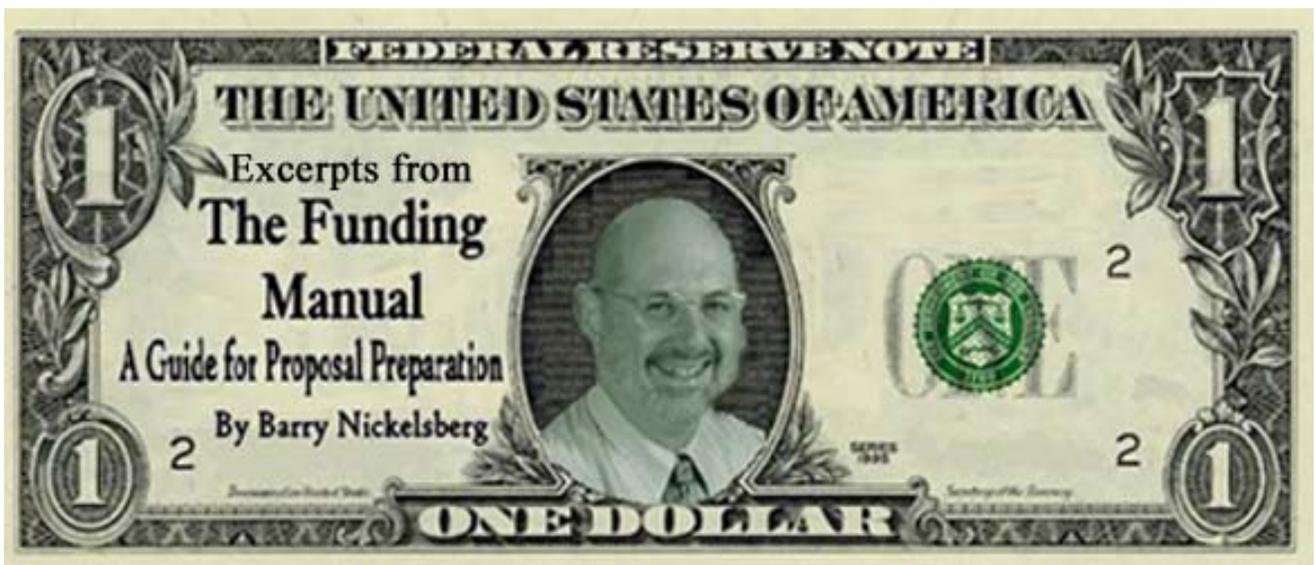


Things to Remember When Meeting Potential Funding Sources



THINGS TO REMEMBER WHEN MEETING POTENTIAL FUNDING SOURCES

There are four critical points to a face-to-face interview. By mastering these techniques, you will be far more successful fund raising for anything.

1. Developing commonality.

Learn as much as you can about the person you will be meeting before your meeting. Identify your commonality ahead of time. Commonalities include special interests such as fishing, bowling, running, singing, playing musical instruments, places you have lived, schools you have attended, hobbies, even nicknames. Remember, people only give to people. They give to people whom they know, whom they like and whom they trust. Someone is unlikely to know you without first developing a common base.

People will test you when you say that you have something in common. If the person you are meeting knows sign language and you say that you do too, you can count on the fact that the other person will start to sign. If you lie about your commonality, you will be more than simply embarrassed, you will almost assuredly destroy your credibility and, consequently, your chances for being funded.

If you do not have the opportunity to develop your commonality prior to meeting the other person, try to meet that person in his/her office. Personal offices often provide a variety of clues about the person. Once inside the office door, look around for pictures, certificates, memorabilia, awards, artwork, trophies, anything that would give a better idea about that person's special interests. What you are looking for is something to which you can relate directly.

Walking into the office and seeing a sailfish mounted on the wall, if you caught one of those yourself, you could justifiably say, "I caught one of those myself" Chances are very good that a conversation will ensue about deep sea fishing, even if only for a moment.

This technique of becoming a human being before getting down to business is often considered European, Latin, Asian, African, almost anything but American.

Never allow the person you are meeting to say, "What can I do for you." This immediately will put you on the defensive and force you to get right into your pitch. To avoid this position, you start the conversation. Even before you shake hands, you can talk about the fist on the wall or the fact that you found out from a mutual friend -- who you mention by name -- that the person you are meeting went to the same school as you, or just like you is a clock collector, cabinet maker, power boater ... you get the idea.

2. Share your vision of the future.

Discuss at least three (no more than five) different things for which you need money. People invest in the future. They do not give to the past. No matter how wonderful your organization's history may be, do not spend time going on about all that because, in truth, the listener tunes out pretty quickly. What the potential grantor wants to know is how you will spend his/her money. By talking about at least three different programs or projects, you allow the listener to consider

which one particularly interests him/her.

After you have described your projects, ask, “Which of these interest you?” Note, you did not ask a question that could be answered yes or no. If you say, “Do you like any of these?” And the person says, “no,” your interview is over.

But by saying, “Which of these interest you?” you are allowing the other person to consider your projects and to give you feedback that will reflect his/her interest in what you will be doing.

3. Be prepared for the grantor’s questions.

1. What is your organization’s total annual budget?

Since you can prepare yourself for this question, do not look up at the ceiling or down at the floor before answering. This body language suggests that you are not certain of your budget. Look the person straight in the eye and just give a number. Also, do not say your annual budget ranges from \$500,000 - \$550,000. This reply too suggests that you have an uncertain administration ... not the kind of organization that builds confidence in potential investors.

2. “All right, I could see how we might be interested in the program that you mentioned, what is its budget?”

Again, be prepared and answer in the same manner as you did above.

3. “How much have you already raised?”

If your project budget is \$200,000 and you have raised \$50,000 so far, you would say, “We have already raised \$50,000.” The word “already” in that sentence suggests that you and your organization are winners. If you said, “we have only raised \$50,000,” the word “only” would be viewed as a negative and again would not instill confidence in the person listening to you.

If you have not raised any money yet, say “I am coming to you *first*.” That is far better than saying, “We haven’t raised any money yet.” Note the personal pronouns “I” and “you.” Remember, people only give to people.

4. “How much do you want from me?”

This is the question that no one wants to hear but is obviously necessary to answer if you are ever going to raise money.

The question has two good answers:

Throw the questions back. “I’m glad that you like the project; I’ve explained that the budget is \$200,000 and we have already raised \$50,000. I’d appreciate some guidance. When we prepare a proposal, how much should we request?”

Of course, you must know in advance how much you want from that source, but you should not divulge that information yet. Having been through thousands of interviews such as this, my own experience suggests that 60 percent of the time, the number I hear from the potential grantor is higher than the one I was thinking initially. Only 20 percent of the time does the number come back lower. Assume that you wanted \$25,000 from the source and when asking how much to

request you heard \$5,000. Your response might be, “We were really thinking more along the lines of \$25,000. How can we structure a proposal for that kind of money?”

Another way to answer the question “How much do you want from me?” is to say. “We have developed a gift table showing the various categories of support.” Provide no more than five categories and list them by name as well as dollar amount. Here is an example:

GIFT TABLE		
<u>Name</u>	<u>Amount</u>	<u>Benefits</u>
Founder’s Circle	\$1 million	
Benefactors	\$500,000	
Governors	\$250,000	
Regents	\$100,000	
Patrons	\$ 25,000	

A list such as the one above clearly limits the number of people you will approach but it is far easier and much less costly raising \$1 million from one person than \$1 each from a million people. After handing the give table to the prospective donor, keep quiet.

Do not ask any questions; do not say anything at all. Let the prospective donor have time to consider the information. Chances are at least 50/50 the person will refer to a giving category by name instead of number. This euphemism is often easier for the prospective donor as well as you. If the “category” comes back lower than the one you were thinking, you can then say, “I would really like you to consider being a Benefactor.

“What I really need now is your commitment, not the cash. Your commitment will allow me to turn to others to seek similar commitments. When I get at least 75 percent of the money needed for this campaign committed, I will let you know and only at that time will we ask that your commitment be realized.”

4. You need to ask the potential donor, “Who else do you know who’d have an interest in this project?”

Again, the question cannot be answered “yes” or “no” and allows the potential donor the opportunity to consider the question. You may well meet people who have no interest or ability to provide you with financial support but who know people who would have an interest and also the financial ability. As the person you are talking with mentions a name or two, say, “I certainly would appreciate it if you would introduce me.” Then ask what that potential donor can tell you about the person you will be meeting. Your research begins on your next appointment right now.

You have now come through the interview process. Before you meet with someone, practice with a friend, colleague, relative, neighbor, practically anybody. Rehearsal never hurts. Another good idea is to set up your first interview with someone who you know will not give you any money under any circumstances. That way, if you forget what to say or completely mess up one way or another, no damage is done. You do not want to mess up with a strong potential funding source: That would be unfortunate for you and the person you are meeting, because investing in your project or organization should be as satisfying to the donor as it is to you.