

Resource Mobilization: Basic Concepts and Principles

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Phuket, Thailand
July 11, 2005

Key Marketing Messages

What makes the CF unique

- The CF Board represents all segments of community
- The CF does not run programs, but builds capacity of other NGO's through grants
- The CF addresses multiple issues
- The CF serves a specific geographical area
- The CF has extensive local expertise
- Cf's are designed for long-term sustainability
- CF's provide services to donors through individual funds, and are uniquely equipped to do so because of the other characteristics above.

Key Marketing Messages

What key functions does the CF provide in the community?

- Local Expertise
- Donor Services
- Community Leadership

(from the work of the National Marketing Action Team (US); tested in 9 North American and European countries; also validated by community foundations in Africa, Asia, and Latin America.)

Resource Mobilization: Positive Expectations

- The philanthropic impulse is universal.
- The expectation of philanthropy is part of every major religious and cultural tradition.
- Kiswahili Proverb: “Charity is not a matter of wealth, but of the heart.”

Resource Mobilization: Distinction Between Operating and Grantmaking Funds

- **Operating Funds:** Funds for supporting the activities of the CF: financial management, grantmaking, community leadership, donor services, and asset development
- **Grantmaking Funds:** Funds created for the purpose of making grants to other NGO's

Resource Mobilization: Operating Support

Three Stages:

- Start-Up
- Survival
- Sustainability

Sustainability will be achieved by diversified sources of revenue that DO NOT include gifts and grants from outside organizations.

The time to develop a comprehensive plan for operating support from start-up to sustainability is Day One.

Securing Operating Support: Sources of Start-Up Funds

- The “inner circle”
- Other Community Leaders
- The “usual suspects”
- Private Trusts
- Expatriates
- International Agencies
- Local Government
- In-kind gifts
- Administrative fees

Securing Operating Support: Sources of Survival Funds

- Previous funders
- Administrative fees
- Grants to Yourself
- Fees for Services
- Project Grants
- Operating Endowment
- Earned Income

Securing Operating Support: Sources of Sustaining Funds

- Administrative fees
- “Float”
- Membership dues (in exchange for membership benefits, products or services)
- Fees for services
- Product sales
- Use of 'soft' assets (e.g., licensing agreements, patents, copyrights, etc.)
- Use of 'hard' assets (e.g., rental of unutilized equipment, real estate, etc.)
- Ancillary business enterprises
- Investment earnings (e.g., income earned from both 'passive' investments like interest from savings; or dividends earned from more 'active' investments in the stock market, etc.). This category includes income from operating endowment.


Grantmaking Funds

What is a “Fund”?

- A distinct accounting entity
- Individually named (donor, cause, loved one)
- Makes grants for charitable purpose defined or agreed to by the donor(s)
- Usually pooled for investment purposes
- A component of and controlled by the CF.

Types of Grantmaking Funds

	Endowment	Long-Term	Pass-Through
Unrestricted			
Field of Interest			
Special Project/ Initiative			
Designated			
Advised (Participatory)			



Raising Grantmaking Funds: The Importance of Endowment

- Credibility
- Permanence
- Independence

Fund Governing Documents

An Agreement Between Donor(s) and CF

- Donor's name(s)
- Asset given
- Understanding that gift is irrevocable (i.e., that it will be controlled by CF after it is made)
- Cy pres
- Fund name
- Charitable purpose (type of fund and more specific purpose if applicable)

Fund Governing Documents

- If advised, who are Advisors
 - How chosen, if applicable
 - Successors, if applicable
- How it will be invested
- What is the fee?
- Can others contribute?
- Adherence to law and Foundation policy

Raising Grantmaking Funds: “Target Markets”

- Individuals
 - Lifetime
 - Legacy
- Corporations
- Foundations
- Other NGO's
- Government

Key Marketing Points: Individuals

- Assume and awaken the philanthropic impulse
- Give back to the community or help those less fortunate
- Make a difference
- Address issues you care about-”What is your cause?”
- Family permanently remembered
- Anonymity
- Others?

Key Marketing Points: Corporations

- Knowledge
- Efficiency
- Self-interest
 - Strengthen community
 - Visibility
 - Customer loyalty
 - Employee loyalty
- Others?

Key Marketing Points: Foundations

- Local knowledge and partnership
- Build culture of philanthropy
- Eliminate administrative burden
- Others?
- Caution

Key Marketing Points: Other NGO's

- Financial stewardship
- Visibility
- Provide expertise on fundraising and other issues
- Others?
- Caution

Key Marketing Points: Government

- Improvement of local community
- Efficiency and flexibility
- Public-private partnership
- Attract non-government funds
- Others?
- Caution

Resource Mobilization With Attitude

- We are not a supplicant
- We are a strong, well-run organization with a sound sense of our mission
- We have valuable assets to offer our philanthropic partners (donors, intermediaries) and the community

