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**Overview**

This unit is about demonstrating the importance of fundraising to the Board of a non-profit and ensuring that trustees/directors understand how fundraising works. It is also about ensuring that these individuals understand the role that they might play in enhancing the performance of the fundraising function and particularly in assisting with appropriate forms of fundraising, such as major gift.

It is recommended when using these individual units that you also refer to the introduction. It sits alongside the complete suite of NOS and has useful information and signposting to other areas you need to be aware of. For example the Institute of Fundraising's Codes of Fundraising Practice.

**Useful Reading**

Anderson A (1996) Ethics for Fundraisers, Indiana University Press, Indianapolis, IN

Fischer M (2000) Ethical Decision Making in Fund Raising, John Wiley and Sons, San Francisco.

Hoskins T (2005) The ICSA Corporate Social Responsibility Handbook: Making CSR Work for Business, ICSA Publishing, London.

Kotler P and Lee N (2005) Corporate Social Responsibility Doing the Most Good for Your Company and Your Cause, John Wiley, San Francisco, CA

Salamon L.M. (2003) The Resilient Sector The State of Nonprofit America, Brookings Institution Press, Washington, DC.

Sargeant A (2004) Marketing Management for Nonprofit Organisations, Oxford University Press, London.

Sargeant A and Jay E (2004) Building Donor Loyalty, Jossey Bass, San Francisco.

Seddon N (2007) Who Cares?, Civitas, London

## SFTF27

### Represent Fundraising to the Board

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#### Performance criteria

*You must be able to:*

- P1 communicate the importance of effective fundraising in achieving an organisation's aims
- P2 communicate the nature and importance of a Board's role in achieving fundraising objectives
- P3 communicate the importance of transparency and accountability in the public reporting of fundraising results
- P4 provide reports and summary statistics, including relevant metrics, on the performance of the organisation's fundraising function
- P5 identify and communicate the key drivers of fundraising performance in your organisation
- P6 explain and justify the pattern of performance achieved, highlighting weaknesses in performance as appropriate
- P7 respond appropriately to requests from the Board for additional information or clarification, dealing effectively with any misconceptions or misunderstandings about the operation of the fundraising function
- P8 demonstrate the importance of supporter retention and the rationale for investing in this area
- P9 demonstrate how fundraising strategies and plans help to develop and maintain positive relationships with supporters and the resultant benefits in terms of loyalty and donor lifetime value
- P10 demonstrate how an effective fundraising strategy allows an organisation to make efficient use of its resources by focusing upon the target audiences and supporters most responsive to its solicitations
- P11 demonstrate how new fundraising products/services allow the organisation to satisfy changing supporter needs and how this generates return on investment
- P12 report on the environmental impact of the organisation's fundraising activities and suggest changes in policy, as appropriate
- P13 work with the Board as appropriate to develop an ethical policy to guide the organisation's fundraising practice

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### Knowledge and understanding

*You need to know and understand:*

#### Context specific

- K1 the aims, ethics, culture, past history and mission of your organisation
- K2 the scope of your role, responsibilities and limits of your authority
- K3 the current level of knowledge and understanding among board members about the process of fundraising, typical returns from fundraising and fundraising reporting
- K4 the identified information needs of board members and other stakeholders
- K5 the organisation's planning and decision making processes
- K6 the role the Board might play in assisting with or facilitating fundraising activities
- K7 power, influence, politics and management culture within the organisation

#### Sector specific

*You need to know and understand:*

- K8 why accountability and transparency are important
- K9 fundraising legislation, regulation, ethics and codes of fundraising practice
- K10 how to calculate and explain the costs of fundraising incurred by your organisation
- K11 the difference between restricted and unrestricted funds and the fundraising/legal implications of soliciting each
- K12 the importance of donor retention and loyalty
- K13 current trends in public perceptions of non-profit organisations and current fundraising practice
- K14 current trends in media perceptions of non-profit organisations and current fundraising practice

#### General

*You need to know and understand:*

- K15 potential barriers to promoting the value of fundraising within an organisation, the reasons for these and methods for overcoming them
- K16 common misunderstandings about the nature of fundraising, fundraising costs and the public reporting thereof
- K17 the principles of strategic management and business planning
- K18 the importance of corporate social responsibility and how to reflect this within an organisation's fundraising strategy
- K19 the importance of consulting with colleagues and other stakeholders in promoting the value of fundraising and how to do this effectively
- K20 how to develop measures and methods for monitoring and evaluating the performance of fundraising and the return on investment achieved

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| <b>Developed by</b> | Skills Third Sector |
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| <b>Version number</b> | 1 |
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| <b>Date approved</b> | April 2008 |
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| <b>Indicative review date</b> | September 2011 |
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| <b>Validity</b> | Current |
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| <b>Status</b> | Original |
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| <b>Originating organisation</b> | UK Workforce Hub |
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| <b>Original URN</b> | F27 |
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| <b>Relevant occupations</b> | Business management; Communications |
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| <b>Suite</b> | Fundraising |
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| <b>Key words</b> | Directors, trustees, committee |
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