



# TYPES OF FUNDRAISING CAMPAIGNS

---



## All nonprofits are different.

...and their fundraising strategies should be too! The board and senior leadership should evaluate the organization's goals, capacity, and operating environment to determine which campaigns best fit their situation.



# ANNUAL GIFTS

**Purpose:**

Annual giving anchors many nonprofit fundraising programs. Gifts received are unrestricted and help fund annual operations.

**Approach:**

Annual gift campaigns can take a number of different approaches, depending on your organization.

Annual fund drives often focus on a specific theme (sometimes simply the nonprofit’s mission), a fundraising goal, and/or participation goals for donors. Drives can be conducted through paper mailings, telephone solicitation, online, or via social media. Testimonials connected to the theme can be an effective way of connecting donors to the organization’s work.

Matching gifts allow corporations to match employee gifts to specific organizations. Nonprofits can highlight matching gift programs in annual appeals and identify participating corporations they have relationships with.

**Target Audience:**

Primary  **CORPORATIONS**      Secondary  **INDIVIDUALS**       **FOUNDATIONS**

Special events are often intended to attract new donors to a nonprofit. Some nonprofits have annual events, such as a golf tournament or gala dinner, while others celebrate a specific milestone such as an anniversary or the launch of a new initiative.

⚠ Special events should be approached with caution. The cost of hosting an event can often outweigh the funds raised, especially when accounting for staff time.

**Board’s Role:**

Above all else, all board members should make a personal contribution to their organization each year. They can also participate in events or fundraising activities, encourage those in their network to support their organization, and thank donors after contributions are received.



# MAJOR GIFTS

**Purpose:**

After a nonprofit has cultivated a strong relationship with an individual donor or organization, it may consider soliciting a larger contribution. This gift can serve different purposes depending on the donor’s interest – funding tangible assets or an endowment, for example.

**Approach:**

Major gift campaigns are usually conducted on an ongoing basis, in conjunction with an annual fund. They require considerable effort from nonprofit staff and board members in building strong, long-term relationships with key donors. Establishing a major gift program requires a methodical approach to prioritizing prospects, cultivating gifts, making respectful requests, and recognizing donations appropriately.

Capital campaigns can be used when a nonprofit needs significant funds, either for a specific project (e.g., construction or new facilities) or to keep pace with a new strategic plan. Capital campaigns require a lengthy time investment and careful planning. They should only be conducted when it has been determined other revenue sources will not be sufficient to fund the project.

**Board’s Role:**

Board members can play a significant role in cultivating major donors. Oftentimes, board members have the connections needed to identify prospects and can assist in educating them about the organization’s work and specific needs.

**Target Audience:**

Primary



**INDIVIDUALS**

Secondary



**FOUNDATIONS**



**CORPORATIONS**



# PLANNED GIFTS

## Purpose:

Planned gifts allow donors to designate funds to eventually be received by a nonprofit through bequests, charitable trusts, gift annuities, life insurance, or other forms.

## Target Audience:



## Approach:

Future planned gifts allow the donor to immediately earmark funds, but not allow the organization to receive the contribution until after the death of the donor. Most commonly, these gifts take the form of a bequest or life insurance payment.

Sophisticated current planned gifts provide for the decision and gift to be made immediately, with the funds invested and managed by the nonprofit for the donor's lifetime (or other term as described in the contract). The donor receives income by transferring a current financial asset, by contract, to a charity, with the residual principal delivered to the nonprofit organization following the donor's death.

Sophisticated planned gifts require special expertise and careful attention to detail from the nonprofit. It may be helpful for a donor to solicit the services of an outside financial planner to assist in administering these types of gifts.

## Board's Role:

The board must establish trusteeship policies and ensure all funds are invested according to the donor's wishes.

## HELPFUL RESOURCES

---

