

# How To Fund All the Big Ideas in Your Strategic Plan

(including overhead)

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# Hi. I'm Sherry Quam Taylor

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**I work with growing Nonprofits who need tremendously more general operating support to fund their Strategic Plans.** I do this by:

- helping CEOs reimagine their overall approach revenue generation
- breaking teams free from the limitations of transactional fundraising
- revealing to board members how to influence their networks.

**My clients regularly add 7-figures of unrestricted \$\$ to their bottom line.**



# Does your Nonprofit Need More Money?

(that's a serious question)



# Nonprofits don't just need More Money. You need more **Flexible Money**.



Great  
Flexibility from  
**Unrestricted  
Dollars**



From  
**Decision-makers**  
you have direct  
access to



Who are  
stakeholders who  
WANT to give you  
**larger gifts**




Who are  
invested in  
**giving annually**



(So, what's the issue?)

**Most organizations that come to me  
aren't doing the things that attract  
donors who would give in this way.**



A large iceberg floats in a deep blue ocean under a bright blue sky with scattered white clouds. The visible tip of the iceberg is jagged and snow-capped. The submerged portion, which is much larger, is visible through the clear water, showing a dark, solid mass. This visual metaphor represents the 'Common Symptoms' listed to the right, where the visible tip is the apparent problem and the submerged part is the underlying, more significant issue.

# Common Symptoms

Tight cash-flow because of money restrictions

Reserve is too small to be helpful

Hard to ever justify overhead spend

Everyone's wearing too many hats (not enough staff)

Drained by time-consuming events & appeals

Underutilized Board

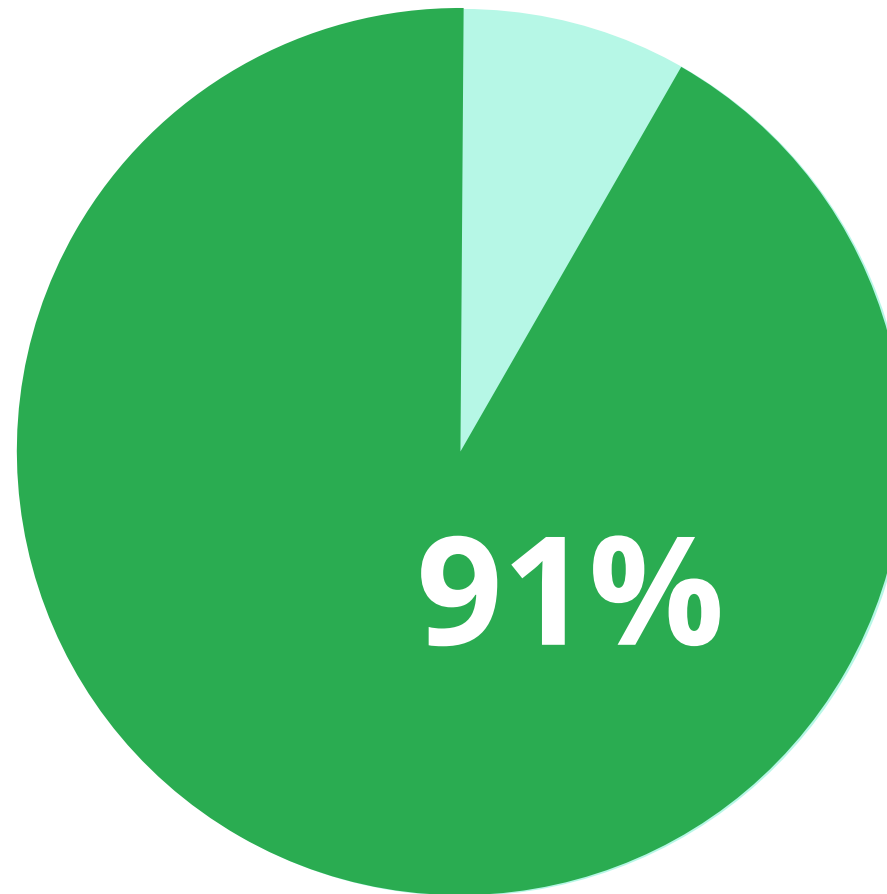
As a result, you're leaving money on the table



# And how do these symptoms impact revenue generation?

**1.56M** ➤  
US Nonprofits

The Urban Institute's Center on Nonprofits & Philanthropy (2018)

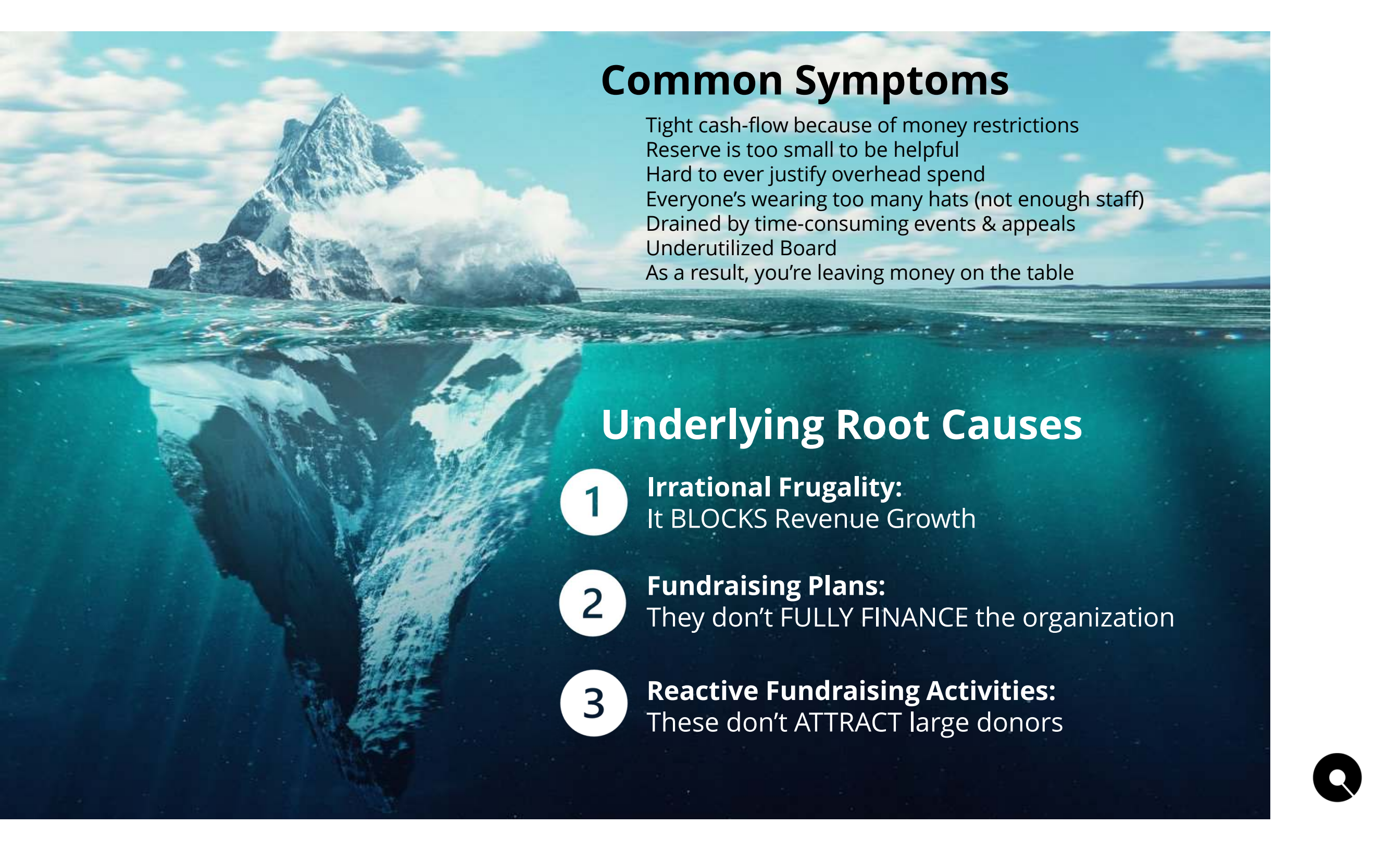


91% of nonprofits **never** reach \$5M of annual revenue.



# Can I be honest?



An iceberg floating in the ocean. The tip of the iceberg is visible above the water, while the much larger base is submerged underwater. The sky is blue with some clouds, and the water is a deep blue-green.

# Common Symptoms

Tight cash-flow because of money restrictions  
Reserve is too small to be helpful  
Hard to ever justify overhead spend  
Everyone's wearing too many hats (not enough staff)  
Drained by time-consuming events & appeals  
Underutilized Board  
As a result, you're leaving money on the table

## Underlying Root Causes

1

**Irrational Frugality:**

It BLOCKS Revenue Growth

2

**Fundraising Plans:**

They don't FULLY FINANCE the organization

3

**Reactive Fundraising Activities:**

These don't ATTRACT large donors



# Seem too good to be true?

(I see organizations make this shift every day.)



A large iceberg floats in a blue ocean under a cloudy sky. The tip of the iceberg is visible above the water, while a much larger, jagged portion is submerged below the surface, illustrating the concept of hidden costs or irrational frugality.

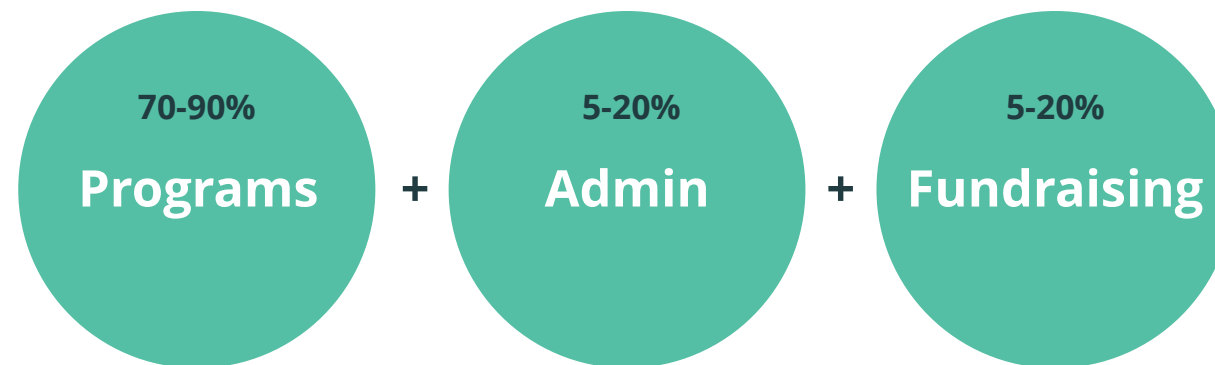
1

# **Overcoming Irrational Frugality**

(And raising more money in the process)



**Nonprofits MUST be open to investing time and spending money on **all 3 key areas** of your nonprofit grow.**



# Not investing in all 3 areas leaves you . . .

- **vulnerable to a funding plateau**
- **land-locked from opportunities**
- **at risk in times of crisis**



**Truth:**

**Investing in all areas of your  
organization helps you raise more  
Charitable Revenue.**



**Would you believe me?**

**A nonprofit's growth has more to do with the leadership's approach to & comfort level with:**



**PLANNING**



**BUDGETING**



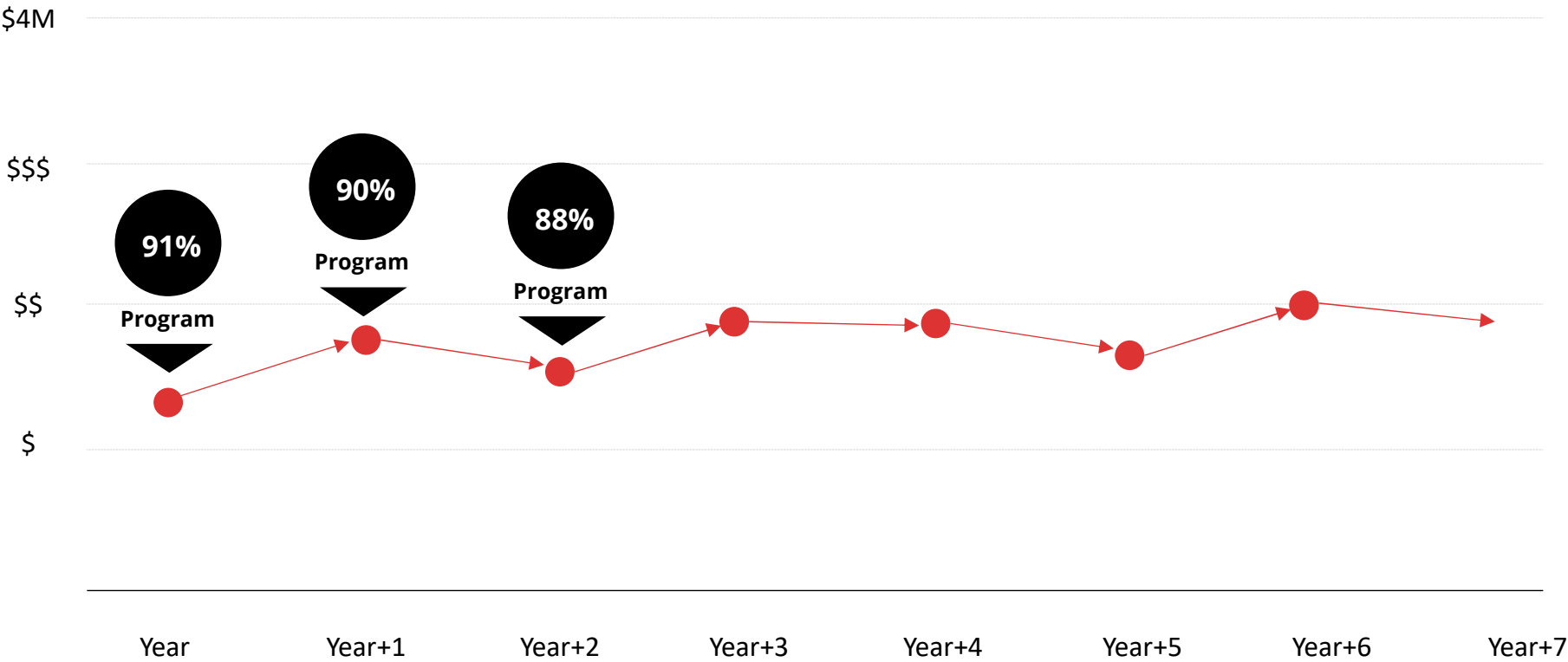
**INVESTING**

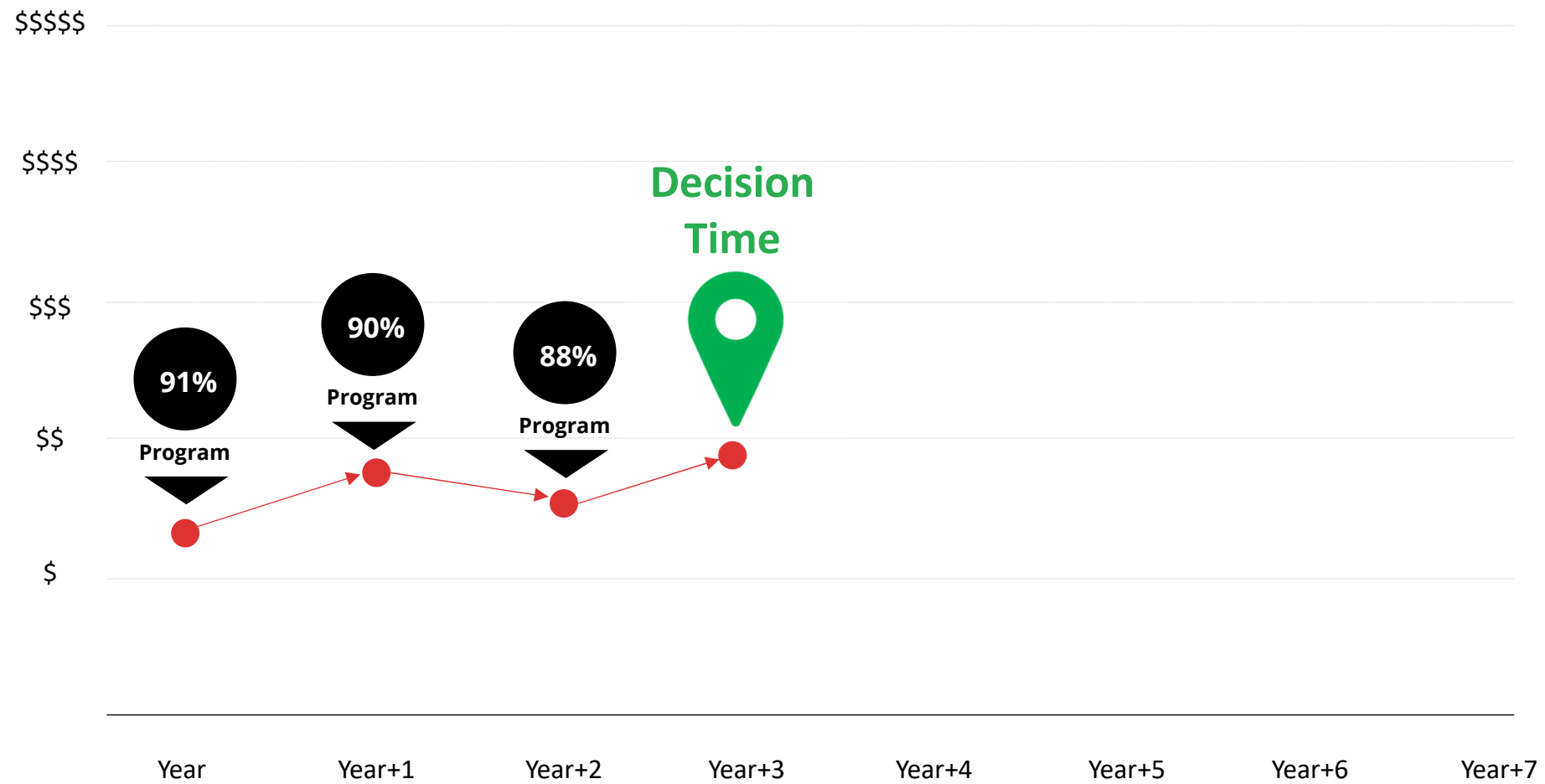


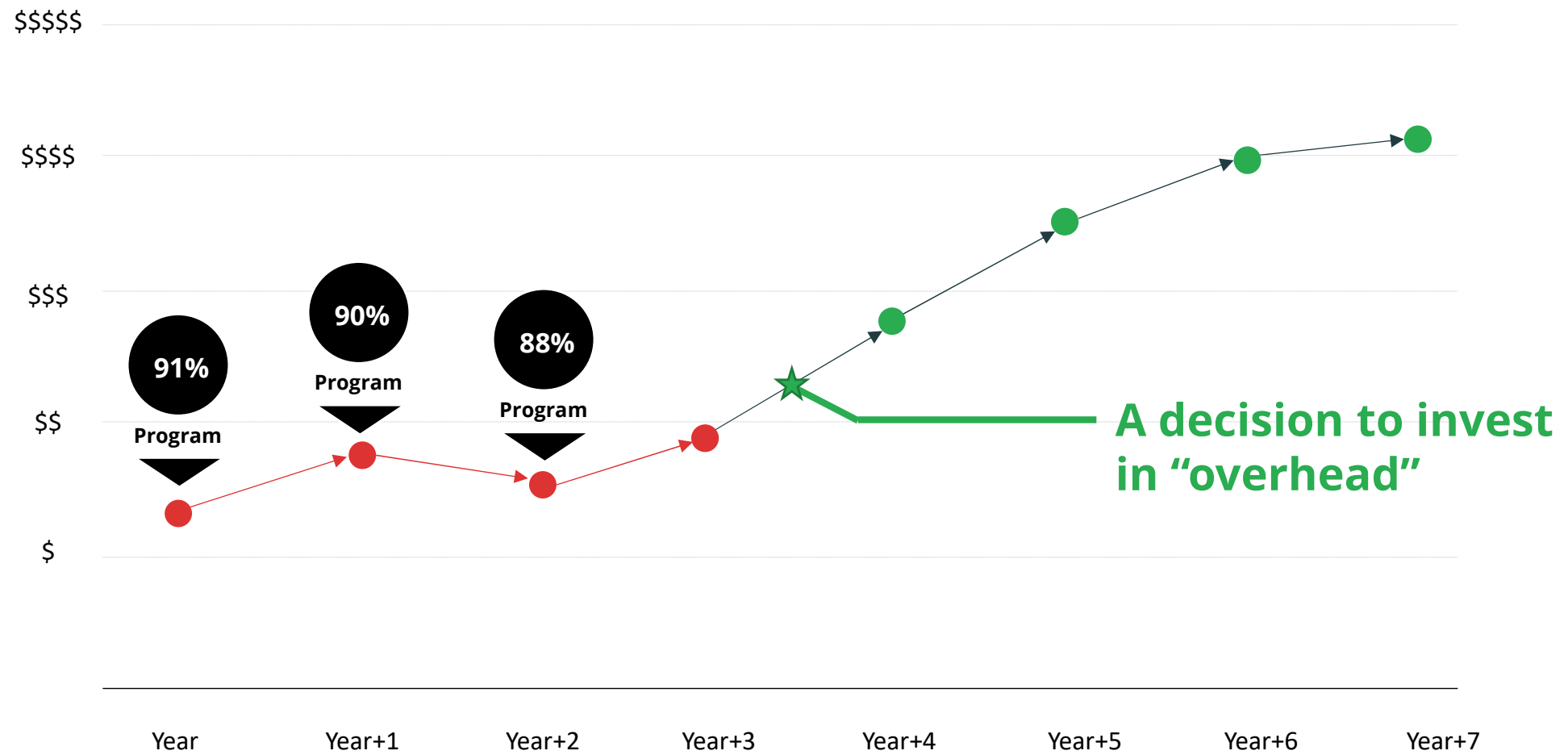
**SPENDING**

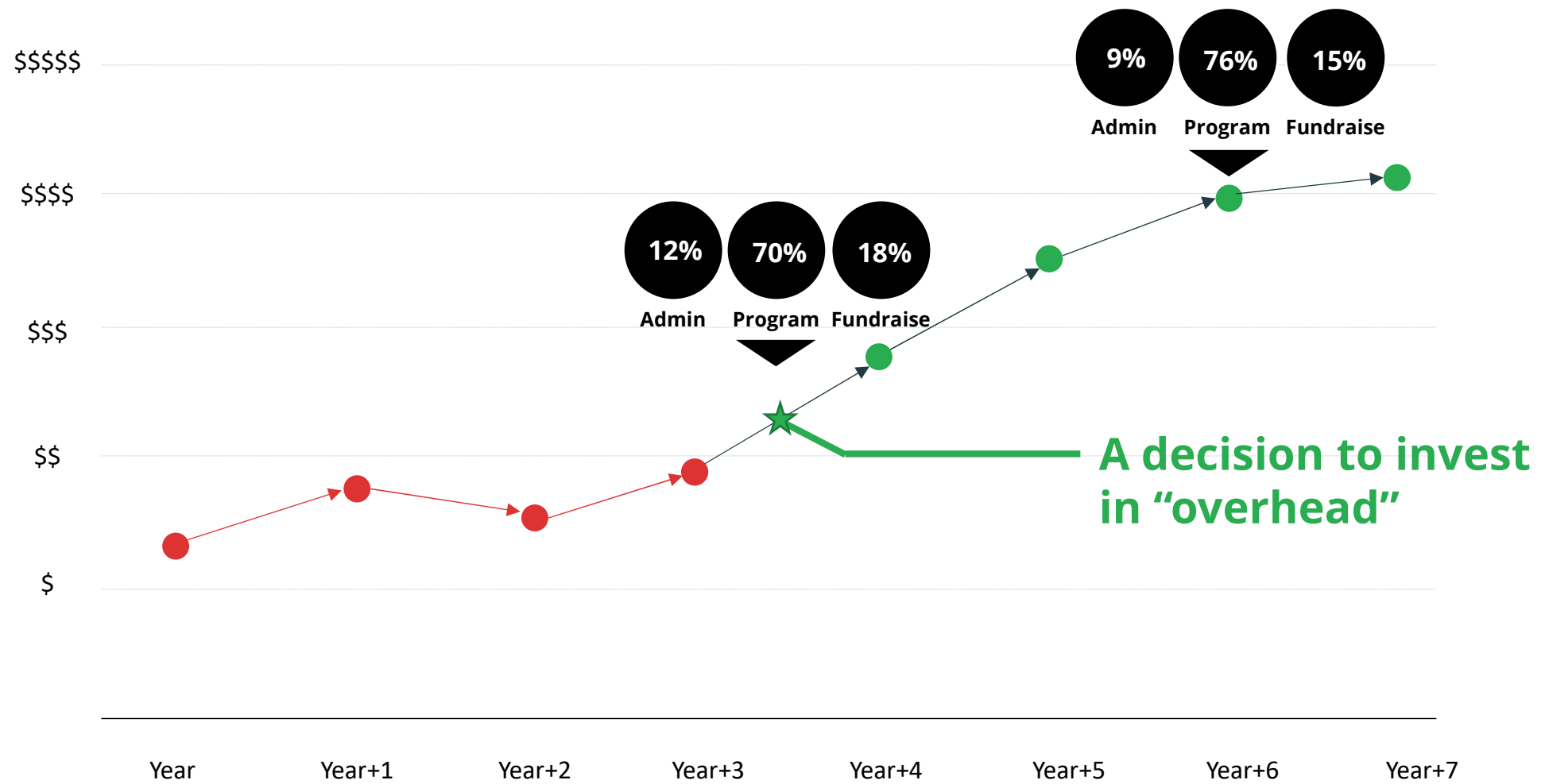


# What do I mean by Irrational Frugality?











**We want as much as possible to go to **programs** each year!**

**Won't that **look bad** to donors?**

****Foundations won't fund us** with those percentages.**

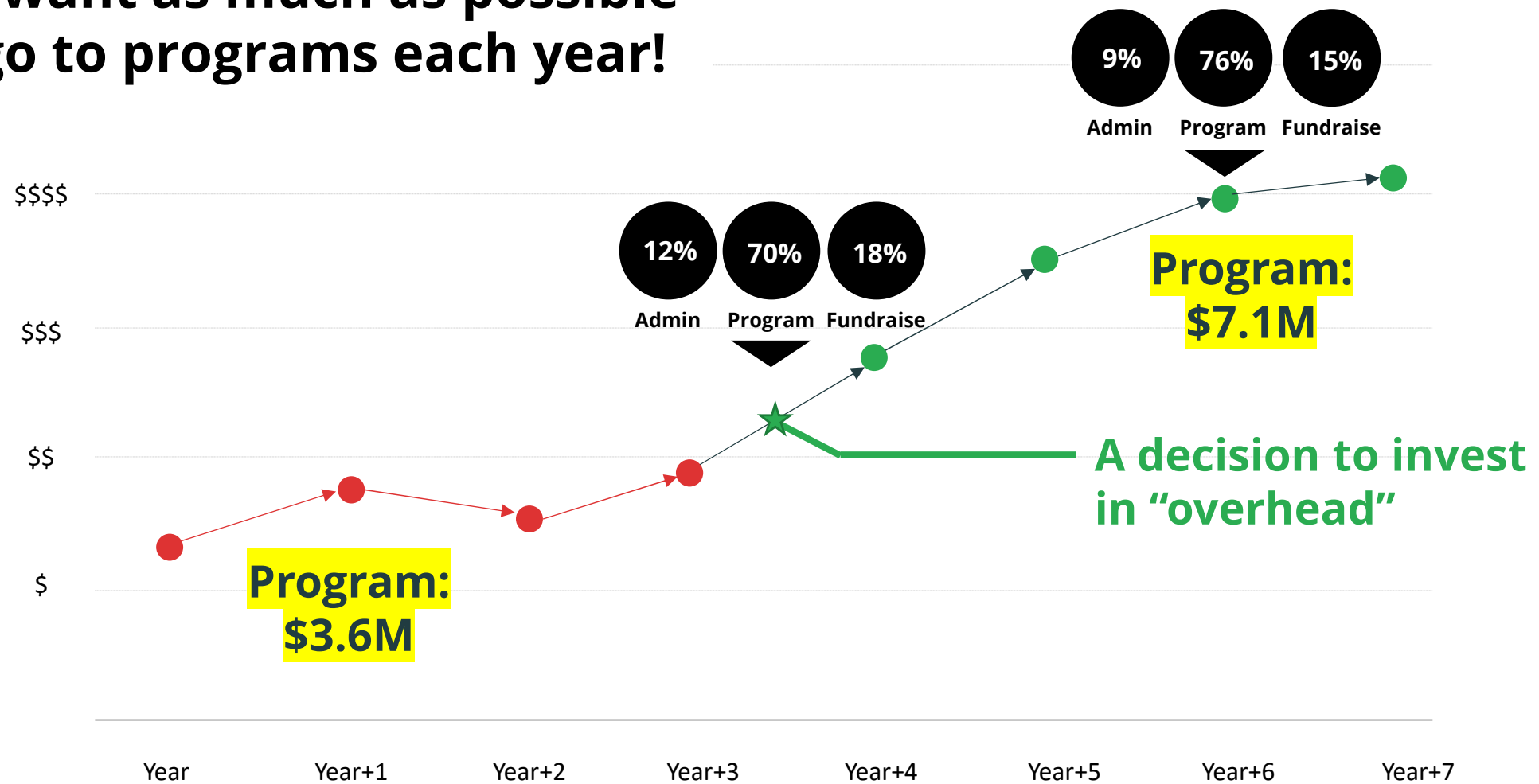
**We can't spend that much on **overhead**.**

**The **charity ranking site** will give a bad grade.**





We want as much as possible to go to programs each year!



**What KEEPS nonprofits from being  
FULLY FUNDED is believing these  
misconceptions.**



A large iceberg floats in a blue ocean under a cloudy sky. The tip of the iceberg is visible above the water, while a much larger portion is submerged below the surface.

2

# **Creating a Plan to Fully Finance Your Organization**

(This is what Fundraising Plans get wrong)



# Raising to Your True NEED is often a BIG Mindset Shift when budgeting:

If we had the money,  
here's what we would do.



Here's what **we need** to  
accomplish our mission.

Here's what we can do **based  
upon what's committed.**



Here's what **we need** to  
accomplish our mission.



**It's only when you've created a  
REAL, needs-based budget that you can  
design a REAL financing plan that  
achieves that goal.**



# When this part is done right . . .

**If we had the money, here's what we would do.**



**Here's what we NEED to accomplish the mission.**

**A squeak-by budget that never gets funded.**



**A real budget that reflects what your organization NEEDS.**

**It helps you raise for programs AND growth.**

**An income projection that's never high enough.**



**A true financing plan that acts as your road map to balance your budgeted need.**



**Just like your expense budget, an equally systematic approach should be taken to design the income portion of the budget.**



Remember this slide from earlier?

# Nonprofits don't just need More Money. You need more Flexible Money.



Great  
Flexibility from  
Unrestricted  
Dollars



From  
Decision-makers  
you have direct  
access to



Who are  
stakeholders who  
WANT to give you  
larger gifts



Who are  
invested in  
giving annually



**Your TIME is one of the organization's most valuable assets.**

**Therefore, every hour spent fundraising must be a high ROI.**



# Funding Model Rooted in ROI



TIME + BUDGET



ANNUAL REVENUE



# Funding Model Rooted in ROI



TIME + BUDGET



ANNUAL REVENUE



Top 10 Donors  
25 – 40%

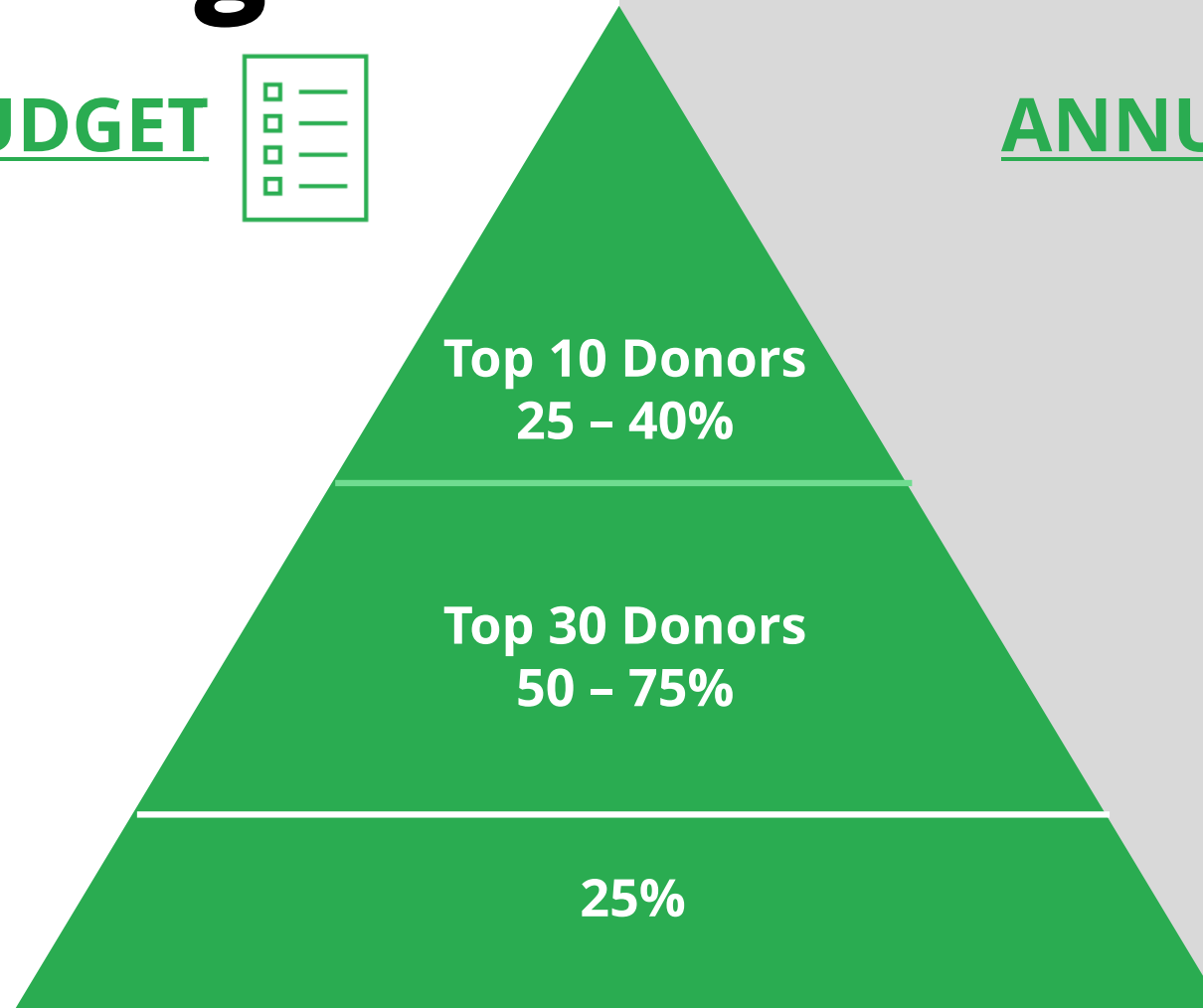
# Funding Model Rooted in ROI



TIME + BUDGET



ANNUAL REVENUE



# Funding Model Rooted in ROI



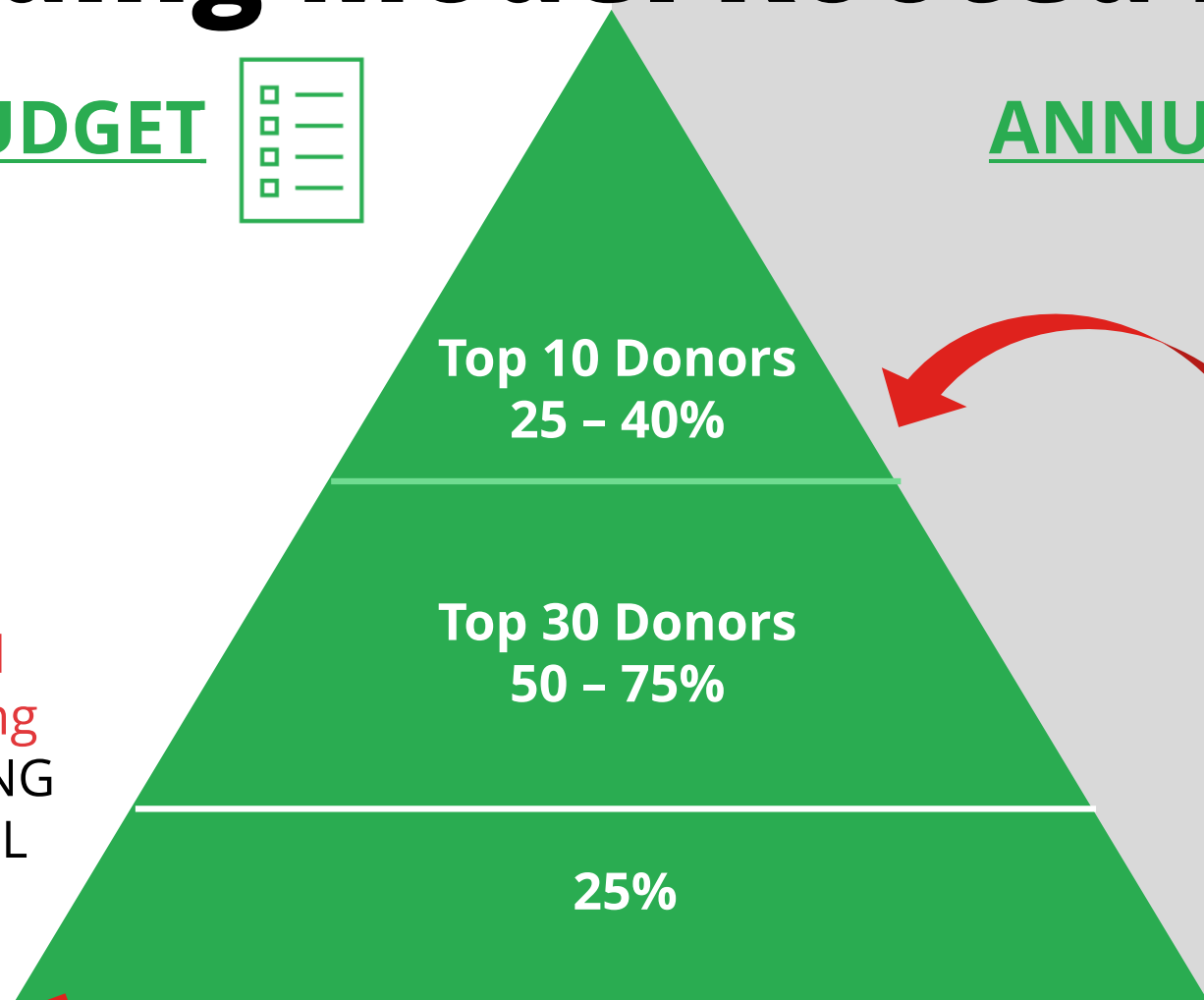
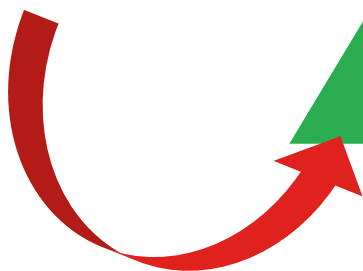
TIME + BUDGET



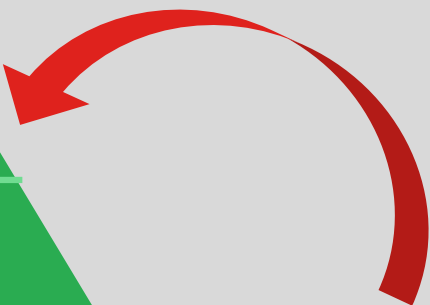
ANNUAL REVENUE



**CAUTION:**  
Be careful not to spend  
most of your fundraising  
time and budget RAISING  
TRANSACTIONAL SMALL  
GIFTS.



**CAUTION:**  
Be careful not to spend  
most of your fundraising  
time and budget RAISING  
RESTRICTED GIFTS.



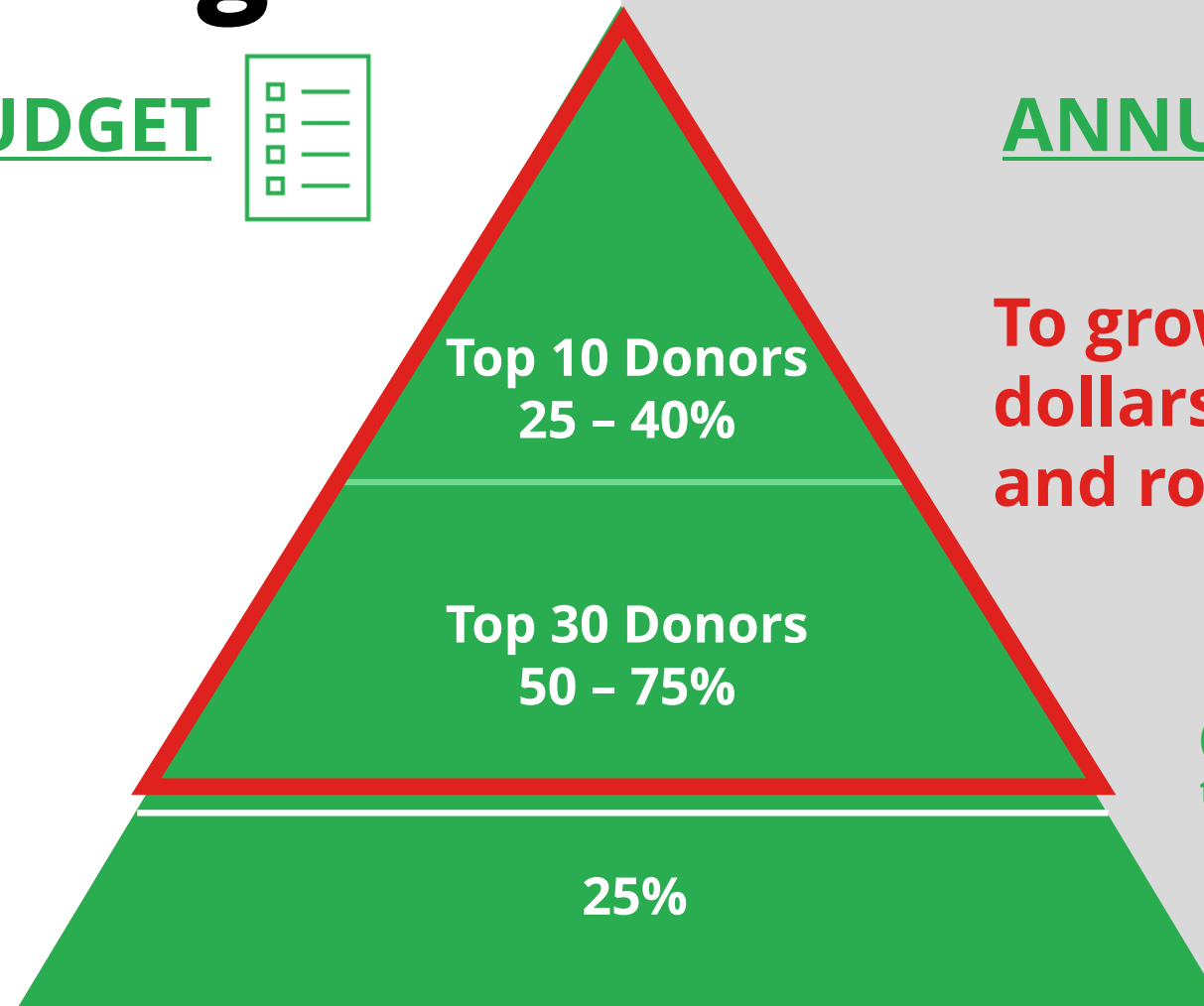
# Funding Model Rooted in ROI



TIME + BUDGET



ANNUAL REVENUE



**To grow, most of these dollars must be unrestricted and rooted in relationships.**

- Individuals
- Private Family Foundations
- Private Businesses

**(Single Source Decision Makers through one-on-one solicitations)**

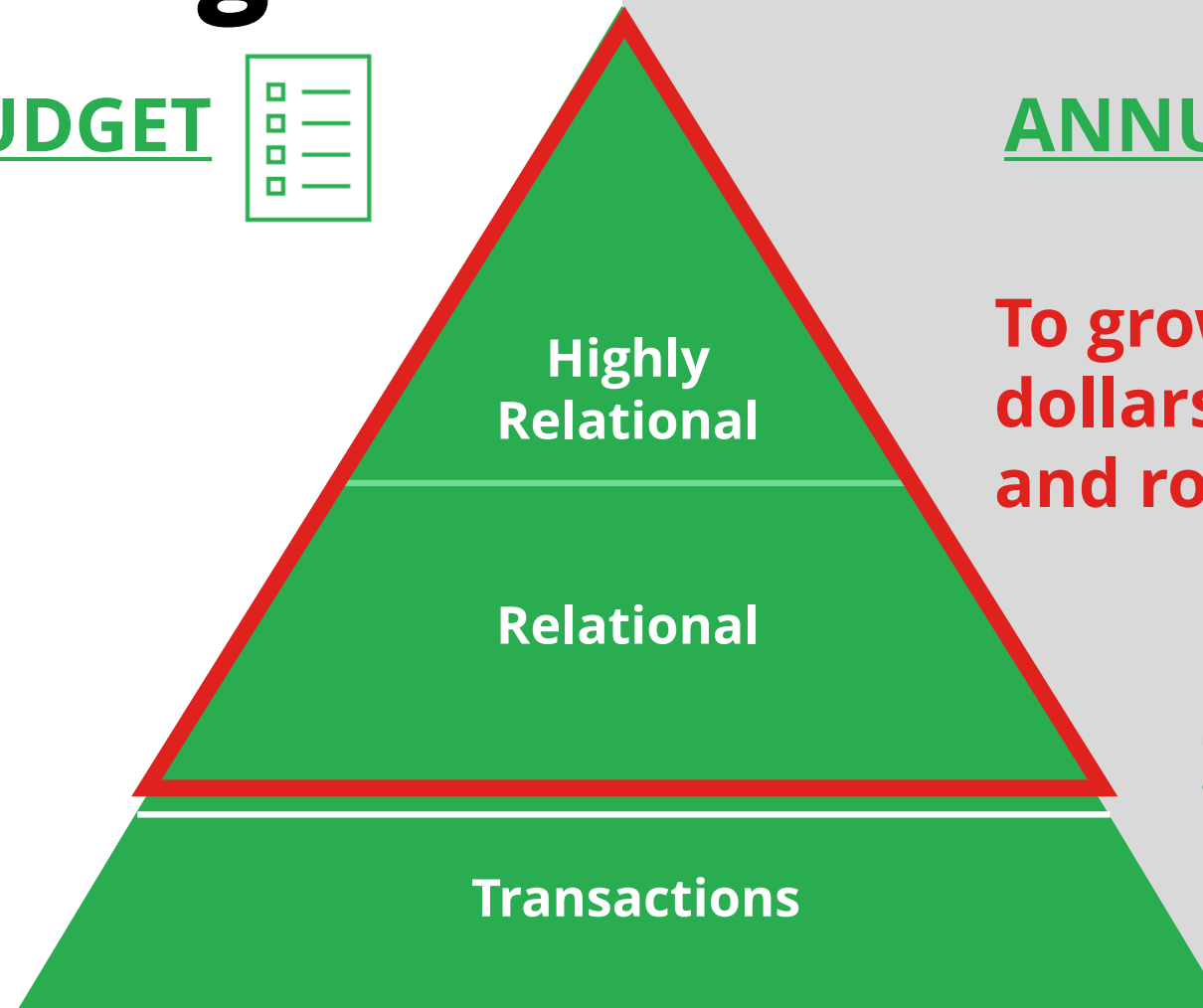
# Funding Model Rooted in ROI



TIME + BUDGET



ANNUAL REVENUE



**To grow, most of these dollars must be unrestricted and rooted in relationships.**

- Individuals
- Private Family Foundations
- Private Businesses

**(Single Source Decision Makers through one-on-one solicitations)**

- Application-based
- Contracts
- Appeals/Campaigns/Events
- Social Media Fundraisers



3

# **Shifting into Proactive, Relationship-based Fundraising**

(Attracting Investment-level Donors)



**Your goal . . .**

**Lead donors to give their:**

**best gift + every year**



**With this approach, everyone is  
empowered to align ACTIVITES with  
DOLLARS.**





News



E-Appeal



Mailed  
Appeal

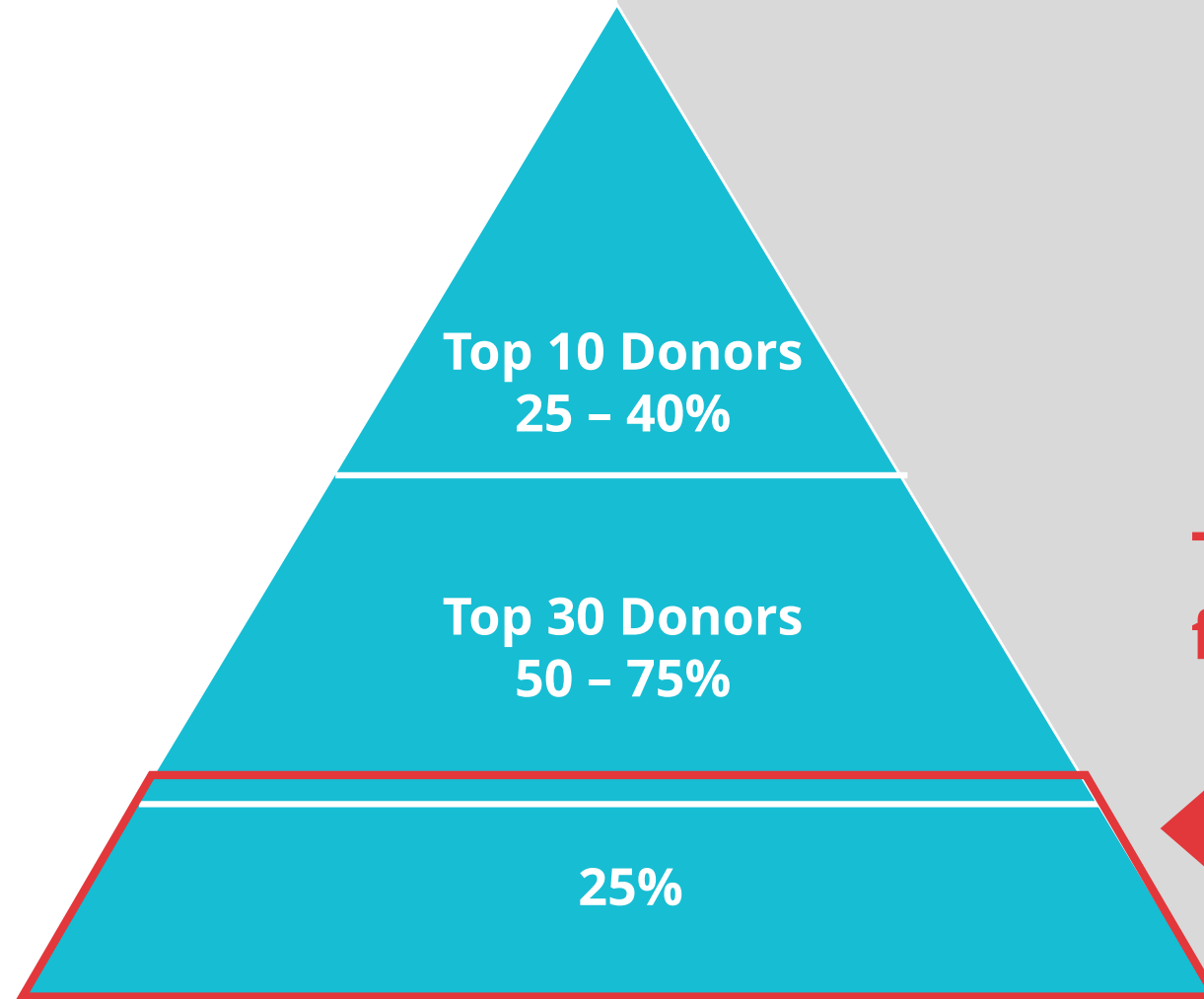


Events

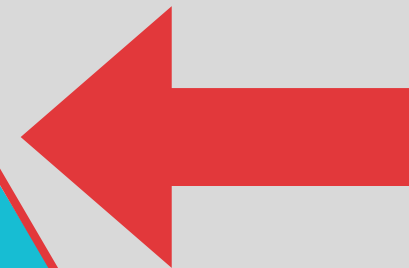


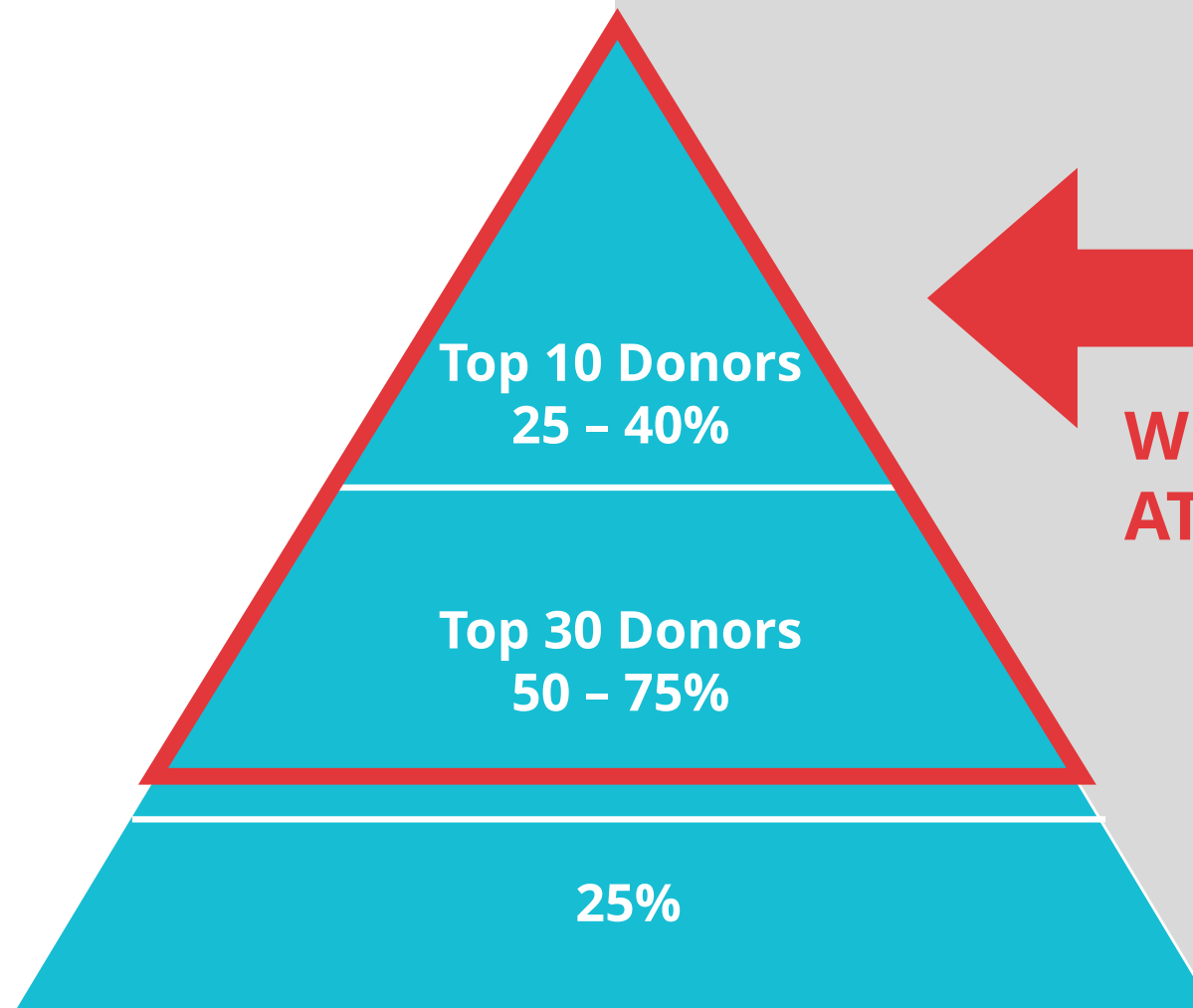
Annual  
Report





**That cadence is great  
for very specific donors**

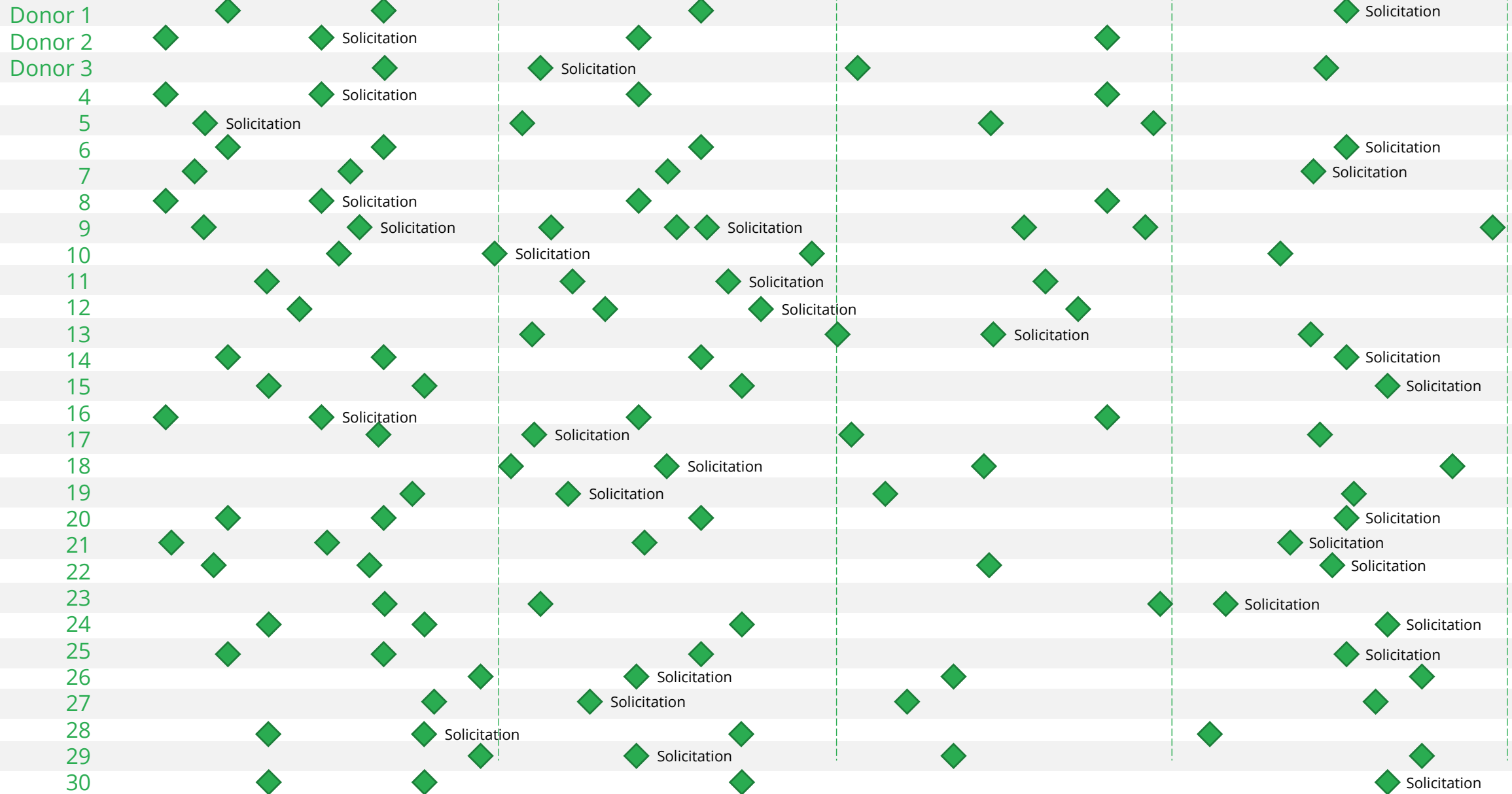




**What does it take to  
ATTRACT these donors?**

Exclusive  
Customized  
Donor-Focused





**Too many fundraisers avoid these activities.**



**Just because you're amazing at growing the programs, writing grants, planning events . . . **you may struggle** LEADING large donors through investment-level conversations.**





## **CASE STUDY: Jonathan**

Executive Director of LINK Unlimited Scholars

**“Our donors are not giving  
their best gifts.”**





## Because of the new Methodology . . . Jonathan

- ✓ Has a donor-segmented Financing Plan to match his aggressive growth plans.
- ✓ Consistently finds and secures 6-figure gifts from donors who previously didn't understand how to help.
- ✓ Has a high-performing development team that knows how to align hours w/dollars (& supports the board to do the same).
- ✓ Today he attributes raising DOUBLE the revenue of \$10K + to the methodology I'm sharing with you today.

# Growth: Gifts over \$10K+

FY 2019

42



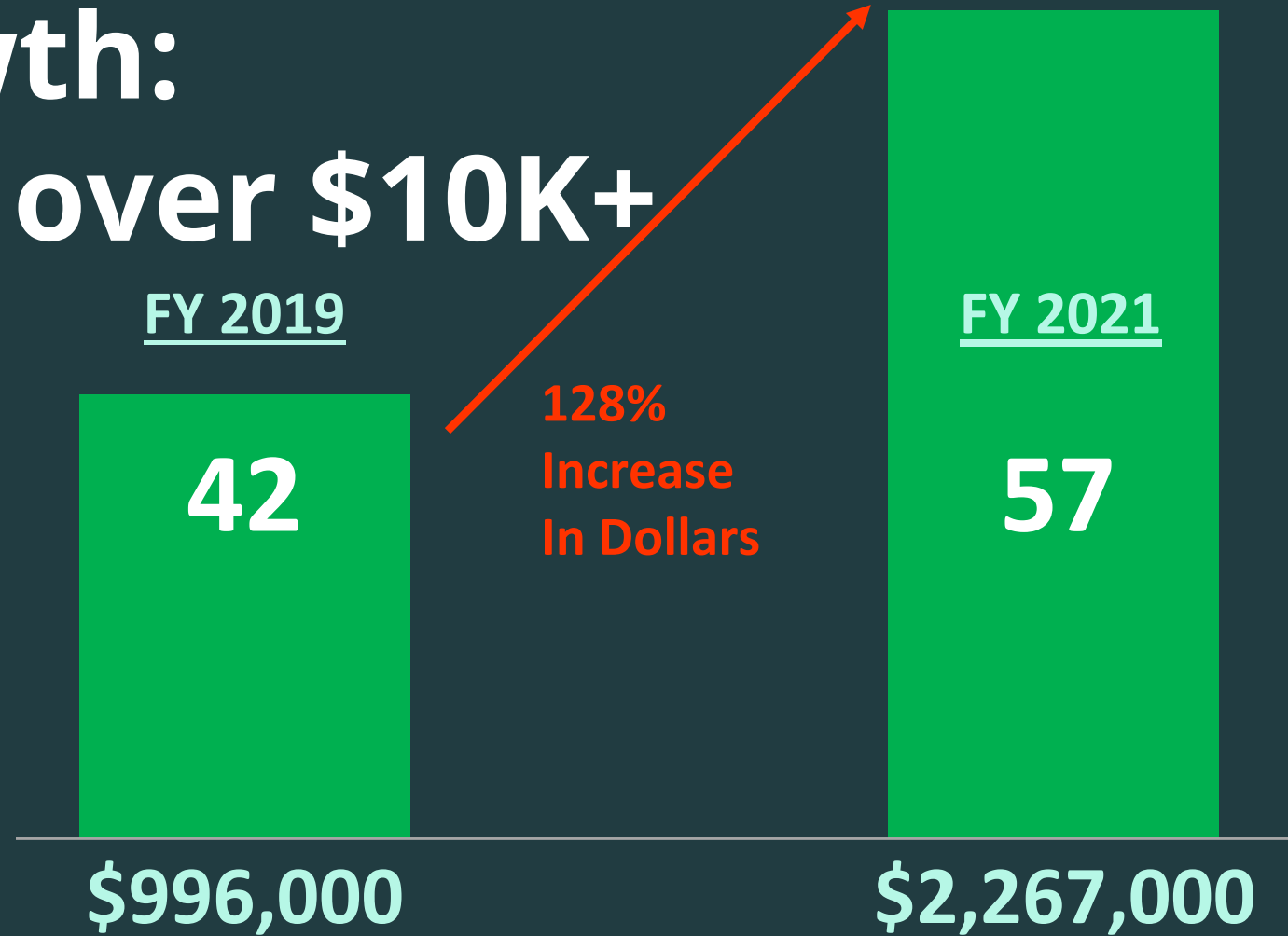
FY 2021

57



↑ 35%  
Increase  
In Quantity  
of Donors

# Growth: Gifts over \$10K+



# INDIVIDUALS

FY 2019

Weren't having  
investment-level  
conversations to solicit  
individuals

\$996,000

FY 2021

Prioritized the time it takes  
to guide large donors to  
strategic solicitations.

\$2,267,000

# BUSINESSES

FY 2019

Relied on  
Transactional  
Sponsorships

\$996,000

FY 2021

Prioritized building  
relationships with businesses  
who were mission-aligned

\$2,267,000

# FAMILY FOUNDATIONS

FY 2019

Relied on  
Transactional  
Applications

\$996,000

FY 2021

Started treating them like  
humans – served them and  
exceeded their expectations

\$2,267,000

Can I be honest?

**I see so much money left on the table  
when fundraisers have not been  
equipped to LEAD larger donors to  
their best gift.**



**Successful fundraisers share the true financial NEED and then ask for that NEED.**



An iceberg floating in the ocean. The visible tip is small and jagged, while the submerged part is much larger and more complex. The sky is blue with white clouds, and the water is a deep teal color.

# To Fully Fund Your Strategic Plan . . . Address Underlying Root Causes

3

1

**Stop Irrational Frugality:**  
It BLOCKS Revenue Growth

2

**Start with Financing First vs. Fundraising Plans:**  
They don't FULLY FINANCE the organization

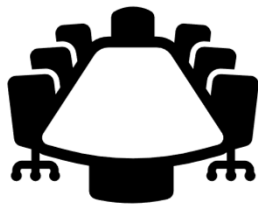
3

**Pivot from Reactive Fundraising Activities:**  
These don't ATTRACT large donors



When you're ready . . .

**There are 3 ways I can help you:**



**BOARD  
TRAINING**



**COACHING**

Growing but raising  
under \$3M



**ADVISORY +  
TRAINING**

Above \$3M and need  
to grow by millions

My clients regularly add 7-figures of unrestricted \$\$ to their bottom line.



# Q & A

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