**Development Plan:**

**Tips and Template**

Montana Community Foundation committed to providing each community foundation affiliate with the tools they need to cultivate a culture of giving so their community can flourish. One strategic way community foundations and cultivate a culture of giving and philanthropy is by creating and utilizing a development plan.

A development plan outlines the community foundation’s goals and strategies for developing resources. It explains how the affiliate’s advisory committee and other volunteers should focus their development efforts within a certain period (usually one or two years). A development plan also helps measure progress during a process that might take years or even decades to bring tangible results.

**WHAT IS INCLUDED IN A DEVELOPMENT PLAN?**

* Short and long-term objectives
  + What does the advisory committee hope to achieve? Include more than monetary objectives.
  + Where will the community foundation be in five or ten years?
  + How will the development plan support the strategic direction of the community foundation affiliate?
* An action plan for each objective
  + Who are the community foundation’s target audiences?
  + What tools will your community foundation use to reach them?
  + What are the specific responsibilities of board members, staff, and volunteers?
* A timeline for the action plan

**HOW DO WE GET STARTED?**

Look at fundraising plans from other community foundations or samples from outside the field, such as from your local college or university. While your plan might barrow ideas and strategies from other plans, it should be suited to your own individual community, region, capacity, and operations.

A plan will help you attract new donors, but first you have to find out who they are. Where is most of the wealth concentrated? Is it held by a few individual estates or spread among individuals, corporations, and private foundations? This will help you focus your planning and set priorities.

### **WHO SHOULD DESIGN THE DEVELOPMENT PLAN?**

It is important for the advisory committee to be heavily involved in development planning as well as in implementing the plan. Some boards assign a few members to a development committee. This committee either is solely responsible for writing the development plan or partners with staff in doing so. In other community foundations, the staff oversees writing the plan and receives feedback from the board.

### **HOW DO COMMUNITY FOUNDATIONS ATTRACT GIFTS?**

Community foundations attract gifts and build funds over time in many ways. Here are some commonly recommended methods:

* Create a well-conceived development plan.
* Build long-term trusted relationships with donors and their advisers.
* Provide quality services and market to donors and their advisers.
* Build credibility in the community.
* Emphasize personal visits and small gatherings rather than direct mail or special events.
* Offer multiple and flexible options for donors and their advisers.
* Highlight gifts that make a difference over long periods of time.
* Offer donors an option of permanent recognition or anonymity.
* Look to long-term rather than immediate results.

### **WHOM SHOULD WE SEEK OUT AS NEW DONORS?**

Start your prospecting with the people closest to the community foundation—those who know and care about it. These include current and former board and committee members as well as current donors and their families. They are your “inside” audience and can be your best bet for finding donors.

Then ask your advisory committee, staff, and even current donors who they know. Advisory committee members with corporate backgrounds might be able to identify sources of corporate wealth and motivate their business associates to give through the community foundation. Similarly, staff might have contacts from their former professions or from their universities or religious institutions.

From there, look to prospects outside the foundation:

* community leaders
* elderly long-time residents
* people without heirs
* entrepreneurs/business owners
* board members of other nonprofits
* corporations
* private foundations
* charitable organizations
* government agencies
* parties representing judicial settlements (tobacco industry, utility overpayments)
* people who were born and raised in your community and now live elsewhere

Don’t panic. This list is more than any foundation can cultivate at one given time. Pick one or two groups as your priority targets each year.

Tip: Some community foundations develop methods for rating individual donors on their ability to give. For example, if a potential donor owns a corporation, you can gauge the donor’s ability to give by learning the company’s worth and profitability.

**HOW CAN WE FIND THESE POTENTIAL DONORS?**

Community foundations cultivate relationships with potential donors in countless ways. Below are some ideas for getting started:

* gatherings or house parties in an advisory committee members’ or volunteers’ homes
* annual luncheons
* inviting guests to committee meetings (professional advisers, for example)
* newsletters
* recognition events
* roundtable discussions about community issues
* tours or site visits
* informational breakfasts
* volunteer opportunities, including the foundation’s grant committees
* get-acquainted sessions at scheduled meetings
* telling the foundation’s story at monthly meetings of civic and social organizations
* handwritten notes thanking people for their interest or volunteer work
* outreach to former residents and retirees

### **WHAT’S THE BEST WAY TO APPROACH POTENTIAL DONORS?**

Resource development is about building relationships. This means building relationships directly with potential donors as well as with their peers, associates, and advisers. As in any situation, a personal, one-on-one approach creates the best impression and brings the most success.

Work with MCF to make with a professional adviser. Your community foundation should maintain active relationships with the professional advisers in your region—accountants, attorneys, brokers, estate planners, insurance agents, and so on. Set up meetings and make presentations to advisers—one-on-one, at professional associations, or at adviser breakfasts that you host. Stress to advisers how they can use the community foundation as a resource to help inform and serve their clients. Educate them on the types of funds offered and the variety of gifts the foundation accepts. You might also publish brochures, pamphlets, or e-newsletters designed especially for professional advisers. MCF has resources and philanthropy staff available to assist with meetings and materials.

When cultivating relationships directly with donor prospects, you should tailor your approach to suit the prospects’ interests and demographics. For example, you would approach an individual differently than you would a corporation.

Although your approach will vary from one prospect to another, remember one thing: People give to people, not to institutions. Always make time to listen to your prospects interest and philanthropic goals, identify how their goals and interest might align with the work of the community foundation.

### **WHAT SHOULD WE CONSIDER WHEN PLANNING A FUNDRAISING EVENT?**

For small community foundations, one special event might be the main fundraising vehicle for the entire year. Fundraisers may be a lot of work, but they can raise money and increase your visibility in the community.

Before deciding to organize an annual fundraising event, carefully consider the purpose and focus of the event and the possible appearance of competition with other nonprofits for the same supporters. Weigh the time and energy required of staff and volunteers to plan and carry out the event against the expected net proceeds from the event. Will the event be cost effective? Do you have the capacity to pull it off? Is there a better development strategy you could use? Also, be sure to review and follow the Local Community Foundation Affiliate Manual.

**HOW DO WE MEASURE THE SUCCESS OF OUR DEVELOPMENT PLAN?**

It might take years to see the results of your development efforts, so it can be challenging to measure the success of your plan. Tracking your activity is important. You can measure your success in several ways:

* number and value of gifts received
* number and value of gifts pledged but not yet received
* size of expectancies and number of legacy society members
* number and content of calls/in-person visits to prospects and advisers
* board involvement as donors
* board involvement in donor visits
* marketing materials produced and disseminated to an identified audience
* presentations to groups
* special events (fundraising, recognition, educational, celebratory)
* objectives achieved by each event (participation, volunteer involvement, net receipts, staff resources)
* diversity of donor base
* referrals from donors and advisers
* donor service on committees
* donor service quality as measured by survey results
* press coverage of donor stories and events

As you evaluate in the short-term, think beyond what gifts you received and look to what building blocks you are laying for the future. What key relationships did your community foundation make? What response did you receive from a donor adviser presentation? How many potential donors did you recruit as volunteers on an committee?

In addition to using these indicators, you can measure success from what others say. Offer donors and donor advisers the opportunity to give you feedback. You might consider calling them periodically or conducting a survey of how they think your programs are working.

**SAMPLE DEVELOPMENT PLAN**

This sample has been provided with permission form the Community Foundation Serving Boulder County.

### DEVELOPMENT

|  |  |  |  |
| --- | --- | --- | --- |
| I. | | | |
| **Goal** | **How** | **When** | **Who** |
| Sponsorships: $40,000 | $7,500 CV, $10K Planned Giving, $20K Lunch, $3K web and W.I.N | By mid-Feb |  |
| Gifts to Operations: $45,000 | Revisit “Friends” Year-end solicitation letters to A & B lists | October |  |
| Board Gifts: $30,000 | Points for early gifts | Sept. 1 |  |
|  | | | |
| II. | | | |
| **Goal** | **How** | **When** | **Who** |
| 20 new donor advised funds, totaling $1.6 million | House Parties One-on-one calls 4 times/month 3 in-house Professional Advisor seminars Update database with new names Meet with Trust Officers at banks | All year Monthly March, June, Oct. February Feb./March |  |
| 5 new agency endowments, totaling $250,000 |  | By November |  |
| 87 New Pine Cone funds |  | By December |  |
| Endow remaining NOVA Awards | Contact Rotary, Ball? | March |  |
| $300K in gift funds | Presentation to SVP Meet with Prof. Advisors 2 times/month | March Monthly |  |
| Get $250K from Knight | Initiate process, follow-up | By December |  |
| Increase admin. Endowment to $800K from $630K | Enhance Legacy Society | October |  |
| Increase UGEF | Culture of Giving envelopes |  |  |
|  | | | |
| III. | | | |
| **Goal** | **How** | **When** | **Who** |
| Work with Clair | Prepare agenda, materials for meetings | Monthly |  |
|  | | | |
| IV. | | | |
| **Goal** | **How** | **When** | **Who** |
| Supervise Claudia | Legacy Society implementation Coordinate P.A. Events Culture of Giving envelopes and balls Assist with year-end solicitation | March 3/year Sept./Oct. Sept./Oct. |  |
| Oversee Stars Luncheon with Phoebe | PowerPoint or video Seating Arrangements Table Sales Program Award Selection | August Sept. June August March |  |

### COMMUNICATIONS

|  |  |  |  |
| --- | --- | --- | --- |
| **Goal** | **How** | **When** | **Who** |
| Newsletters | Send to donors 3 times/year | Feb., May/June, Sept./Oct |  |
| Report to the Community | Produce nice, full report | June |  |

### DONOR RELATIONS

|  |  |  |  |
| --- | --- | --- | --- |
| **Goal** | **How** | **When** | **Who** |
| Be in touch with each donor | Split list, call for feedback, ideas, contacts | Before July |  |
| Put together “welcome” packets | Draft letter, materials Send to new fund holders from 11/01-on | February |  |

### GRANT FOLLOW-UP

|  |  |  |  |
| --- | --- | --- | --- |
| **Goal** | **How** | **When** | **Who** |
| Boettcher Progress Report |  | Due April 30 |  |
| NLGCFP Progress Report |  | Due March? |  |

INSERT LOGO

**(NAME OF COMMUNITY FOUNDATION)**

**ADVISORY COMMITTEE JOB DESCRIPTION**

**DEVELOPMENT PLAN**

Below is the template to build your communities foundation’s development plan. The goals are in no particular order, your community foundation should feel free to change, rearrange or replace you see fit. Remember MCF staff are here to help, please reach out.

**DEVELOPMENT**

|  |  |  |  |
| --- | --- | --- | --- |
| **I. RAISE MONEY FOR OPERATIONS** | | | |
| **Goal** | **How** | **When** | **Who** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **II. GROW ASSETS UNDER MANAGEMENT BY $** | | | |
| **Goal** | **How** | **When** | **Who** |
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|  |  |  |  |
|  |  |  |  |
| **III. COORDINATE DEVELOPMENT MEETINGS** | | | |
| **Goal** | **How** | **When** | **Who** |
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|  |  |  |  |
|  |  |  |  |
| **IV. SUPERVISION OF DEVELOPMENT ACTIVITIES** | | | |
| **Goal** | **How** | **When** | **Who** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **V. COMMUNICATIONS** | | | |
| **Goal** | **How** | **When** | **Who** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **VI. DONOR RELATIONS** | | | |
| **Goal** | **How** | **When** | **Who** |
|  |  |  |  |
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|  |  |  |  |