

## Draft Fundraising Strategy

### Basic Information

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<b>Status of Paper</b>	Draft
<b>Action Required</b>	Discussion
<b>Draft Resolution</b>	
<b>Alternative Options to Consider, if Any</b>	

### Summary of Content

<b>Subject and Aims</b>	A fundraising strategy for the Mission Funds for the Methodist Church in Britain, which aims to: <ul style="list-style-type: none"> <li>• maintain and extend the giving to the Funds</li> <li>• communicate effectively the underlying mission issues</li> <li>• enable donors and supporters to feel well connected to the work enabled by the Funds</li> </ul>
<b>Main Points</b>	Implementation of a seven point fundraising strategy Implementation of donor relationship management services Development of advocacy for the Mission Funds Improving delivery of existing fundraising initiatives
<b>Background Context and Relevant Documents (with function)</b>	The Mission Funds have seen income fall from donations in the past three years. The budget for the work described in this report has been approved by Conference 2009 as part of the Connexional Team Budget.
<b>Consultations</b>	World Church Office (Mike King); CCEA Cluster - Janet Morley/Toby Scott – use of CCEA resources; Finance – fact finding; Resourcing Mission Office and Property – fundraising implications; Will Morrey (Action for Children); Vendors (Blackbaud, GrantNet); Richard Musto (Grants); Methodist Publishing; Women’s Network; Projects (Liz Clutterbuck); MRDF; Institute of Fundraising (strategic advice)

### Summary of Impact

<b>Standing Orders</b>	
<b>Faith and Order</b>	
<b>Financial</b>	Better reporting on all aspects of Mission Funds, Gift Aid and donations. Administration of Raiser’s Edge.
<b>Personnel</b>	
<b>Legal</b>	
<b>Wider Connexional</b>	Action for Children and MRDF will be raising funds from the same audience. Circuits better resourced for fundraising.
<b>External (e.g. ecumenical)</b>	
<b>Risk</b>	If nothing is done, donations to funds will continue to fall.

## **FUNDRAISING STRATEGY**

### **1. Summary of the Issues**

**1.1. Research:** An extensive review of existing fundraising activities and the needs of the Mission Funds was undertaken during the Connexional year 2008/09: the Funds of principal interest in this context are the Mission in Britain Fund (formerly the Find for Home Mission) and the World Mission Fund (formerly the Fund for World Mission). In addition, partners including Action for Children, MRDF and USPG were consulted while meetings with other related charities such as CMS, Tear Fund and Christian Aid added to our understanding of the issues of Christian Fundraising. This document also benefits from extensive personal discussion and consultation with FICO – Fundraising in Christian Organisations, a part of the Institute of Fundraising.

**1.2. Internal Factors:** Income to the funds is declining. Furthermore we do not yet have an advocacy mechanism, the management information systems in place or customer support structures to enable effective fundraising.

**1.3. External Factors:** In addition, the economy is likely to remain in recession with a deleterious effect on individual giving, a drop in investment income and from grant making Trusts, and increased competition from other charities. It is important to take action as soon as possible to secure our existing levels of income.

**1.4. Summary:** A full report detailing each of the issues is available on request. These are:

- Preventing Donor Attrition:
- Need for a campaign based strategy which has a clear “ask”. Historically, giving to the Easter Offering and JMA giving may have held up for this reason.
  - Refining existing fundraising campaigns
  - Developing new campaigns
- Developing a Legacy strategy (which includes family members).
- Capturing detailed information on our donors at first point of contact
- Getting accurate financial information on:
  - who has given what
  - to which fund
  - when they gave.
- Implementing a fundraising and advocacy database based on this information.
- Communicating directly and developing a relationship with:
  - individual donors
  - Church, Circuit and District officers.
  - Balanced advocacy for different mission funding needs
- Developing effective advocacy as a distinct function of fundraising
  - Using and supporting our advocates at Circuit level effectively (e.g. Mission Officers)
  - Drawing together the resources available in the Connexional team
  - Creating effective advocacy material.
- Understanding how we meet the needs of mission in the community, nation and the world through effective communications with the relevant offices and bodies
- More effective use of media and publications, internet and as many other routes for advocacy as we can use with our membership
- Project funding (including Conduit Funding)
  - See 1.1.5. below..
- Keeping our partners (e.g. MRDF, Action for Children) comfortable as we raise the profile of fundraising in the Methodist Church in Britain
- Use of external funding for mission;
  - Searching tools for use by Circuits/churches.

## 1.5. Conduit funding and restricted funds

Some donors strongly desire to know that their gift is being used for a specific need. Because of historic legacies, the World Mission Fund includes a range of restricted funds (funds which must be applied to specified causes or geographical areas). Sometimes it is possible therefore to ensure that a specific need is addressed with a specific gift.

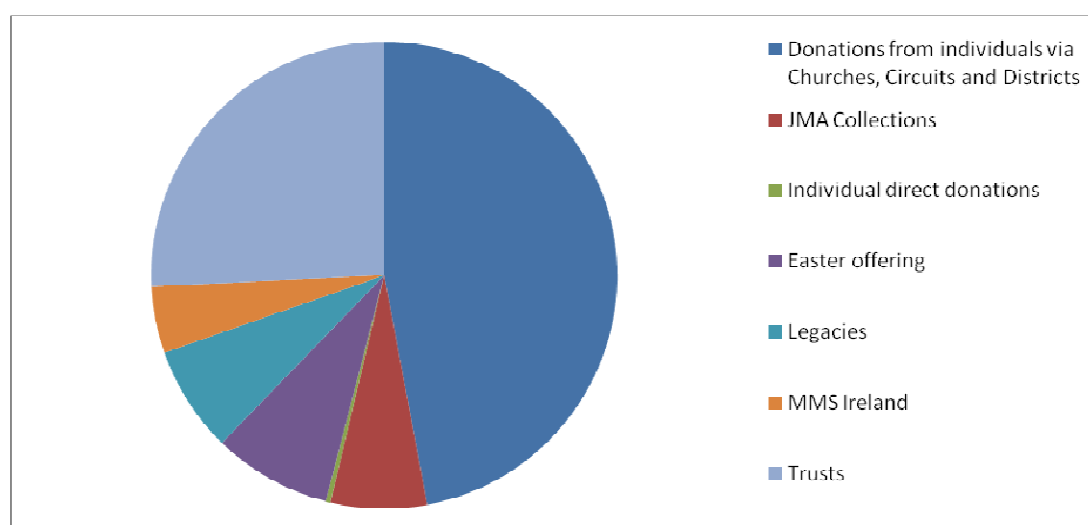
However, we would wish to encourage giving that is not 'tied' in this way, as this enables the Church to determine the most important current priorities for expenditure of funds. Conference has approved an overall mechanism for delivering these priorities through the Connexional Grants Committee.

Conduit funding is when donors, whether individuals or groups, give money with a request that it goes to a particular project which they themselves have identified, but for which they would like to use the Connexional Team as a 'conduit.' Conduit funding is increasingly popular with donors as it allows them to feel that they are supporting "their" project and it transfers the administrative complexities of sending money abroad to the staff in the Connexional Team. However, it is the policy of the World Church Relationships office to discourage it.

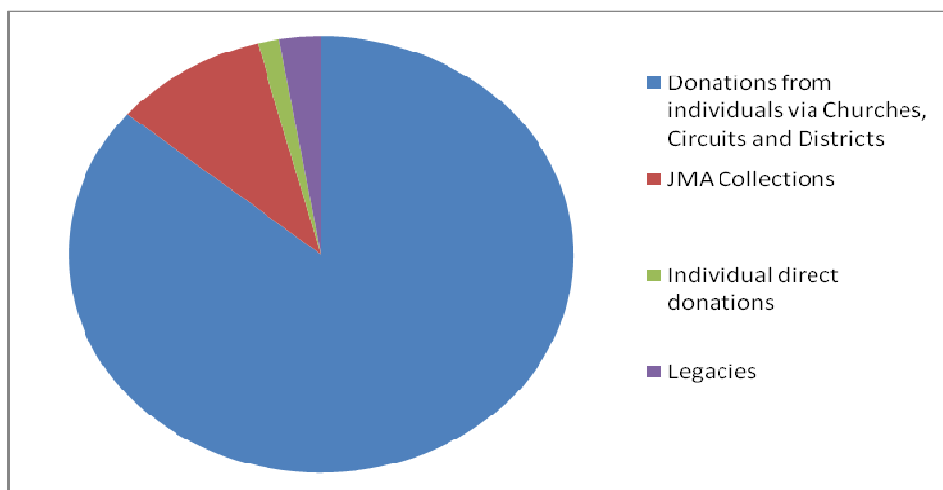
The fundamental issue with conduit funding is that it goes against the Church's agreed principles of partnership with our partner churches worldwide. The Methodist understanding is one of equal partnership, in which we support each other in different ways, and which trusts that those in leadership positions in a partner church who seek help know best what they need in order to continue their mission. Our partners know best what support they need to carry out effectively their "home" mission, and therefore World Mission Fund money is transferred to partner churches for the support of work which they have identified as a priority. Conduit funding, whilst offered with the best intentions, instead assumes that the donor church or individual knows best, and this is contrary to the understanding of partnership in the 2007 report *Partnerships: Purpose and Practice*.

Conduit funding also ties our hands in relation to changing needs, whereas unrestricted giving, or to one of the broadly scoped restricted funds, allows for necessary flexibility. It also needs to be understood that any funds being transferred through the World Mission Fund to an explicitly specified recipient (other than helping to fund programmes already supported by the Fund) cannot be Gift Aided.

## 1.2. The relative size of existing income streams



World Mission Fund 2007-8: total income £4.2m



Mission in Britain 2007-8: total income £0.7m

### 1.3. Trends and Priorities

- If the current trend for individual giving continues, we will see a decrease of up to 7% or £209,000 in 2008/09.
- In implementing this strategy during 2009/10, the agreed budget sets the challenge of turning the income decline into a small increase in giving in the ensuing years.

## 2. Proposed solution

Seven (the Hebrew number of perfection) fundraising strategies that incorporate our existing initiatives are suggested below. These can be summarised as:

### ***There's no time like the P R E S E N T -***

- **Personal connection and donor development\***
- **Regular monthly giving to mission\***
- **Encouraging Circuits' and Churches' own fundraising activities\***
- **Supporting and increasing existing initiatives**
- **Emergency Appeals**
- **New project coordination and support\***
- **Timely Campaigns – e.g. Advent\*, Easter Offering**

*\*these are new initiatives*

### **2.1. "P" - Personal Connection and Donor Development**

At present, fundraising activity is isolated from direct connection with our donor base. Contact is generally through their mission officers.

- We develop a means of targeting and communicating with individual members. This means obtaining, holding and analysing comprehensive data so that we can target our donors, thank individuals and plan campaigns effectively. Implementing a donor communications system is only part of the story – we need to get the data in the first place.
- We devise a means of getting information on potential donors. The large charities (and commercial organisations for that matter) spend millions just getting information on us.
- The challenge will be (a) whether we can and if so, (b) how much more data we can get other than a name and address at present and (c) how we can obtain such data.

Facilitating a direct connection between the individual and Church House is something we may have to work towards, rather than attempting to change overnight. However, it is an important aspect of the fundraising strategy:-

- In **Legacy development**: People will often respond directly to a personal invitation, as changing a Will requires some effort by the potential legator. This is particularly urgent with the increasing age of our membership (see 2.4.4. below)
- In **increasing our giving**: The response to general appeals made through advertisements and publicity is greatly enhanced by personal invitation (see 3.1 below).
- In **gratitude**: It's nice to thank people for their donation! (see 3.3. below).

### **2.1.1. Gift Aid**

There is an issue with Gift Aid reclaims, in that some Circuits may be claiming Gift Aid on donations given to WMF or MiBF.

- We need to make it easier for donors to sign up to Gift Aid and for Higher Rate taxpayers to make further claims.
- Finance do not hold the addresses or any other details on Gift Aid which means we will have to start from scratch.

### **2.1.2. Database**

The Fundraising database is a vitally important tool in fundraising.

- The existing database cannot provide facilities required for fundraising function
- There are specialist database systems available which meet our requirements

## **2.2. "R" - Regular Monthly Giving to Mission**

A planned monthly giving campaign is proposed. The intention is to encourage people to give regularly. This would run all year round. The Salvation Army, for example, have undertaken extensive research and their new "Give to Grow" campaign is run along these lines. Our title is yet to be confirmed, provisionally "Every Life Worth Living" (ELWL)

- In our Community (Methodist Church Fund)
- In our Country (MiBF)
- In the World (FWM)

### **2.2.1. Outline**

- Two aspects to mission: (1) "daily bread", maintaining the existing work, and (2) expanding the work of mission, new initiatives
- Other campaigns such as the Easter Offering are over and above regular giving.

### **2.2.2. Basis of the strategy**

- Make mission giving more coherent
- Bring idea of mission to community as a whole, nation and world together
- Current perception of funds is that they are disparate and virtually compete with one another
- Offers choice – people can still support (e.g.) World Mission exclusively
- Simplicity – people do not necessarily have to choose between funds
- Emphasises the urgent need for mission at home as well as abroad, making it one message:
  - **"Community"** strand means mission work locally or support for the Church infrastructure throughout the UK. Funds directed to the general Methodist Church Fund
  - **"Nation"** strand means supporting work of significance in Britain such as Venture FX. Funds directed to MiBF.
  - **"World"** strand is money directed to WMF.
- ELWL does not replace or get in the way of giving to individual church initiatives or locally inspired and run causes
- ELWL is about keeping the cause and the work of mission going throughout the world wide body that is Methodism
- Need to produce "volunteer packs" for use by advocates in the local churches

### **2.2.3. Format**

- Use of Pledge Cards (gets name and address details to us)
- Direct Debit forms part of Pledge Card
- 3 year commitment
  - Asked to support one of three areas: WMF, MiBF or MCF
- It is not proposed to include the Fund for Property in this initiative
- Home mission stressed as much as overseas
- DVD and internet based campaign
- Special packs given out

### **2.2.4. Implementation**

- It would be sensible to pilot the scheme in a few chosen Circuits across a couple of Districts.
- Pilot areas chosen in order to create a representative mix of demographics.
- Feedback used to refine the campaign prior to full implementation across the UK.

## **2.3. “E” - Encouraging Circuits’ and Churches’ own fundraising activities**

**2.3.1.** The proposal is to develop a support structure for local church and Circuit fundraising. This will enable us to coordinate local initiatives where the members prefer to support their own.

- Visit District Synods to keep them updated on fundraising, techniques and advice as well as advocacy
- Engage with the Circuits/individual churches with the objective of supporting lay discipleship development
- Providing fundraising resources (guides, books, on line training)
- Advice and assistance with local campaigns

### **2.3.2. Helping with external grant applications**

Some of this work is already carried out by the Resourcing Mission Office with regard to fundraising for property developments. It is proposed to work closely with the RMO in our joint use of existing resources and developing new ones such as Trusts and Grant database searching.

One possible alternative to the existing Directory of Social Change service would:

- Enable individual churches to do their own searches
- Keep us informed centrally of details of which churches are looking at what projects and what they are applying for.
- Provide grant information from all sources including the EU, NGOs, local initiatives, thus expanding our ability to use external funding for mission projects rather than just property

### **2.3.3. Developing a new publication on Giving as part of the Campaign:**

- Inspirational rather than procedural
- Aimed at church members, provided particularly to new members
- Theological position to involve Faith and Order

### **2.3.4. Advocacy**

The proposal is to recruit and encourage more advocates at a local level for the Mission Funds, for example Circuit/District Mission Officers, or Women’s Network Secretaries. It is proposed to help:

- Coordinate the activity of these often disparate groups and encourage them to work together
- Resource and train them to be better advocates for mission.
- Develop a more direct link between the advocacy and fundraising work done at a local level with the work facilitated by WMF or MiBF.

## **2.4. “S” - Supporting and increasing existing initiatives**

Two significant fundraising streams have been running in the Church for a number of years: The Easter Offering, up until recently managed by various staff of the Connexional Team and Women's Network, and JMA, which is now a part of Children and Young People.

**2.4.1. The Easter Offering:** raised £348,000 in 2007/08 (provisional figures).

- The intention is to revitalize the Easter Offering for 2009/10.

**2.4.2. JMA Collections:** raised £354,000 in 2007/08 (provisional figures).

- JMA's primary purpose is "to learn, pray and serve with the worldwide Church of Jesus Christ." Although fundraising has been one part of this, it is not the reason JMA exists.
- This strategy does not presume fundraising as a part of JMA in the future, but will work with the Children and Young People team as requested.

**2.4.3. A much larger income stream is from existing Charitable Trusts and Foundations.**

These raised just over £1m in 2007-8 for the World Mission Fund.

- We need to continue to keep a close working relationship with the Trustees and executives of the existing Trusts
- We will look to develop income from other Trusts and Foundations for two purposes:
  - Specific mission projects by Circuits/Districts
  - Mission Projects supported by the WMF or MiBF.

#### **2.4.4. Legacy Development**

This is a long term investment which requires a consistent and regular message to be delivered to our membership.

- Legacies have suffered from an inconsistency of approach
- We are developing a relationship with WillAid to help members to draw up wills simply and inexpensively.

### **2.5. "E" - Emergency Appeals**

**2.5.1.** Emergency Appeals are an important part of the mission of the church (they embody our Christian duty of justice and mercy). They are necessarily high profile (or should be) and have the potential to generate good publicity. For this reason the proposal is to do be more proactive in generating appeals.

**2.5.2.** We need to develop a framework which will:

- Formalise the decision making process on whether to "adopt" the cause
- Allow us to respond quickly and effectively to situations as they arise
- Consider other ways of supporting a cause (e.g. through the Disasters Emergency Committee, or supporting other charities already involved)
- Identify the target donor base
- Measure the success or otherwise of the appeal
- Fundraising is an integral part of this process.

### **2.6. "N" – New project coordination and support**

**2.6.1.** Gifts earmarked for a particular project known to the donor will now be discouraged as noted in 1.5. above. But the message is not currently getting across, in part because we do not have direct communications with our donors.

**2.6.2.** Retaining the goodwill of the donor is a considerable challenge in these situations. Some churches have been vociferous in their objections to our position on Conduit funding in the recent past.

- It is a strategic aim to address these objections sensitively but to make such a compelling argument for supporting centralised funding that the donor churches continue to give but in a less restrictive way.

**2.6.3.** Within this context we can still continue to attract funding from Grant Making Trusts and other external funding sources for new projects such as Venture FX or Inspire.

**2.6.4.** New projects will continue to be promoted - but used as examples of the work that unrestricted giving makes possible rather than as the focus of funding requests in their own right.

## **2.7. “T” - Timely campaigns**

**2.7.1.** This concerns campaigns running at specific times of the year. The Easter Offering mentioned in 2.4.1. above is an example.

**2.7.2.** The intention is to develop and run three time-based campaigns in addition to monthly giving:

- Lent (the existing Easter Offering running in the Spring)
  - Focus is World mission
- Harvest (a new campaign to run in late Summer/early Autumn)
  - Focus is Home mission
- Advent (a new campaign)
  - Focus on mission in general
  - “The Colours of Advent” - 4 Sundays, themed on each of our four Callings
  - Christmas Day not included as this is traditionally used by Action for Children for their fundraising

**2.7.3.** This is the area where we are most likely to have to coordinate activity with our partners (e.g. MRDF, Action for Children and Christian Aid).

## **3. Significant Aspects of Implementation of the Strategy**

### **3.1. The Methodist Church Donor Relationship Management System**

- A thorough appraisal and costing of alternatives concludes that The Raisers Edge is the most suitable
- Enables us to know exactly the state of each fund
- Enables us to profile every single donor
- Details are provided on request
- Likely costs have been negotiated down to between £10,000 and £15,000 from the £40,000 originally quoted. The purchase and implementation of this is in the Connexional Team budget agreed by the Conference.
- Expertise and experience already exists in both IT and Finance.

### **3.2. Development of Advocacy resources**

- Collect and write up the numerous stories from the work of mission partners and churches, both at home and overseas
- Design an advocacy web site and keep it updated
- Develop relationships with the Circuit and District mission officers and those who can advocate for both MiBF and WMF
- Use of a part time person already within the budget

### **3.3. Use of Administrative Assistance**

- Collecting and collating Gift Aid details (actual reclaims still with Finance)
- Writing and sending Thank You letters, acknowledgements and receipts for gifts
- Keeping the Raiser’s Edge data up to date
- Coordinating updating of the Connexional Database from the former (a further benefit)
- Administration of resources, mailings and other information needed for conducting fundraising campaigns
- Use of administrative resources already available in the team.



### **3.4. Provision of a centralised grant funding search resource**

- Extend use of grant search and selection into external mission funding
- Possible use of GrantNet as alternative to Directory of Social Change system already in place
- Provides additional resource to churches without increasing burden on Connexional team
- Service cost (approx £2,500) already in budget
- Work still needs to be completed on the most appropriate system

### **3.5. Development of Customer Services**

- Allows us to take card and on line donations without use of expensive third parties
- Enables donors and donor related queries (e.g. from Circuits) to be dealt with immediately and accurately
- Allows us to develop donor contacts and relationships
- Liaises with Helpdesk, dedicated 0800 number and giving pages on web site
- Allows us to be proactive in fundraising, e.g. asking for donations with book sales, contacting donors with known interests for appeals etc.
- First point of contact delivering a consistent message to our donor base.

### **4. Requested feedback**

The Council's response to this paper would be welcomed. A number of issues have arisen during the formulation of this draft strategy, on which the Council's guidance would be particularly appreciated:

#### **4.1 Project Funding**

Giving to specific projects is preferred by some Methodists and is seen as an easier way to raise funds, but it causes problems for less popular but equally needy programmes and takes away the decision making about priorities from our partner Churches:

- How can we make giving to the Funds attractive and inspiring, while discouraging the 'tying' of gifts to causes selected by the donors?

#### **4.2 Direct Communication**

The strategy is partly based around communicating directly with individual Methodists and moving towards a culture of regular giving to the mission funds:

- Which controls do we want to see in place as we communicate more directly with our membership?

#### **4.3 Partnership Working**

There are a number of separate charities who address the same audience – Methodists - in their fundraising. Action for Children and the Methodist Relief and Development Fund are of particular note:

- Should we implement an informal consultation process with our partner charities on fundraising campaigns and strategies and, if so, which charities?