



CHARITABLE AND PHILANTHROPIC MANAGEMENT COUNSEL

COMMUNITY LEGAL RESOURCES

FUNDRAISING STRATEGY

Prepared and Presented for Community Legal Resources

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**COMMUNITY LEGAL RESOURCES
FUNDRAISING STRATEGY**

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FUNDRAISING STRATEGY

GOAL

The goal is to establish a full-time, full-range fundraising program for the Community Legal Resources program of Michigan Legal Services. To meet its strategic plan for 2001 through 2003, Community Legal Resources must increase its annual operating budget. The expanded, strategic fundraising program is being implemented to meet this increase.

ANNUAL GOALS

Community Legal Resources established these goals for its fundraising program for 2001 through 2003.

1. Increase contributions and government grants received by 5% - 10% each year.
2. Build upon the base of gifts received from foundations and increase the number, size, and ratio of gifts received from other sources – corporations/businesses, bar sections, law firms, and attorneys and other individuals.
3. Increase the amount received by corporations/businesses by 100%.
4. Increase the number of attorneys and other individuals contributing by 50% each year.
5. Expand the fundraising program from Detroit Metro to statewide.
6. Increase the number of volunteers soliciting contributions. Currently five are working on the program. Increase to ten by 2003.
7. Raise \$300,000 in contributions and government grants in 2001.
8. Raise \$320,000 in contributions and government grants in 2002.
9. Raise \$350,000 in contributions and government grants in 2003.



PROCESS

To establish the fundraising program, Community Legal Resources will create and implement:

1. Internal systems to record, report, and acknowledge pledges, payments of pledges, and contributions.
2. Research to develop a list of prospective contributors for cultivation and solicitation.
3. Process to annually determine uses of gifts and to customize solicitation materials.
4. Strategy to cultivate and solicit contributions.
5. Board and volunteer committees for fundraising.
6. Recognition opportunities for contributors and volunteers.
7. Annual evaluation of fundraising success and progress.

INTERNAL SYSTEMS

During 2001, Community Legal Resources will establish record keeping, reporting, and acknowledging methods and office systems required to track gifts and solicitation calls. To accomplish this, it will compare its present systems and computer program against available programs and decide whether or not to change.

The internal system will allow Community Legal Resources to

1. Report contributions and pledges to the Finance and Fundraising Committee and to the Board of Directors. Sample reports appear in Appendix A.
2. Track calls made to cultivate and solicit prospective contributors.
3. Acknowledge contributions and pledges within two working days of receipt.
4. Record and receipt contributions and pledges within two working days of receipt.
5. Prepare and deliver reminders of pledges one month in advance of being due.
6. File and track correspondence with contributors and prospective contributors.

Community Legal Resources will adopt policies and rules determining the types of pledges and gifts it will accept. These will cover such forms as gifts-in-kind, stocks, bonds, bequests, trusts, and other instruments. The Board of Directors will review and adopt policies during 2001.



RESEARCH

Each year, Community Legal Resources will update and expand its list of prospective contributors and government funding sources. Prospective contributors include people, foundations, and corporations/businesses with an interest in community, neighborhood, and economic development and in providing legal services to community and economic development organizations.

It will maintain appropriate information for cultivating and soliciting contributions. This information includes giving history, biographical information, key facts, and recommended gift amount to request. A list of suggested data items appears in Appendix B. The suggested items may be narrowed to a manageable set for Community Legal Resources market place.

Prospective contributors and government funding sources include:

1. Foundations researched and selected for interests in specific programs or geographic areas served.
2. Corporations/businesses.
3. Bar Sections and members.
4. Law Firms, especially law firms that volunteer services.
5. Attorneys, especially attorneys who volunteer services.
6. Other individuals and families with an interest in community, neighborhood, and economic development and in providing legal services to community and economic development organizations.
7. Clients served; Clients contributors; and Clients directors, trustees, and volunteers.
8. State of Michigan and government authorities funded by the state but independently managed.

SOLICITATION MATERIALS

Annually Community Legal Resources will review and update purposes for which gifts will be solicited. From this review, Community Legal Resources will write and develop its case statement.

The case statement is the base for all other materials written. It addresses current operating needs, physical plant needs in equipment and buildings, and endowment needs. The case will state the relation with Access to Justice Fund and the uses of the gifts placed in it.

The case statement presents:

1. Uses and needs of gifts;
2. History, mission, and purpose of Community Legal Resources;
3. Program priorities for three years;
4. Reasons Community Legal Resources is the organization to meet these identified needs; and
5. Successes.

From this case statement all other materials will be written, developed, and prepared. Community Legal Resources will tailor its case to cultivate and solicit segments of its market. Solicitation materials, pledge cards, and solicitation and acknowledgment letters will be customized for the legal community, other individuals and families, corporations/businesses, and foundations.

This case also is the core for government grant proposals. A suggested pledge form for the non-legal community appears in Appendix C.

STRATEGY

Annually, Community Legal Resources will analyze its list of prospective contributors and match with the scale of giving. It will assign prospective contributors to each level of the scale of giving.

Scales of giving for 2001, 2002, and 2003 follow. Also, the expected 2001 Revenue Sources and a sample fifteen-month schedule of activities follow.

For gifts above \$1,000, Community Legal Resources will work with its Finance and Fundraising Committee members and potentially other volunteers to solicit via personal visits and specific proposals. The network begins with Finance and Fundraising Committee members. In addition, seek assistance from Michigan Legal Services Directors and other Community Legal Resources Directors. As time and energy permits, expand the network with current contributors.

Staff will work with volunteers to identify contacts and to cultivate and solicit contributions. It will be most productive for Community Legal Resources to continue the way it has separated prospective contributors by type.

1. For foundations identify volunteers who know the Foundations' Board members.
2. For corporations/businesses identify corporate counsel and volunteers who know officers.
3. For bar sections identify volunteers who know the sections' Directors.
4. For law firms identify major clients and volunteers who know them best.
5. For attorneys, especially volunteers, identify volunteers who know them best.



6. For individuals and families – who are not attorneys, especially clients’ trustees, volunteers, and contributors - identify volunteers who know them best.
7. For government funding sources identify volunteers with contacts with the appropriate state agencies.

Solicit gifts of \$1,000 or less via telephone and letter.

At the end of 2001, establish a committee to solicit trusts and estates. Compile a list of trust and estate attorneys. Plan and prepare a packet of information to mail to each of them in 2002. In 2002, coordinate contacts of committee members with trust and estate attorneys. Begin to carry information in the newsletter about the opportunity to contribute through bequests.

Cultivate all prospective contributors with the newsletter, invitation to the annual recognition event, and invitations to education programs.

COMMITTEES

Each year, Community Legal Resources will increase the number of volunteers involved in fundraising and strengthen the Directors’ role. It will begin with an inventory of Directors’ talents and will determine talents needed on the Board. These talents should include accounting, finance, management, community development, health and human services, education, government, politics, and youth development. The Personnel Committee will conduct the review or it may appoint a sub-committee for nominations.

Increase the number of volunteers from five to ten. These volunteers will help identify prospective contributors and solicit prospective contributors or identify government funding sources and solicit them. Each volunteer will help solicit – government funding sources, foundations, corporations/businesses, bar sections, law firms, and attorneys, and other individuals.

Each volunteer will help with the solicitation of at least five prospective contributors or government funding sources.

See Appendix D for Finance and Fundraising Committee responsibilities.

RECOGNITION

Community Legal Resources currently holds an annual recognition event. To complement this event and to expand its impact, Community Legal Resources will produce an annual report of programs, finances, and fundraising. Of course, the report of 2001 will be produced in spring 2002. Use it to continue the recognition of the volunteers and contributors honored at the event.



During 2001, Community Legal Resources will increase the public recognition given volunteer law firms and attorneys and contributors. Provide greater recognition to volunteers among peers perhaps at bar section meetings or in bar section publications.

Provide greater recognition to volunteers, clients, and contributors in venues that reach the business and philanthropic communities. Place articles in newsletters, newspapers, magazines, and journals read by the business and philanthropic community. The goal is to recognize volunteers, clients, and contributors in venues beyond the legal community.

Regularly feature volunteers, clients, and contributors in the Community Legal Resources newsletter. Work with volunteers, clients, and contributors to send copies of the newsletter to markets important to them.

ANNUAL EVALUATION

Starting in 2002, Community Legal Resources will annually evaluate its fundraising program based upon these criteria.

1. Gift income received each year, including dollars and gifts-in-kind.
2. Dollars raised for dollars expended.
3. Fundraising costs as a percentage of the total budget.
4. Number of contributors in each category.
5. Percentage of gifts by number and amount received through each category of contributor.
6. Average size of gifts.
7. Average size of gifts in each category.
8. Number of prospective contributors contacted.
9. Number of volunteers working on fundraising.
10. Goals set and reached.
11. Dollars received directly versus dollars received through the Michigan State Bar.



**Community Legal Resources
\$300,000 Scale of Giving
2001**

Gifts Needed Number	Amount	Accumulation Per Amount	Total
1	\$100,000	\$100,000	\$100,000
3	30,000	90,000	190,000
4	15,000	60,000	250,000
5	5,000	25,000	275,000
6	2,500	15,000	290,000
<u>30</u>	\leq 1,000	10,000	<u>\$300,000</u>
<u>49</u>			



Community Legal Resources
\$320,000 Scale of Giving
2002

Gifts Needed Number	Amount	Accumulation Per Amount	Total
1	\$90,000	\$90,000	\$90,000
3	30,000	90,000	180,000
5	15,000	75,000	255,000
6	5,000	30,000	285,000
8	2,500	20,000	305,000
<u>50</u>	\leq 1,000	15,000	<u>\$320,000</u>
<u><u>73</u></u>			



**Community Legal Resources
350,000 Scale of Giving
2003**

Gifts Needed Number	Amount	Accumulation Per Amount	Total
1	\$80,000	\$80,000	\$80,000
3	30,000	90,000	170,000
6	15,000	90,000	260,000
8	5,000	40,000	300,000
12	2,500	30,000	330,000
<u>75</u>	$\leq 1,000$	20,000	<u>\$350,000</u>
<u>105</u>			



Schedule of Activities - 2000

October/November/December 2000

1. Determine Operating Budget for 2001.
2. Determine Revenue and Fundraising Goals for 2001.
3. Establish Scale for Gifts and Government Grants for 2001.
4. Select prospective contributors and government funding sources for 2001.
List three to five prospective contributors for every gift needed or government grant desired. Prospective contributors include:
 - a. Foundations researched and selected for interests in specific programs or geographic areas served
 - b. Corporations/businesses
 - c. Bar Sections and members
 - d. Law Firms, especially law firms that volunteer services
 - e. Attorneys especially attorneys who volunteer services
 - f. Other individuals and families with an interest in community, neighborhood, and economic development and in providing legal services to community and economic development organizations
 - g. Clients served; Clients contributors; and Clients directors, trustees, and volunteers
5. Research Foundations. Determine nature of proposals. Set deadlines for writing and presenting proposals.
6. Write solicitation materials.
7. Write and print pledge cards.
8. Determine meetings to attend and to speak at for publicity or for cultivation. Work with Directors to have them or staff attend. Work with Directors to arrange speaking engagements. Seek opportunities in front of the business and philanthropic communities.



Schedule of Activities – 2001

January/February/March 2001

1. Solicit Community Legal Resources Directors via letter and telephone call.
2. Solicit Michigan Legal Services Directors via letter and telephone call.
3. Solicit corporations/businesses, bar sections, law firms, and attorneys and individuals who gave during 2000.
4. Solicit law firms and attorneys who are volunteering or who have volunteered services via letter.
5. Prepare and present proposals to 3 foundations.
6. Solicit 5 corporations/businesses.
7. Prepare government grants, if applicable.
8. Expand prospective contributor list with
 - a. People who attend education programs
 - b. Foundations researched and selected for interests in specific programs or geographic areas served
 - c. Corporations/businesses
 - d. Bar Sections and members
 - e. Law Firms, especially firms that volunteer services
 - f. Attorneys, especially attorneys who volunteer services
 - g. Other individuals and families with an interest in community, neighborhood, and economic development and in providing legal services to community and economic development organizations
 - h. Clients served; Clients contributors; and Clients directors, trustees, and volunteers
9. Prepare and present reports monthly to Finance and Fundraising Committee and to Board of Directors.
10. Send the newsletter to prospective contributors, including volunteer attorneys and firms, client organizations and their directors, and contributors to clients.

April/May/June 2001

1. Prepare and present proposals to 3 foundations.
2. Solicit 5 corporations/businesses.
3. Prepare government grants, if applicable.
4. Prepare and present reports monthly to Finance and Fundraising Committee and to Directors.
5. Send the newsletter to prospective contributors, including volunteer attorneys and firms, client organizations and their directors, and contributors to clients.



July/August/September 2001

1. Prepare and present proposals to 3 foundations.
2. Solicit 5 corporations/businesses.
3. Prepare government grants, if applicable.
4. Prepare and present reports monthly to Finance and Fundraising Committee and to Directors.
5. Send the newsletter to prospective contributors, including volunteer attorneys and firms, client organizations and their directors, and contributors to clients.
6. Plan annual recognition event. Determine venue, date, and honorees. Create committee to plan event.

October/November/December 2001

1. Prepare and present proposals to 3 foundations.
2. Solicit 5 corporations/businesses.
3. Prepare government grants, if applicable.
4. Conduct annual recognition event.
5. Send the newsletter to prospective contributors, including volunteer attorneys and firms, client organizations and their directors, and contributors to clients.
6. Prepare and present reports monthly to Finance and Fundraising Committee and to Directors.
7. Determine Operating Budget for 2002.
8. Determine Revenue and Fundraising Goals for 2002.
9. Establish Scale for Gifts and Government Grants for 2002.
10. Select prospective contributors and government funding sources for 2002.
List three to five prospective contributors for every gift needed or government grant desired. Prospective contributors include:
 - a. People who attend education programs
 - b. Foundations researched and selected for interests in specific programs or geographic areas served
 - c. Corporations/businesses
 - d. Bar Sections and members
 - e. Law Firms, especially law firms that volunteer services
 - f. Attorneys, especially attorneys who volunteer services
 - g. Others individuals and families with an interest in community, neighborhood, and economic development and in providing legal services to community and economic development organizations
 - h. Clients served; Clients contributors; and Clients directors, trustees, and volunteers
11. Research Foundations. Determine nature of proposal. Set deadlines for writing and presenting proposals.
12. Revise case for support and solicitation materials.
13. Revise and print pledge cards.
14. Prepare report of contributions and include in the newsletter.



15. Determine meetings to attend and to speak at for publicity or for cultivation. Work with Directors to have them or staff attend. Work with Directors to arrange speaking engagements. Seek opportunities in front of the business and philanthropic communities.
16. Establish a committee to work on trusts and estates. Compile a list of trust and estate attorneys. Plan and prepare a packet of information to mail to each of them in 2002. In 2002, coordinate contacts of committee members with trust and estate attorneys. Begin to carry information in the newsletter about the opportunity to contribute through bequests.





Connecting Lawyers and Communities

EVALUATION OF 2003 FUNDRAISING

1. Gift Income Received

Source	Amount
Power of Attorney	\$50,000.00
Individuals and client organizations	\$43,254.00
Michigan State Bar Foundation	\$35,000.00
City of Detroit CDBG	\$26,098.45
NAPIL (incl. Comerica, State Bar match)	\$21,666.64
Law Firms ¹	\$17,300.00
Comerica Bank	\$10,300.00
Henry Ford II Fund	\$10,000.00
State Bar Business Law Section	\$10,000.00
Program Income	\$6,600.00
Standard Federal Bank	\$5,000.00
Conway MacKenzie & Dunleavy	\$5,000.00
General Motors Corporation	\$5,000.00
Other Contribution Income	\$2,600.00
MI State Housing Development Authority	\$2,500.00
Johnson Controls	\$2,500.00
Bank One	\$2,500.00
Fortune Personnel Consultants	\$2,500.00
Michigan Capital Fund	\$2,500.00
MASCO Corporation	\$2,500.00
Fannie Mae	\$1,000.00
Detroit LISC	\$1,000.00
Michigan LISC	\$1,000.00
State Bar Real Property Law Section	\$1,000.00
Total for 2003	\$266,819.09

¹ Represents only those law firms contributing from a general fund. In 2003, five firms (Barris Sott, Bodman Longley, Dykema Gossett, Honigman Miller and Howard and Howard) met or exceeded their pledged amounts to CLR by encouraging or mandating individual attorney gifts to the Access to Justice Fund. These funds are included in the Individuals category.

2. Dollars Raised for Dollars Expended

Community Legal Resources raised \$266,819.09 for a budget projected at \$293,091.50. However, expenses did not rise to the full level budgeted, ending the year at \$236,240.65.

In 2002 expenses were significantly under budget in the following areas:

Program Area	\$\$Under Budget	Reason
Salaries	\$17,222	Staff attorney not immediately hired following end of NAPIL fellowship
Fringes	\$14,298	Switched health insurance plans; some employees opting out
Computer consultant	\$3,293	New equipment purchased in 2002
Direct education program	\$11,869	No trainings held independently; efficiencies achieved in delivery
Office expenses	\$8,382	No new equipment needs; more efficient use of office supplies

3. Fundraising Costs as a Percentage of Total Budget

In 2003, \$7,200 was paid to Rita Fuerst Adams/CPM Counsel for fund development planning and coaching. Additional fundraising costs include \$4,987 to print the case for support document, one-half of the \$4,250 spent on recognition events, and 12% (or \$14,350) of total staff time. The estimated total cost of fundraising in 2003 was \$28,662, or 12% of total expenses, down from 15% in 2002.

4. Number of Contributors in Each Category

In 2003 Community Legal Resources worked to increase the number of individuals, law firms, and client organizations contributing in order to lessen dependence on private foundation sources:

Private Foundations		2
Private Public Interest Law Organizations	2	
Government Sources		2
Corporations and Businesses	13	
Bar Sections and Associations		2
Law Firms		10

Individuals and Clients	175
Program Income Sources	3

5. Percentage of Gifts by Number and Amount Received by Category

Category	Number	Percent	Total	Percent
Private Foundations	2	1%	\$45,000.00	16.8%
Private Public Interest Law Orgs	2	1%	\$71,666.00	26.8%
Government Sources	2	1%	\$28,598.00	10.8%
Corporations and Businesses	13	6%	\$43,400.00	16.3%
Bar Sections and Associations	2	1%	\$11,000.00	4.2%
Law Firms	10	5%	\$17,300.00	6.5%
Individuals and Clients	175	84%	\$43,254.00	16.2%
Program Income Sources	3	1%	\$6,600.00	2.4%
	209		\$266,819.00	

6. Average Size of Gifts in Each Category

Private Foundations	\$22,500
Private Public Interest Law Organizations	\$35,833
Government Sources	\$14,299
Corporations and Businesses	\$ 3,338
Bar Sections and Associations	\$ 6,500
Law Firms	\$ 1,730
Individuals and Clients	\$ 247
Program Income Sources	\$ 2,200

7. Number of Prospective Contributors Contacted

Private Foundations	15
Private Public Interest Law Organizations	3
Government Sources	2
Corporations and Businesses	30
Bar Sections and Associations	5
Law Firms	25
Lawyers and Other Individuals	500
Program Income Sources	4

8. Number of Volunteers Working on Fundraising

The Community Legal Resources Finance committee is comprised of 6 board members and 4 advisory board members who meet monthly to oversee cash flow, budget and fundraising activities. Other board members are active in making contacts at local law firms and signing fundraising appeal letters. Once again this year, board chair Sally Schwartz, Legal Director Alan Reiter, and advisory board member Robin Luce headed a campaign to raise individual attorney gifts through a volunteer at each of 12 law firms and corporate legal departments resulting in dozens of new individual contributions.

A total of 25 volunteers assisted with fundraising activities in 2003.

9. Goals Set and Reached

Fundraising in 2003 was especially difficult for a number of reasons. Three normally reliable sources were either unable to make a gift due to financial constraints (Ford Motor Company and DTE Energy) or simply deferred decision-making until 2004 (Matilda Wilson Fund). Larger foundation gifts were more difficult to attract, but once again this year these were replaced by a number of smaller corporate gifts and a dramatic increase in the number of individual lawyers making gifts through the State Bar's Access to Justice Fund. Client organizations were directly solicited for the first time in 2003, resulting in approximately \$4,000 in new gifts. Opportunities for sponsorship at the 5th Anniversary Celebration in November were received well and the event actually made a small profit for the first time (\$5,000).

Although total law firm contributions were up from previous years, there is still a need for increased and sustained support from law firms, many of whom give generously to the Access to Justice Fund. Also, opportunities to generate program income through the sale of educational materials and training modules should be explored more fully in future years.

10. Dollars Received Directly versus Dollars Received through State Bar

Community Legal Resources received \$43,509 through the Access to Justice Program in 2003, or 16% of all CLR funds raised. \$6,960 of this amount were funds contributed to the Community Legal Resources endowment fund at ATJ by a total of 20 donors. The remaining funds, comprised of law firm, bar section and 155 individual gifts, were passed through for CLR program expenses in quarterly installments.