

Development for Conservation

Fundraising Innovations

Prepared for

Land Trust Alliance – 2024

March 2024

David Allen, Development for Conservation



**DEVELOPMENT
FOR
CONSERVATION**

If I Could Change Two Things ...

- Learn to see us as helping people do what they want to do, instead of the other way around
- Learn to imagine why someone might say YES before we ask them



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Frames of Reference

- “Major” describes the decision to give, not the person making it.
- Major Gift Fundraising or Donor Development is the most important fundraising you can do.



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Plan for the Session

- Capital Campaigns
- Call Gifts
- Tradelands
- Planned Giving and Legacy Match Campaigns
- A Little Bit on Events
- All You Can Eat Q&A



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CAPITAL CAMPAIGNS



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WHY??

- Large project to complete
- Multiple projects to complete
- Dog projects to complete and other costs to bury
- Exercise



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WHY NOT??

- RISK
- Wrong Project(s)
- Don't know your donors that well
- Not ready
 - Not Organized
 - Missing Leadership
 - Not enough time



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Four Conditions for Success

1. Donors
2. Leadership
3. "Case" Materials that Match Donor Passions
4. Solid Plan



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Is it Feasible?

- The Goal: Test 120% of What You Need
- Can I name Five donors whom we can credibly ask for 25-40% of the Goal - each?
- Can we expect at least 10% to come from the Board?
- The Most X 20 Test



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Reasons to do a Feasibility Study

- Prepares donors
- Lends confidence to solicitors
- Gathers and delivers objective feedback for the organization
- Tests feasibility of messaging and goals



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Products

- Feasibility Opinion
- Preliminary Case Statement
- Draft Campaign Plan, Timeline, and Budget
- Recommendations for Campaign Chair
- List of Qualified Donors with Recommended Solicitation Amounts



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Ballpark Budgeting

- 7%
 - Case materials
 - Video
 - Travel
 - Events
 - Dedicated Staff time and/or Consulting
 - King Air
- 8% - Operating fund depression
- 5% - Uncollectible pledges



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Guided Role Play

- What do we know about the donor?
- What are we going to ask for?
- Why will S/he say YES? How can you improve the chances?
- Who will actually say the “ask” words? Let me hear them.
- How do you expect them to react?
- What will you say then?
- What else might they say?
- What would success look like?



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CALL GIFTS



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The Problem

- Land is Expensive
- Conservation is even more expensive than the land
- Most land trusts don't have TIME to raise the money in between contract and closing



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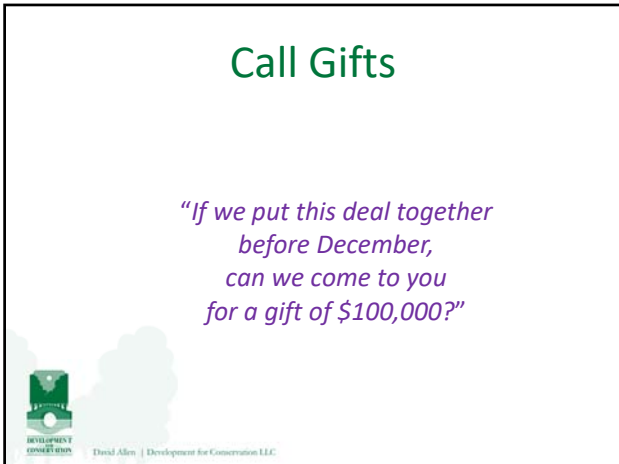
Tried & True Solutions

- Building an "Opportunity" Fund
 - Could drive up the asking price of the land
 - Sets up a cycle of asking for intangible projects
- Securing a LOAN
 - Incurs carrying costs



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Gift of Real Estate - Tradeland

- 1,500 square foot Single Family Home, rented to CSU students
- \$360,000 appraised Value;
\$135,000 mortgage
- Needed radon and mold mitigation, paint, several significant repairs – total ~ \$35,000-40,000
- Tate wanted money split between four charities
- Net to Land Trust = \$42,000



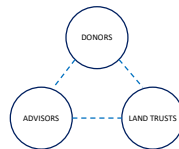
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Key Stakeholders

DONORS
Private Individuals
Corporations

ADVISORS
Tax Accountants
Tax Attorneys
Financial Advisors
Wealth Managers
Insurance Brokers
Real Estate Brokers

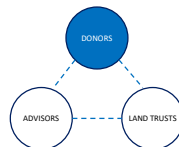
Land Trusts



Key Stakeholders – Donors Say “Yes” (Increasingly Aware)

Donors benefit from giving appreciated assets

- Tax Reduction (avoid capital gain tax)
- Tax Deduction (receive tax deduction at appraised value)
- Preservation (retain liquid assets v. complex assets)
- Simplification (remove complex asset from estate)



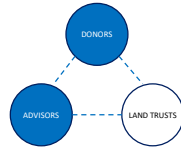
Key Stakeholders – Advisors Say “Yes” (Increasingly Aware)

Donors benefit from giving appreciated assets

- Tax Reduction (avoid capital gain tax)
- Tax Deduction (receive tax deduction at appraised value)
- Preservation (retain liquid assets v. complex assets)
- Simplification (remove complex asset from estate)

Advisors are willing

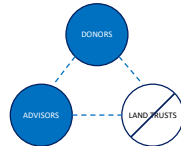
- Retain Current Generation (Sophisticated Outcomes)
- Capture the Next Generation (Donor Advised Funds)
- Grow Fee Based Investments (Convert Hard Assets to Cash)
- Earn Transaction Fees (Insurance & Real Estate)



Key Stakeholders – Most Nonprofits Say “No”

Most Nonprofits don't even ask for gifts of real estate

- Too complex (Bargain Sales)
- Too much risk
- Lack of allowable funds
- Lack of expertise
- “Mission Drift”
- Donor wants to support multiple nonprofits

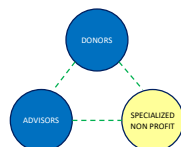


The Solution – The Specialized Nonprofit

Mission –

To promote the charitable giving of real estate by accepting real estate gifts of any kind, anywhere... fixing or remediating assets, converting them to cash... using the net proceeds to make grants to other non-profit organizations for current and planned gifts.

Through grants and educational efforts, make a meaningful impact on charitable giving through gifts of real estate.

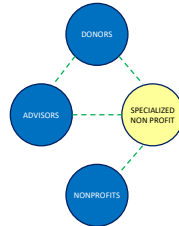


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Gift of Real Estate - Tradeland

- Tate wanted money split between four charities – RGF made that happen
- Tate gifted the house to Realty Gift Fund – a 501c3 nonprofit
- RGF paid off the mortgage, readied the house for sale, and sold it – Net proceeds ~ \$180,000
- RGF took 7.7% or about \$14,000
- One Colorado land trust and LTA shared half ~ \$42,000 each



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LEGACY MATCH CAMPAIGN



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An estimated \$68 Trillion will transfer from
Boomers to **Gen-Xers and** Millennials
between now and 2034



Source:
Forbes

Essential Concepts

- If you are not actively involved building major gift and planned gift development programs right NOW, you will miss out on some or all of this transfer.



Legacy Match Campaigns – the Essence

- Member/donor names the land trust in their will
- Member/donor notifies the land trust in writing that the land trust has been named in their will
- \$500 is released from the matching grant



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Program Considerations

- Organized way to track legacy donors
- Web page with basic, downloadable information
- Bequest Distribution Policy
- Point person to field questions



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Campaign Considerations

- Securing the matching grant(s)
- Determining the campaign specifics
- Marketing the campaign
- Orderly communication with matching gift donors – including the possibility of thank you notes



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Benefits to the Matcher

- Unbelievably leveraged giving
 - Average bequest donation is around \$60,000
 - A campaign that generates 20 planned gift notifications represents about \$1.2 million
 - Not bad for a \$10,000 grant
- A way to help NOW and help in the future



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Benefits to the Land Trust

- Cash for use this year
- Knowledge of bequest commitments
- Opportunities to have different conversations with donors (life estates, appreciated assets, life insurance, annuities, and so on)
- Important new way to market planned giving



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FUNDRAISING EVENTS



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Fundraising Events


Examples

- Galas
- Runs, walks, hikes, bikes, triathlons
- Golf tournaments
- Rummage Sales




Reasons NOT to do

- FR Events do not raise enough money
- Difficult to scale
- Competition
- Some events “run their course”
- Inherently transactional



Reasons NOT to do

- Distracts Board and staff from activities that might raise more money (opportunity cost)
- Leaves donors feeling like they have “contributed”



Acknowledgement Events Examples

- Dinners (or lunches)
- Receptions
- Ribbon cuttings
- Retirement parties
- Anniversaries



Engagement Events Examples

- Field Trips
- Library Lectures
- Project tours
- Volunteer projects
- Living room get-togethers
- Backyard BBQs
- Networking events

Helpful Best Practices for All Events

- Have a singular event GOAL or purpose
- Write down what you expect to happen
- Measure your results (evaluate) against what you expected - Take Board participation out
- Board members attend as Ambassadors and Hosts - and report back
- Photograph the event
- Follow-up



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REVIEW



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Mistakes We Make

- Planning from behind
- Defining major gifts by dollar amount
- Failure to ask
- Measuring events by how many show up
- Confusing exposure with engagement
- Substituting electronic contact for more personal contact



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4 Paradigm Shifts

1. Fundraising is more about **discovery** than about selling
2. Focus on the **NET**
3. Major describes the **decision**, not the person
4. Plan for **WHY** a person might say **YES**, instead of imagining all the reasons they might say No



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Review

- Major Gift Fundraising is the most important fundraising you can do
- Step by Step instructions
 - Need an Introduction
 - Learn (Discover) WHY they give and feed that
 - Involve - tangible, bring them to the land
 - Invest



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Major Gift Fundraising

Cultivating, soliciting, and stewarding INDIVIDUAL donors - treating them as individuals - is the primary differentiation between major gift fundraising and all other fundraising.



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Applications

- Capital Campaigns
- Call Gifts
- Tridelands
- Legacy Match Campaigns



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DAVID ALLEN

I am a non-profit fundraising consultant. I work with nonprofit boards and staff to help them learn how to be better leaders and advocates. I work almost exclusively with conservation organizations because that is where my heart is.

My background includes 30 years working in membership fundraising, major gift development, communications, and marketing. I worked for about half that time for Nature Conservancy (TNC) chapters in Oregon, Texas, and Wisconsin. In addition to my duties for the individual chapters, I served TNC as an internal fundraising consultant and major gift development trainer.

In 2000, I served as the vice-president of operations for the Wisconsin-based, international conservation organization Sand County Foundation, a position I held through mid-2009.



Gathering Waters Conservancy, a land trust service agency based in Wisconsin, called me in 2004 to ask whether I would be interested in teaching a seminar for Wisconsin land trusts on major donor development. From 2004, then, through 2009, I consulted on a nights and weekends basis with just a few clients each year.

In March of 2009, I launched my consulting business full-time using the name **Development for Conservation.**

Also in 2009, I partnered with Nancy Moore to form **Conservation Consulting Group.** Together we help land trusts by providing needs assessment, strategic planning, and leadership coaching services.

I consider myself a strategic thinker, problem solver, facilitator, educator, and program developer who brings a particular passion for conservation and the environment.

Practice Competencies

Fundraising

- Development Audit
- Strategic Fund Development Planning
- Staff/Board Training and Development
- Major Gift Coaching
- Capital Campaigns: Feasibility, Planning, Management

Organizational Development

- Strategy Development
- Practice & Process Assessment
- Problem Solving Facilitation
- Marketing

David Allen

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