

Fundraising Vehicles Through Which Annual Giving and Major Gifts are Solicited and Received

Annual Giving

Fundraising Method	Donor Category	What it is	Financial Resources	Human Resources	Most Suitable For
<i>Direct Mail</i>	Individuals, Corporations	Personalized mailings used to acquire, renew, and upgrade donor involvement	Significant upfront investment of dollars over multiple years with no guarantee of ROI in early years	Small, irregular mailings can be done by volunteers. Larger programs require staff to either run in-house or manage an out-sourced campaign; no volunteer involvement necessary.	All sizes of nonprofits, but it's difficult for all-volunteer organizations to conduct a program with regular mailings.
<i>Telemarketing</i>	Individuals	Telephone solicitation, which is particularly effective for thanking, renewing, and upgrading donors	Significant investment in equipment, space, and administrative infrastructure. Hired callers add to costs.	Recruiting volunteers to make calls can be challenging. Staff to run in-house program or monitor outsourced one. Outsourcing requires no volunteers.	All nonprofits can run an outsourced telephone solicitation if budget allows. Volunteer phone solicitors are an effective way to thank and renew donors.
<i>Door-to-door campaign</i>	Individuals	Canvassing door-to-door, typically to acquire new donors.	investment in materials and administrative infrastructure. Hired canvassers add to costs.	Recruitment of volunteers can be challenging. Safety is an issue. Require staff to plan program, recruit, and monitor, and do follow-up.	Small organizations typically depend on volunteers. Good for community groups, including sports organizations that draw from an invested group in a localized area. Larger nonprofits can handle volunteer or hired canvassers.
<i>Special Events</i>	Individuals, Corporations, Community Groups	Activities such as galas, fundraisers, and other social gatherings. Used to increase friendships while fundraising, but you must have clear goals.	Can be expensive and labor intensive	Require significant volunteer and staff time.	All sizes of organizations. The most successful events are typically mission-focused.
<i>E-philanthropy</i>	Individuals	Using the Internet to raise money online.	Investment in website capability and administrative infrastructure.	Staff to monitor; minimal volunteer involvement.	All organizations, either through their own website or a giving portal. Should be integrated with existing programs rather than as a standalone tool.

Major Gifts

Fundraising Method	Donor Category	What it is	Financial Resources	Human Resources	Most Suitable For
<i>Major Gift Programs and Campaigns</i>	Individuals, Corporations, Foundations, and Community Groups	A seamless, ongoing initiative that is specifically focused on identifying potential major gift prospects.	Materials, research, cultivation activities.	Volunteers, staff, and board all play a key role in identifying, opening doors with, and cultivating prospects. Can be volunteer only or staff/volunteer mixed.	Suitable for all organizations, tailored to size.
<i>Capital and Comprehensive Campaigns</i>	Individuals, Corporations, Foundations, and Community Groups	A one-time, deadline-driven campaign to raise a targeted amount for a specific bricks and mortar (capital) or combination bricks and mortar and program (comprehensive) project.	Can require significant costs in materials, training, campaign counsel, and recognition.	Staff and volunteers together. Difficult to do an all-volunteer campaign (will take longer and may flounder without staff direction).	Suitable for all organizations, tailored to size.
<i>Endowment Giving</i>	Individuals	Giving to a fund that is kept in reserve, where the interest is used for current needs; an endowment is self-sustaining as the principal is not touched.	Financial costs are generally associated with other vehicles.	Same as for major gifts.	Same as for major gifts.
<i>Planned Giving</i>	Individuals	Gifts made from current assets (such as stocks and bonds, real estate, life insurance) that are designed to maximize tax and other financial benefits. This also includes bequests made from a will, annuities, and other types of legacy gifts.	Start-up costs in materials, information, and technical expertise. The more complex the offerings, the more costly the program.	Same as for major gifts.	Same as for major gifts. Being more proactive in encouraging planned gifts is a good starting point for smaller nonprofits. More complex gifts are not generally suitable for smaller organizations.
<i>Sponsorships</i>	Corporations	Gifts from corporate and business donors that purchase benefits and exposure for the sponsor.	Recognition, event planning. Costs are part of event budget.	Can be volunteers or staff or mixed. Sponsor support should usually be handled by staff.	All sizes. Sponsor/nonprofit alignment and clear goals are key.

Source: McManus, A. Nonprofit Management 101: A Complete and Practical Guide for Leaders and Professionals. Chapter 18: Fundraising: Knowing When to Do What. Jossey-Bass. San Francisco, CA. Pgs. 298-303.