting the bylaws and understanding the legal and moral responsibilities of being a Trustee.
- You will also assist in defining, implementing and updating the mission of Holocaust Museum Houston, its policies and long-range plans, and to do this, we ask that you keep informed about the Museum's mission and services.
- Please sign and submit your Board of Trustee Commitment Form to as acceptance of this pledge. We look forward to working with you this upcoming fiscal year.



# Board Selection Matrix

Data Report - Advisors 2016-2017									
1st Year Advisors	Sex	Race	Rel	Age	Renewal	Term Years	Expires	Renew	Committees
	F	C	J	54	No	16-17	2018	No	—
	M	A	B	65	No	16-17	2018	No	Asian Community Outreach
	F	C	J	46	No	16-17	2018	No	Connections
	M	C	J	58	No	16-17	2018	No	Program Dom, Past Docent
	M	C	J	40	No	16-17	2018	No	Development
	F	C	J/M	43	No	16-17	2018	No	Development
	F	C	C	57	No	16-17	2018	No	Butterfly Project, Friends of the Library, Development
	M	A	B	59	No	16-17	2018	No	Asian Community Outreach
	M	C	J	54	Tom Brow	16-17	2018	No	CHGS Comm
	F	C	J	92	No	16-17	2018	No	Destroyed Communities
	M	C	C	63	No	16-17	2018	No	CHGS Comm
	M	C	J	46	No	16-17	2018	No	HMHF Secretary
	F	C	J	89	No	16-17	2018	No	Docent Comm, Docent, Survivor Services, Connections
	M	H	C	37	No	16-17	2018	No	Development
	M	C	J	51	No	16-17	2018	No	Development
STATS: 65 Advisors (Not Incl Past Chairs)	Male-32					Jewish-54		Caucasian-62	30-39 : 4
	Female-34					Christian-9		Asian - 3	40-49 : 6
Contribution Requirement = \$1,000 + Membership						Muslim-2		Hispanic-1	50-59 : 15
Available Positions - 10						Buddhist-2			60+ : 32



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# Fundraising Roles for Board Members

1. All members of the board should be involved in fundraising but not everyone has to make the “ask”
2. The “ask” may be left to a certain committee
3. Board members should be “friend-raisers”
4. “I will do anything but ask for money”- what can board members do instead?
  - a. They should be invited to give their time, talent, and treasure
  - b. Offer personal contacts or introductions
  - c. Sponsor special events in support of donor cultivation



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# Preparing your Board Members for Fundraising

## Personalized Orientation Training:

- a. Board members are vulnerable if the organization does not provide onboard-training
- b. Create a customized Board Orientation Session
- c. Provide talking points – related to the mission of the organization and why it merits support
- d. Discuss common objections and how to respond to them
- e. Teach financial literacy and provide transparency



# Preparing your Board Members for Fundraising

- g. Educate participants as to the costs associated with fundraising for your organization
- h. Provide information concerning the endowment and how its managed
- i. Hold donor prospect education and strategy sessions
- j. Cultivate by building a relationship with the board member and prospective/potential donor
- k. Prepare the board member in advance for the actual “ask”



# The Role of the Development Staff When Supporting Volunteers

1. Develop a clear statement of purpose and goal
2. Understand the board member's frame of reference and mindset
3. Identify facts from solid research
4. Train and engage the volunteers
5. Write a clear concise proposal, easily understood



## In the Survey:

*“New Directions for Philanthropic Fundraising”*

“Researchers found that 55% of all donors stop giving within the first year to a particular charity, and nearly 85% of all donors no longer give to the same charities by the fifth year after their first gift.”



# Stewardship Matrix

	Official Tax Letter	Phone call	Handwritten note	New Donor Welcome Packet	Membership Card	Program Calendar	Gift	Anniversary Cards	Birthday, Get well, Condolence Cards	Holiday Messages	Social Media Updates	Customized Stewardship Plan	Video Acknowledgements	Newsletter	Annual Report	Quarterly donor update	Stewardship Report	Annual Meeting	Board Retreat	Personalized Events	Appreciation Event	Annual Survey	Donor List Review	In-person solicitation	
	Acknowledgement							Stewardship and Recognition							Reporting				Event			Next Gift			
<b>Annual Gifts</b>																									
Less than \$1,000								SO	SO		SO		SO												
\$1,000 - \$5,000		RM						SO	SO		SO	SO	SO												RM
\$5,000-\$9,999		DD	BOARD					SO	SO		SO	SO	SO												DD
\$10,000 and Up		CEO	BOARD					SO	SO		SO	DD	SO												CEO
<b>Corporations/Foundations/Event Gifts</b>																									
Less than \$1,000		RM						SO			SO	SO	SO												RM
\$1,000 - \$9,999		DD						SO			SO	SO	SO												DD
\$10,000 and Up		CEO						SO			SO	DD	SO												CEO
<b>Legacy Society</b>																									
New Member		PGO	BOARD	PGO					PGO		SO	PGO	SO												
Member - Formalized							PGO	PGO	PGO		SO	PGO	SO												
<b>Membership Gifts</b>																									
Less than \$1,000								MC	MC		MC		SO												
Leadership Circle		MC						MC	MC		MC		SO												RM
Membership Underwriter		MC						MC	MC		MC		SO												RM
First time Donors		MC							MC		MC		SO												RM
<b>1st Time Donors</b>																									
Less than \$1,000				SO					SO		SO		SO												RM
\$1,000 - \$5,000		RM		SO					SO		SO		SO												RM
\$5,000-\$9,999		DD	BOARD	SO					SO		SO		SO												DD
\$10,000 and Up		CEO	BOARD	SO					SO		SO		SO												CEO
<b>Art Circle</b>																									

# Major Gift Fundraising Utilizing Research from The Seven Faces of Philanthropy





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# *The Seven Faces of Philanthropy*

Authors: Russ Allan Prince and Karen Maree File

**Researchers identifying 7 distinct segments of donors based on needs, motivations, and benefits the individual says are most important to him or her:**

- 1. The Communitarians: Doing good makes sense – 26%**
- 2. The Devout: Doing good is God's will – 21%**
- 3. The Investor: Doing good is good business – 15%**
- 4. The Socialite: Doing good is fun – 11%**
- 5. The Altruist: Doing good feels right– 9%**
- 6. The Re-payer: Doing good is return – 10%**
- 7. The Dynast: Doing good is a family tradition – 8%**



## Case Examples:

Weston Symphony  
Huntington University