Packaging Budget & Program into Donor Offers

Giving MGOs Something to "Sell"

An article from Veritus Group to help you succeed at major gift fundraising.

by Richard Perry and Jeff Schreifels

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don't have anything to present to donors," the MGO said. And his manager, a little impatient, said: "Just look around you. Look at all the things we are doing. Get out there and get familiar with them, and then you will know what to present to donors!"

That sums up the dilemma most every MGO faces as they try to do their best to raise funds for the organization they serve. It is one of the most misunderstood areas in major gift fund raising, one that raises the hackles of many managers who expect their MGOs to go out into the marketplace and "get the money."

We were in one meeting where we were talking about the need for more resources for the MGOs to present to donors, and the

What you will learn

✔ What Budget and Program Packaging is, and how it will transform your offers to donors

✔ How to implement this process for your organization

✔ How to use packaged programs to inspire your donors to give.

manager went off for over 15 minutes. She "did not understand what the problem is here. For goodness sakes, everyone sitting around this table knows what we do! This is not rocket science. What's the problem?"

So we patiently explained that one of the major reasons her team of very gifted and competent MGOs had not secured larger gifts was because they had nothing to present to donors, that what they did have was general program descriptions and a finance department that was not helpful in giving information and that, given these circumstances, it was impossible to be effective.

The manager was visibly irritated and impatient. But we continued.

Richard said: "Look at it this way. If this were a manufacturing plant, would you expect all the employees to bring their own tools and the raw materials to produce the product? Or if this were a retail store, would you expect all the employees to find and bring in the product they were going to sell and locate shelves, store signage and cash registers in order to process the sales? No, you would provide the product and tools necessary to help the employee do their job. But there is hardly any other example in any organization that I know of, commercial or not, where the employee is not only required to be good at selling and dealing with customers, but they also have to come up with the product to sell."

The manager was still irritated. But he had made the point. They needed to work together with program, finance and front line people to come up with "products" to present to donors. And if we helped them to do that well, we would see more major donors upgraded and more six- and seven-figure gifts come in.

The Old Way of Doing Things is Changing

Here's what most non-profits do with their numbers and financial information. The focus of their number-crunching is on maintaining old accounting categories and practices, rather than presenting life-saving programs to their donors. This old and antiquated system is hurting fundraisers which, in turn, is hurting the organization as it becomes increasingly difficult to raise money.

There is nothing wrong with the idea that nonprofits should follow standardized accounting procedures internally. But many good financial managers who use this system don't realize that without a change in the way they use these reports with MGOs and donors, they are damaging efforts to raise the support that they're accounting for.

When major gift officers work from standard budget lines to discover how much it will cost for a donor to support a program or project, they end up missing significant costs (overhead) that are vital and necessary for the program to continue. Then because this overhead is not being raised, MGOs face pressure from management to "get the money" in unrestricted gifts – which we know is far from easy.

Add to this struggle the fact that the donors are changing, too.

Joshua Birkholz, in his book Fundraising Analytics, says, "Donors are approaching philanthropy in a completely different way. They are making decisions more thoughtfully. Their gifts are following their own intended

purposes. Donors are seeking a return on their philanthropic investments. And they desire an increased level of personalization. Organizations embracing this change are climbing a mountain of success, while others, forcing their own models onto their donors, are fighting in the foothills."

We must never forget that donors choose to give because they want to make the world a better place. After donating to causes they are passionate about, they like to learn the measurable effect of their gifts. A bottom-line figure in an outdated annual report, some accounting mumbo jumbo, a glossy marketing brochure or some program description that is too general doesn't get the job done anymore. Nor does it tell the donor what he or she wants or needs to know.

It is a fact that donors are changing. They are expecting more in their relationships with their favorite charities. And that is why it is so important for a non-profit to "package their budget," a process we at Veritus Group call the Donor Impact Portfolio (DIP for short). There are three important reasons why an organization should implement a program packaging process:

- To directly address the changing donor landscape and their requirements.

- To support the fund-raising, marketing and communication functions of the organization by providing specific program information and pricing so that fundraisers can more effectively raise money.

- To reduce donor value attrition, which averages 40-60% in most organizations and represents multiple millions of dollars lost every year.

The Donor Impact Portfolio will show donors specifically what their money will "buy." It also addresses the five most common problems that currently exist within most non-profits related to finances and the budget:

1. The budget is organized for organizational purposes, not for donors.

2. The program part of the budget is understated, and therefore fundraisers are not focused on raising the total amount needed.

3. Overhead is seen as a necessary evil, not as an integral part of program.

4. It is almost impossible for fundraisers to represent what the organization does and quantify it because (a) they cannot get to the numbers within a program category and (b) the budget cannot be presented in ways the donor thinks and supports, i.e., in terms of what is being done for people and/or the planet.

5. Because of this situation, fundraisers and donors will tend to want to fund programs that are outside the budget, causing even more problems internally.

All of this results in a financial situation that younger, more inquisitive and business-minded donors find troubling and sloppy; the organization runs the risk of losing support from this very important and growing constituency.

Why? Because donors will want to see things their way and they will demand more accountability for how their money was spent. Gone will be the days that a donor just gives because "I trust them". There may be trust, but they will want to verify how things operate and, more importantly, they will be thinking about what the charity does in end result categories vs. accounting terms.

A donor offer is what a donor receives in return for her gift. The donor actually "buys" something. And it is this "product" or donor offer that you, as a leader, need to create.

Creating good donor offers is a two-part process and system that clearly lays out all the programs and services provided by your organization along with a "price tag" for each of them. Once you have this work done, the major gift officers, as well as others in your organization, will have true offers to present to donors. The donors will know exactly how much a program, service, or campaign costs to organize, manage, and execute. Then, the donor can "purchase" that offer to support the work of your organization.

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There are many benefits to doing this work:

- It takes your total budget and allocates it to the program categories of your organization.

- It communicates the program needs in a donor-focused process.

- It shows the donor the total costs of the program category including overhead.

- It allows your organization to communicate with donors in a way that suits them and causes them to respond and fund your total budget needs.

Principles of Packaging the Budget into a Donor Impact Portfolio

The idea of budget and program packaging is based on these principles:

Current Budget & Program: You'll be packaging what the organization currently does for people and the planet in an integrated manner. And this view goes down to the smallest level of the organization so that donors can grasp and support what is happening in every part of the organization. The reason we focus on current program is because that is what the current budget is all about. Our job in major gifts is first to secure funds for the current program – not something new.

All Costs Are In: It means that ALL the costs are included, both direct and overhead. Most fundraisers are only securing the direct program costs with their fundraising, NOT the overhead. This is a huge problem and one of the reasons many non-profits are in financial trouble.

The End Result: This process creates packages that cover a broad selection of things a donor can support in the current program. It could be children, youth, young adults, couples, seniors, animals, the environment, issues of justice, the arts, economic development, education, health care, drug rehab, single parent care, child care, job training, spiritual work, housing, feeding, etc. – any number of ways to help. And the donors could look at it as all of the above PLUS a specific PLACE that they are interested in.

Donors Won't Pay for Overhead!

You may have noticed that we are advocating that you include overhead expenses in your packaged budget and programs. That's right – and we believe it's essential. But there is something about overhead that is so toxic to major gift officers that they literally run away from it every time it gets close to them.

And it's not only MGOs that are repulsed by the topic. Managers and leaders feel pretty squeamish about it too. You bring up the subject and you can see their bodies tighten, as they get ready to defend this nasty but necessary thing.

We were in a meeting once with some managers where the "O" word came up. You would think we had just moved into the ring of a major boxing match. Goodness. Some managers were defensive. Others quietly retreated into their spreadsheets. Still others moved into some language about "We're doing the best we can to keep costs down."

So we stepped into this swamp with the following question: "What do you think donors think about overhead?" And we were off on a fun journey that mixed one cup of philosophy with another cup of reality and ten pounds of anxiety.

The core assumption in this meeting, and in non-profits in general, is that major donors do not like, nor will they pay for, overhead. This is wrong for several reasons.

Overhead is a good thing. What?! A good thing? Yep. And we need to start talking it up. No more of this sniveling, shifty, wandering into a dark corner about this subject. We need to embrace it for the good that it is.

Overhead is necessary. Here is what is so funny about this topic. If you didn't have overhead you wouldn't have anything. It is still mind-blowing to us to sit in a meeting with seemingly intelligent people and have them imply that overhead is bad, must be pushed down to levels that make it impossible to run the organization and must be hidden in financial reports so ill-informed donors can't find or discern where they are or how much they are. This is truly comical.

There was another meeting where Richard got into quite a heated debate with a top finance guy on the need for overhead. You should have heard the positions he was taking. It was like we were on a different planet. Richard would say, "But, Bill (not his real name), you just cannot run this organization on the 10% you are saying you run it on. Your costs are really in the 20-26% range. Why don't you just come out with it?" "Because the donors won't pay for it, Richard. That's why!" And they went round and round.

Here's a guy, not unlike hundreds we have met, who (a) really believes overhead is nasty, (b) can't find a way to tell the truth about it, and (c) is trapped in the circular argument he has created. Richard even made the following argument: "OK, Bill, let's eliminate this overhead item and that overhead item, etc. Now, can you run the program?" He had to admit he couldn't, which made Richard's point. Overhead is a necessary and needed part of pulling off the mission of the organization. Why is it that we can't get this in our heads?!?

The non-profit world and the watch-dogs have perpetuated a misconception about overhead. There are many people out there, non-profit leaders and self-appointed watch-dogs, who find virtue in propagating the idea that overhead under 20% is right up there with sainthood. Unbelievable. And for many of these people, when you look under the blankets in their organizations, the real number is far higher than what they are publishing – they simply have adopted sophisticated legal ways of packaging it all. We wouldn't say it's ethical – but it is legal. This just causes more pressure on the sector and keeps donors in the dark on the subject. There are a few glimmers of light out there on this subject with some leaders who are showing courage by speaking out and taking action. But it is slow in coming.

Do This First

So now we've laid out the rationale for packaging the budget and program of your organization. Before even beginning to implement it, let's consider some steps you need to take first, to ensure the success of this exercise:

1. **First, get YOUR head right about this issue.** The way we've worked through this topic to get to a balanced place was to look at how much effort it takes to make a product or make profit in a commercial company. We also looked at how much effort it takes to get anything done. When you really look at this in a number of areas of life, you'll see that the relationship of cause and effect – of effort to make something happen vs. achieving the result – was a lot larger than you may think. If all you had to do in life was make a 10% effort and get a huge result, life would be easy. You might have had a different path, but stop and think about this a bit. And ask yourself the question – what DOES it take to get the program delivered in a non-profit? And how important a role does overhead play in making program happen? Your honest answer will help you land in a better place.

2. **Realize that major donors can understand how overhead is a critical part of delivering program.** More and more, enlightened donors are really getting it in this area. They know what it takes to get things done. Many major donors are business people and entrepreneurs. They know what they went through to be successful. They know what overhead they had to have to make things work. They really do understand. But YOU need to talk sensibly about this. And that is why…

3. **You can make a difference in this area.** If you start talking about overhead in a calm, professional and sensible way, you can start to change this around as your donors begin to understand that delivering life-changing help to people and to our planet will not happen without these basic support systems in place.

4. **Make sure your leadership is on board with Budget and Program Packaging.** Believe it or not, we have seen multiple situations in large and small non-profits where the fundraising "troops" are yearning for more program information to present to donors, but upper management (including the top leader) is totally indifferent to the idea. The top person actually does not know where the money comes from! Unbelievable. Getting top leaders on board is vital. We have been involved in situations where the top people wag their heads in agreement to this approach, but do not mandate it down through finance and program. At other times, a relatively low-level finance person was holding the entire organization hostage by not implementing the program because "he just didn't think it was worth the effort." A good leader will make the difference in seeing the process through.

5. **Make sure program understands what you are trying to do.** You may find this hard to believe, but many program people do not know where the money comes from in their organization. Can you say "DONORS"??? This is another unbelievable dynamic in many non-profits. The program people are so focused on "doing" program that they cannot give any time or attention to service the donors, the very source of their funding! Now, there are a lot of program people who have this right. But we've been around this long enough to know you had better make sure the program folks are with you on this, before you dive into implementing Budget Packaging.

6. **Make sure there is a commitment to allocating overhead to program categories.** OK, this is a BIG one – a really big one. We have attended meetings with intelligent, competent, well placed

professionals in some pretty impressive organizations, and they told us they could not support allocating organizational overhead to individual program categories and projects. So, in a $50 million dollar organization you could have $10-12 million in overhead that just sits there and can't be raised without going through all kinds of rather dubious tricks and sleight of hand moves to make the ratios turn out fine. This is another unbelievable situation. In one case, a leader of a large non-profit was asked, "So, do you think, Al (not his real name), that you could run this organization without that $10 million in overhead?" "Of course not," he said, "don't be silly. Of course we couldn't do it." So we followed up with, "Well then, what you are saying is that you need this overhead to deliver the program, right? And it then seems that proportionately allocating the organizational overhead to each of the programs and projects makes sense. It's an actual cost of doing the program!" He would not hear of it. Although we felt like screaming, we took a breath and moved on. You need to gain a commitment from the "powers that be" on allocating your overhead to program categories.

Phase 1:
Packaging the Budget and Program

As we said earlier, there are two phases to getting this work done and creating effective donor offers for your front-line fundraisers.

Phase 1 is about packaging your budget. Here is where you organize a team which includes program, finance, and fundraising personnel and, together, take the entire budget of your organization and reframe all of it into a list of program categories and sub-categories. The process has ten steps as follows:

1. Create a master list of program categories and sub-categories that represents everything your organization is doing for a full financial period.

2. Write up brief definitions of each program category and sub-category so that anyone who reads it can easily understand the objective of the work defined by the category.

3. Assign as much of the current operating budget as possible to each category and sub-category and assign any known overhead to a specific program if possible.

4. Allocate remaining overhead proportionately to all the program categories and sub-categories.

5. Add up all the expense items by program category and sub-category. The total should agree to the total of expenses of your budget

6. Identify known sources of revenue, that are already committed and assign them to the related program category or sub-category. This would be sources like grants or firm multi-year commitments.

7. Identify known sources of gifts in kind that are already committed and are also in the expense budget and assign them to the related program category or sub-category.

8. Identify previous financial year surpluses and assign them to the related program category or sub-category.

9. Add up all the income items by program category and sub-category.

10. For each program category and sub-category subtract the revenue total from the expense total. The resulting number will be what needs to be raised for each program category or sub-category.

After you have reconciled the numbers, you will be ready to use this financial information to create donor offers. There are several principles to keep in mind as you are getting ready to do this:

• **More research will usually be required** to secure information for a specific fund-raising situation. The dollar value of each of the categories and sub-categories of information will usually be too large to talk about in any meaningful way with a donor. These larger amounts will be useful if you are using the information in an annual report or a report that gives the macro view of how funds are spent. What this practically means is that you will need to do a little more research to uncover the dollar value associated with the sub-categories of program within the larger category.

• **Overhead is not a bad thing.** It costs money to run anything, whether it is a commercial or not-for-profit effort. Many people in the not-for-profit world have adopted a mentality that overhead is bad, rather than thinking about it as a legitimate cost of doing business. We have even trained donors to think this way. If overhead were eliminated in any commercial or not-for-profit endeavor, that effort would collapse and its mission would not be realized. When using this information, make it a point to embrace the fact that overhead is an important and necessary part of fulfilling your mission.

- Total costs in a category include most of the overhead (fundraising and administration) in the budget. Because, in most instances, it is easy for finance to allocate certain overhead costs and more difficult to allocate others, some overhead remains in a general un-allocated column. This means that if you select a category to present to a donor you will have to allocate the remaining overhead associated with that category before presentation.

- In some programs, unit costs may be unusually high. One by-product of analyzing data this way is that, in some program categories, when you divide the number of people, animals or program sites helped into the expense total for that category, the cost per unit helped is unusually high. When you encounter this situation, please discuss this with finance and program personnel to gather a proper explanation before presenting this information to a donor. This situation will either require more explanation to a donor OR it could suggest that you really do not have a strong enough case of support to present for this program and therefore should not present it to the donor.

- One of the advantages of this system is that the information may be looked at in many different ways: by category, by sub-category, by country, by region, by beneficiary, by price or any combination of the above. This allows your MGO to tailor information to the interests and passions of the donor. It also helps by providing all the info needed to show a donor what can be accomplished through their giving in their specific area of interest.

- Government grants don't cover all the costs. It is important to remember that just because a government (or other) grant covers most of the cost of a program it does not usually cover all of it. For instance, let's take an education program where the direct program costs are $900,000 and the overhead and administration associated with that program are $300,000. The total cost to run the program is $1.2 million. But the grant covers only $900,000. There is still $300,000 in costs that is not funded and should be presented to donors as follows: "[Donor Name], I know you are interested in the childcare program. The total costs to run it are $1.2 million. We have funding for $900,000 but we still need $300,000 to cover all the costs."

- Bring finance and program back together again if there are any unanswered questions. If you run into a situation where the numbers are just not making sense, work with finance and program personnel for more answers.

Now that you have packaged the budget, you can move to Phase 2, which is **offer creation.**

Phase 2:
Offer Creation using Packaged Budget and Program

Remember, simply put, an offer is a compelling and persuasive story for support. It's based on a societal problem, the funding gap, and how the donor, through the organization, closes that gap while promoting social or environmental transformation.

A compelling offer must connect the impact of your organization's work with the passion of the donor. It must, in human and emotional terms, state the need in a compelling manner, provide a believable solution and persuade the donor to take action through a donation:

Compelling Need → **Believeable Solution** → **Donor Adoption**
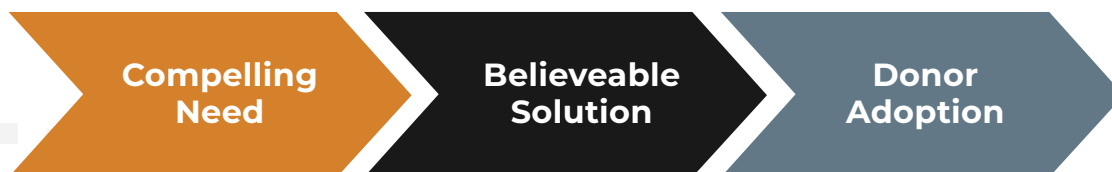
We see a lot of offers in our work. Many of them are text-heavy and too technical. They use insider language and focus on the organization. How does this happen? The creators of the offer have missed the point that if

the offer is all about why "our organization needs the funds," or "why our organization is important," or "what our organization is doing" – then it is all about the organization and not about the need or how the donor can take action now to address it. It doesn't have to be this way.

Your donor needs to know how he or she can help make the world a better place through their gift. Let's talk about this in more detail by seeing it from the donor's point of view.

"What do you want me to do and why?" the donor practically yelled. "I don't understand what you are saying. And whatever you ARE saying is really not grabbing me!"

This sums up the problem in most major gift fundraising. Your MGO wants the donor to give and spends a lot of time figuring out how to motivate her giving. But the MGO doesn't spend enough time describing the need. And when he or she does describe it, it is not compelling.

Let us explain what we mean.

When you look at the meaning of the word "compelling," the first words/ phrases that come up are "forceful, demanding attention, draws you in, attracts your interest, convincing and irresistible."

So here is the key issue. When you look at the presentation the MGO is currently working on for your donor – any presentation, in any form, ask yourself these four questions:

- *Is the presentation* **forceful?** Does it make a strong case for action?

- *Does it* **demand attention** – *does it* **draw you in** – *does it* **attract your interest?** Seriously, there is so much noise out there that it is often difficult to find ways to cut through the clutter and draw the donor in. We saw one approach where the opening headline was, "We need to talk about Mary." And then there was a picture and a story. You couldn't help but stop what you were doing. It demanded attention. It drew you in. It caused the reader to be interested. What does your presentation do?

- *Is it* **convincing?** Is your description of the need convincing and believable? When you've finished reading it are you absolutely convinced that (a) the need is true, and (b) "I must DO something about it!" If not, go back to writing a new version. If you have a great description of need, but the solution falls flat on its face, then you have some work to do in that area. The convincing bit is on both sides: the description of the need and the description of the solution.

- *Is it* **irresistible?** This is the final key point. Irresistible means that the donor just cannot avoid taking an action. If you have done the first two steps well – describing the need and providing a believable solution – then the donor will move to adoption. If she doesn't, then you either missed it on one of those points OR you chose an area she just is not interested in.

We suggest you run every single letter, proposal, video, web page, etc. through these "test" points to see if your message is compelling. If it isn't, don't expect the donors to respond. They just can't. And you really can't blame them.

All of us, as human beings, are wired to solve problems and help others. When we don't help others, it's usually because we were not convinced there was a need. Or, if we are convinced, we don't feel the proposed solution is either helpful or practical. That is the cold reality.

The good news is that you can do something about it. So, your MGO and your fundraisers should focus on that.

Effective Offers Need Stories

We need to talk about one more topic that is related to creating effective donor offers. It's about stories. One of the most difficult aspects of major gift fundraising is securing stories to share with donors. It is something most MGOs struggle with every day.

There are two types of stories a MGO needs to collect:

01 *Need stories.* The most effective way to convey the need your organization is meeting is to have a person tell their story about their need. There is nothing like it because it takes the donor right to the scene, where they can experience the need. These "need stories" never have a solution. It is simply a personal story that illustrates the need for action (and funding).

02 *Results stories.* We call these "YMAD" stories (You Made A Difference). Again, it is a person your organization serves who gives a first-person account of how they have been helped and, by extension, how the donor made a difference in their lives.

It is easy to define what stories need collecting; it is very difficult to actually collect them and prepare them to be shared. That is why we were fascinated to read about what the YMCA of Rye, New York did to solve this problem.

Denise Woodin, Director of Community Outreach and Social Responsibility and Lisa Tidball, Communications Director had tried all kinds of ways to collect stories, with limited success. Denise thought that the method of one-

on-one, in-person interviewing might be a way to get YMCA members to share their stories.

So, she and Lisa put together a committee and created an event whose only purpose was to collect stories via one-on-one interviews. They held the event over a three-day period and called it "Voices of the Community: The Rye Y Story Project." It was an amazing success. Here are some details of how they pulled this off:

1. *A select group of staff members were asked to conduct the interviews.* Then they were trained on interviewing techniques.

2. *They promoted the event to their members:* ten days prior to the event, they posted the details on their website and handed out flyers to their members, explaining what they were trying to do and why. (I would probably start the advertising for this a month before the event in a special self-mailer to all the members with a reminder ten days prior. And the self-mailer could have a reply device where a member could commit to being interviewed. You get the picture.) If you are going to do this, spend a little money promoting it widely so you can spread the word to all your members/clients. Then make it easy for them to make a commitment to be interviewed. And when you think of the money you will spend, remember this: **Stories are the life-blood of fundraising. It is worth every penny to get them.**

3. *They prepared a place for the interviews* that was highly visible and would create a sense of privacy for the storytellers. A member of their maintenance staff suggested using gym mats standing on their sides to create three-sided "story booths."

4. *They conducted the interviews and collected the stories.*

5. *They shared the stories.* I found this point really interesting. Throughout their facility, the committee exhibited the stories and pictures they had collected. You can imagine the buzz the place had, as staff and the public read the stories of the people the YMCA had helped. Awesome.

This is the core idea – and it is a good one. We suggest you try it in some form, adjusting the advance publicity to increase attendance of your storytellers. You may even end up doing this three to four times a year, so that you are constantly feeding stories into your fundraising efforts.

Here is another nuance to this idea. It could be that Denise and Lisa, in their original concept, set about to collect stories from people who had benefited from the YMCA. This is good. These are results (or YMAD) stories. But how could you use this idea to collect "need stories"?

You might go into a gathering place for people whom your organization typically helps, set up a Story Booth or use a private room and literally go around the room and ask people if they would be willing to share their story. You may have some explaining to do, but we find that if you do this in a respectful way, people are happy to tell you the journey they have been on. (Of course, in all of these situations you need to have releases etc. and exercise a great deal of caution and respect so the person is honored through the process. But this could work. Try it.)

Also, as you are doing this and you encounter stories of need or results that are especially compelling, ask the person for permission to interview them more extensively, and secure pictures and video. Then go to "their place" for a more in-depth look. We are sure that if you do this right, you or your MGO will never be the same, as you yourself get close to the need.

Stories are so important in your work. They bring to life the emotion, drama and pain that people are going through, and they also reveal the wonderful thing that happens when you and others help to change things around.

Three Important Things to Remember About the Donor Impact Portfolio

1. ***Behind every DIP allocation sheet there is program input information at a lower level.*** It is important to remember that there is specific program information at other program levels which not only identifies what is spent in program categories and sub-categories but location, the ages and family composition (if the beneficiaries are people) or type of program for each of those programs or whatever fields of information you decide are required in the design of the program. So, if you want detailed information about a specific program category, this is the place to look for it. This is where you can construct the most personal and specific offer/ask for your donor.

2. ***The numbers don't tell the whole story.*** You must go to the program people to get anecdotal information (stories and info) about what the program does, how it works, who it helps, etc. Be prepared to spend some time with program personnel uncovering this information so that you can prepare a balanced, factual and motivating presentation to a donor or interested member of the public extension. Share how the donor made a difference in their lives.

3. ***Overhead is an integral part of running the program.*** As stated earlier in this paper, overhead is a good and necessary expense item. Be sure you have your head and your heart right about this topic before presenting DIP information to a donor. As best as you can, present total numbers for a program, rather than presenting overhead as a separate category.

How You Can Use Packaged Budgets and Programs

How can you use the information you've created through this process? Obviously, you can pull out information for major donor asks, based on their passions and interests, and include that MUCH more easily in your presentations.

But this is far from the end of the usefulness of packaged programs. Here are some other ideas, which are not listed in any particular order of importance:

1. *Reports of all types.* Use the packaged information to tell donors and other stakeholders what you are doing and how much you are spending in each program category. This system is a good source for annual reports.

2. *Direct mail.* Packaged program information can be used to formulate offers and asks for direct mail appeals, newsletters and receipt letters and stuffers. In newsletters, this information can be very helpful to more fully explain what you are doing in a specific category.

3. *Online content.*

4. *Brochures and collateral.* Use packaged program information to create category brochures or other collateral which explain the various program initiatives of the organization.

5. *Radio, television and other electronic media.* Packaged program information can be used to explain how funds are used, or for offer/ask creation in documentaries and fund-raising efforts for radio, television, the production of DVDs, CDs and other forms of electronic media.

6. *Events.* Use packaged program information to frame offers, asks and project presentations for events.

7. *Major donor programs.* As mentioned above, packaged program information can be used to match the donor's interests and passions to a category of program service and thereby create an offer or ask that is appropriate for the donor.

8. *Planned Giving.* When explaining to a donor how her planned giving involvement with the organization can help, the packaged program information can be a critical piece for making your case as to how the donor's funds can be used.

9. *Capital Campaigns.* While capital campaigns are usually forward-looking, i.e., building something in the future to meet a need, the packaged program information can be useful in explaining how programs similar to the one being planned for in the capital campaign have worked in the past, and how this one will work in the future.

10. *Foundation Proposals.* Use packaged program information to create foundation proposals that match the funding criteria of the foundation.

11. *Church and club presentations.* Packaged program information can be used to create projects for churches and social clubs, matching their areas of interest to the categories in your program packages.

These are just a few ways you can use the packaged budget and program information not only to raise money, but also to report back to donors on how money is being used. You can marry the packaged financial information to results statistics in the creation of powerful feedback to donors on how their money was used and what a difference it made.

One thing is for sure: if you can pull this off (admittedly this will not be easy), you will see tremendous growth in your revenue as it becomes easier and easier to tell your donor WHY you need the money and WHAT you did with it.

With these two critical and strategic arenas as the key drivers for successful fundraising, we at Veritus can't imagine why any MGO would want to do his or her job without this information.

Veritus Group is a full-service mid-level, major gift and planned giving consulting agency serving non-profits all over the world. We help create, build and manage major gift, mid-level giving and planned gift programs by combining donor-centered strategy with solid management that is focused on accountability.

You can reach us on the Web at **www.veritusgroup.com** or by contacting Amy Chapman at (215) 514-0600 or achapman@veritusgroup.com.

More resources like these are available for free at **www.veritusgroup.com**

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