Zoom Norms

- Mute your mic
- Chat box
- Raise your hand
- Breakouts & breaks
- Views & controls
Facilitator

Tamela Spicer
Program Manager
Johnson Center for Philanthropy
Zoom Hostess

Tara Baker
Philanthropy Assistant
Johnson Center for Philanthropy
Checking In
Foraker Nonprofit Sustainability Model

Focus → Right People → Partnerships → Unrestricted Funds → Program & Services

Sustainability
Tools for Sustainability

- Strategic plan or framework
- Marketing plan
- Fundraising plan
- Business plan
- Bylaws & policies
- Budgets
Financial Viability

Balance Sheet
- Debt
- Facilities
- Liquidity

Income Statement
- Reliability
- Surplus
- Coverage
Analysis

Organization Level:
- Stability
- Capacity
- Responsibility

Program Level:
- Funding
- Staffing
- Profitability
Why it Matters

1. Responsible stewardship
2. Compliance
3. Fiscal responsibility
4. Build public trust
5. Effective mission
Manage with Controls

- Minimize risk
- Protect reputation
- Promote efficiency
- Maintain policies
- Sense making for stakeholders
Types of Controls

Internal
- Cash vs. accrual
- Expense classes
- GAAP practices
- Record retention
- Compliance

External
- 990
- Solicitation
- Audits
- Payroll
- Testing
BREAK TIME!!!
WE’RE DOING “ZERO-BASED BUDGETING” NOW, SO WE HAVE TO JUSTIFY EVERY EXPENSE EACH PERIOD.

UNFORTUNATELY, WE DIDN’T GET APPROVAL TO TURN ON THE LIGHTS, BUT WE’LL TRY AGAIN NEXT QUARTER.
Budget Tips

- Revenue as starting point
- Multiple drafts
- Engage others
- Link to strategy
- Use data
Available resources
Evaluate the climate
Know your funding capacity
Branding
Know your story
<table>
<thead>
<tr>
<th>Gift Amount</th>
<th># of Gifts</th>
<th># of Prospects</th>
<th>Cumulative Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$150,000</td>
<td>1</td>
<td>4</td>
<td>$150,000</td>
</tr>
<tr>
<td>$75,000</td>
<td>2</td>
<td>8</td>
<td>$300,000</td>
</tr>
<tr>
<td>$40,000</td>
<td>4</td>
<td>16</td>
<td>$460,000</td>
</tr>
<tr>
<td>$20,000</td>
<td>8</td>
<td>24</td>
<td>$620,000</td>
</tr>
<tr>
<td>$10,000</td>
<td>16</td>
<td>32</td>
<td>$780,000</td>
</tr>
<tr>
<td>$5,000</td>
<td>24</td>
<td>48</td>
<td>$900,000</td>
</tr>
<tr>
<td>$2,500</td>
<td>40</td>
<td>80</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>
Board Role

- Support & guidance
- Financial forecasting
- Scenario planning
- Budget approval & monitoring
- Governance & policies
Art & science

Essential partner to philanthropy

Donor centered

Nurture loyalty

NOT a quick fix
In 2019, Americans gave $449.64 BILLION to charity

Where did the generosity come from?*
CONTRIBUTIONS BY SOURCE (by percentage of the total)

- **69%** Giving by Individuals
  - $309.66 billion
  - Increased 4.7% over 2018

- **17%** Giving by Foundations
  - $75.69 billion
  - Increased 2.5% over 2018

- **10%** Giving by Bequest
  - $43.21 billion
  - Flat growth of 0.2% over 2018

- **5%** Giving by Corporations
  - $21.09 billion
  - Increased 13.4% over 2018

Giving by individuals has grown in four of the last five years.

Where did the charitable dollars go?
CONTRIBUTIONS BY DESTINATION (by percentage of the total)

- **29%** to Religion
  - $128.17 billion (increase over 2018)

- **14%** to Education
  - $64.11 billion (increase over 2018)

- **12%** to Human Services
  - $55.99 billion (increase over 2018)

- **12%** to Foundations
  - $53.51 billion (increase over 2018)

- **9%** to Health
  - $41.46 billion (increase over 2018)

- **8%** to Public-Society Benefit
  - $37.16 billion (increase over 2018)

- **6%** to International Affairs
  - $28.89 billion (no change vs. 2018)

- **5%** to Arts, Culture and Humanities
  - $21.64 billion (increase over 2018)

- **3%** to Environment/Animals
  - $14.16 billion (increase over 2018)

- **2%** to Individuals
  - $10.11 billion (increase over 2018)

* All figures on this infographic are reported in current dollars unless otherwise noted.

Giving by foundations grew 2.5% in 2019, and has grown in nine of the last 10 years.

Giving to environment/animals organizations increased 11.3% in 2019, marking the sixth consecutive year of growth for this subsector.

Source: Giving USA 2020
49% EARNED Private Fees for Services
31.8% EARNED Government Grants/Contracts
8.7% DONATED Individuals
2.9% DONATED Foundations
1.5% DONATED Bequests
.9% DONATED Corporations
5.2% Other
Engage
Board

- Ethics
- Accountability
- Financial oversight
- Relationship building
- Giving
<table>
<thead>
<tr>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is the need?</td>
</tr>
<tr>
<td>Why does it matter now?</td>
</tr>
<tr>
<td>What makes us qualified?</td>
</tr>
<tr>
<td>What’s the benefit?</td>
</tr>
<tr>
<td>What are the consequences?</td>
</tr>
</tbody>
</table>
What
Every organization on the planet knows WHAT they do. These are products they sell or the services they offer.

How
Some organizations know HOW they do it. These are the things that make them special or set them apart from their competition.

Why
Very few organizations know WHY they do what they do. WHY is not about making money. That’s a result. It’s a purpose, cause or belief. It’s the very reason your organization exists.
What Story Can Do

- Provides connection
- Relate to experiences
- Inspire action
- Merge meaning & emotions
- Activates the brain
- Metaphors & symbols have power
Why an Annual Fund

- Nurture relationships
- Steady & predictable growth
- Unrestricted funds
- Minimize crisis
- Diverse revenue
Earned Revenue

- Intellectual property
- Consulting & training
- Products & services
- Rental income
- Building partnerships