

## Nonprofit Organizations

### Donations down? Consider these ways to increase fund-raising

With less money from donors – and more people in need – increasing donations is more important than ever.



Here are three ways to enhance your fund-raising efforts.

1. Demonstrate that your agency uses its money very efficiently. This can be done by comparing your level of service – in number of clients served, in client hours, in the menu of services offered – to national standards in your revenue category in your industry. If your agency compares favorably, you have a record of efficiency. Your national association should have these standards available to you.

2. Your services do more to help people in these times. Is the demand for your services up? If so, tell your donors why. It may be because people have lost health insurance or have been laid off or otherwise cannot afford private, for-pay services. Often, nonprofit agencies provide services not performed by local, state and federal agencies. If your agency is unable to provide these services, these others will, and the overall cost will be higher for everyone.

3. You face more competition with institutional funders. In an economic downturn, grants are fewer and smaller, and more agencies are vying for the same ones. Donations help you to overcome this. Institutional funders – grant-making agencies – typically receive more requests for funding during downturns than at other times. This means that, although your agency may have always been funded by a particular set of grantors, it may not be as successful as it had been. To mitigate this increase in competition for grant money, your agency needs to submit applications to more grantors. And each application must be more sharply written to stand out from the influx the grantor is undoubtedly receiving.