

| Strategy. | Capacity. | Sustainability.

# Quick Course

From the CHSD Team

## Developing a Funding Plan



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# Welcome

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*Welcome to Developing a Funding Plan, a Quick Course from the Community Health Systems Development Team of the Georgia Health Policy Center. It is expected that this Quick Course is either self-directed (by you) or facilitated in a group setting by a member of your program team. Resource development is often a critical component to a program's sustainability. It requires continual planning and the efforts of multiple people. It is not nearly as daunting a task if you have done your homework ahead of time and have a plan in place. This course will guide you through the development of two critical components: a funding plan and a prospectus.*

*Your Funding Plan takes the decisions you make during the sustainability planning process and turns them into action: identifying specific organizations and individuals you will approach for support, determining the appropriate strategies for making your request, and laying out a timeline for the process. Your Prospectus is the document that presents the reasons for investing in your program.*

*The content of this Quick Course is organized into the following four sections:*

- FAQs About Funding Plans
- Part 1: Developing Your Funding Plan
- Part 2: Developing A Prospectus
- Sample Prospectus

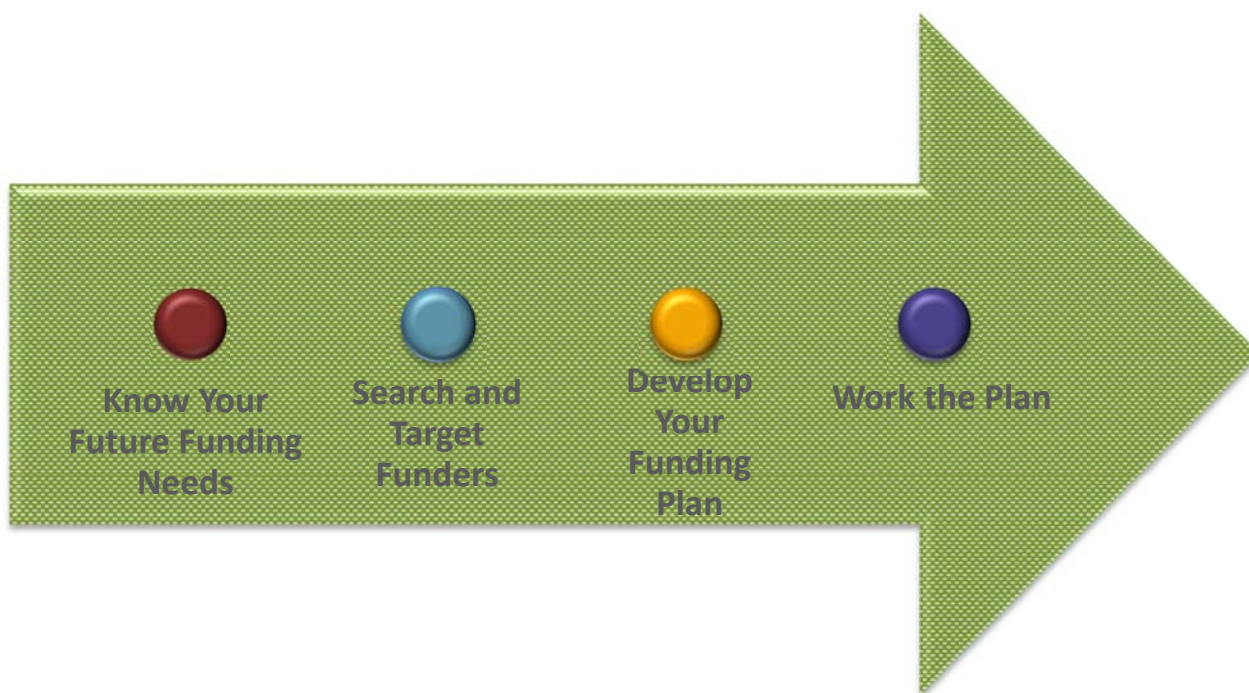
# FAQs

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## Why do I need a plan?

For now, you have a grant to fund your program, but you cannot rely on a single source of funding to maintain your activities beyond your ORHP Grant period. Funding diversification is essential for the long-term sustainability of any program or organization. Generating in-kind and financial support from businesses, organizations, individuals, and charitable foundations should be among your funding strategies. A Funding Plan will help you organize your efforts.

## What does the process look like?



## What is a “Funding Plan”?

The Funding Plan offered in this Quick Course is a tool to help you gather critical information about potential funders and lay out a schedule of tasks for your team to follow through in making the “ask.” The plan is based on the specific requirements and funding cycles of each potential funder. You should include in your Funding Plan any business, organization, individual, or foundation from whom you hope to receive either in-kind or direct financial support. Remember that it may be easier for some of these sources to make in-kind contributions rather than to provide money. Regardless of the method or level of their support, you will need to determine the best strategy for approaching each potential funder. Your Funding Plan will look like this:

Funding Plan									
Last Updated:									
PROGRAM, SERVICE OR ACTIVITY	FUNDING SOURCE	ADDRESS/PHONE	CONTACT PERSON	REQUEST	GIVING CYCLE	ASSIGNED TO	PERSONALIZED APPEAL	STATUS	RESULTS

## What is a prospectus?

A prospectus is a tool used to communicate with potential funders. It shares four things:

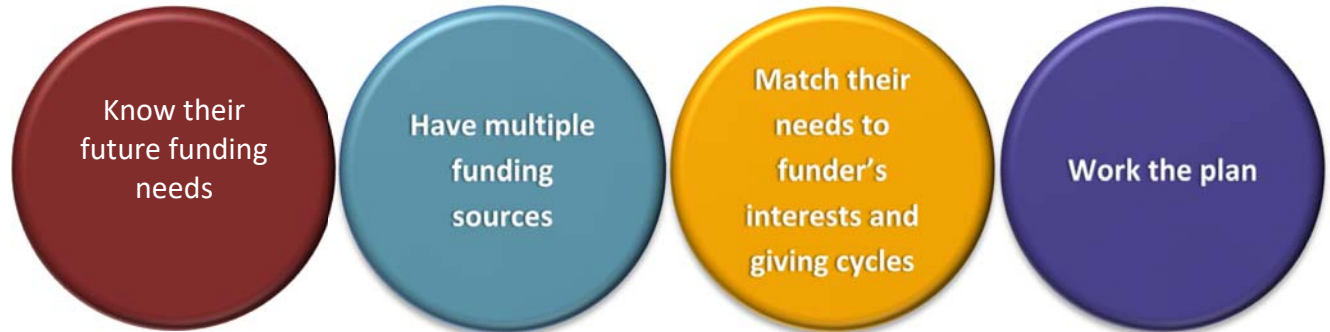
1. Demonstration of an urgent need
2. Your approach to the problem
3. Cost of the solution
4. Evidence that your organization is best to provide the solution

# Developing a Funding Plan

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## A Successful System

Successful fundraisers know their future funding needs, are strategic about whom they target, and plan according to the funding cycles of those individuals or organizations.





## Step 1: Calculate your funding goal

To calculate your funding goal, begin by developing a three- to five-year budget for the program, services, or activities you want to continue. (If available, refer to your Sustainability Plan). Determine the level of funding you have already committed to your efforts. This amount should include any in-kind contributions or services. If you anticipate having earned income (third party reimbursement, fees for services, etc.), make an estimate of the amount of income you anticipate to receive during the three- to five-year time period. Subtract your committed income and your anticipated earned income from your overall budget. The remainder represents your funding goal.

### *Funding Goal Calculation*

TOTAL 3- to 5-YEAR BUDGET:		\$
COMMITTED FUNDING	–	\$
ANTICIPATED EARNED INCOME <small>(REIMBURSEMENTS, FEES, ETC.)</small>	–	\$
		<hr/>
FUNDRAISING GOAL		\$

Now that you have your overall fundraising goal, determine the amount you hope to raise from the following methods:

### *Fundraising Methods*

EVENTS

\$

CONTRIBUTIONS

\$

IN-KIND

\$

GRANTS

\$

OTHER: \_\_\_\_\_

\$

Your Funding Plan will outline your strategies for generating in-kind support, grants, and contributions.



Have multiple funding sources

Identify potential funders, use:  
Partners  
Resources, including and  
[s.gov](#).

Identify sources for both in-kind and monetary support (grants and contributions).

Complete a thorough analysis of each charitable foundation to target. You will want to know:

- The types of projects they fund
- The amount of their average grant
- Their funding cycle, including application due dates
- Funding award dates
- The organizational requirements for applying for grants
- Their application process
- Their Board of Trustees

Be clear about the types of in-kind support you need (printing, meeting space, etc.) so you can target potential supporters with a specific in-kind request.

Investigate potential government grants- local, state, and federal. Thoroughly understand the qualifications for applying for the grant as well as the application process and deadlines.

Decide on the best person from your team to make the request of each potential funder. Use all of your contacts to help open doors.

## Step 2: Search for and target funders who are good matches





# Step 3: Put together your Funding Plan

Use the Funding Plan Template to organize critical information and dates for each of the funders you will target. Below is a summary and explanation of each column from the template.

## Details of the Funding Plan

### Creating Your Plan

<b>Funding Source:</b> name of organization, individual, corporation, foundation, or government entity
<b>Address/Phone:</b> note if there is a separate address for applications
<b>Contact Person:</b> name of person you will approach regarding your request
<b>Program, Service, or Activity:</b> what you are asking them to fund
<b>Request:</b> amount of your request or specific type of in-kind service you are requesting
<b>Giving Cycle:</b> date application is due, dates awards are given, date any reports or follow-up are due
<b>Assigned To:</b> lead person on your team assigned to manage this funder
<b>Personalized Appeal:</b> based on what you know or learn in your research, structure the message to emphasize the part of your program that will have the greatest appeal to each potential funder
<b>Status:</b> stage in the funding process with this funder ( <i>update periodically</i> )
<b>Results:</b> whether support was received/what you learned throughout the process



## Funding Plan Template

### Funding Plan

Last Updated:

PROGRAM, SERVICE OR ACTIVITY	FUNDING SOURCE	ADDRESS/PHONE	CONTACT PERSON	REQUEST	GIVING CYCLE	ASSIGNED TO	PERSONALIZED APPEAL	STATUS	RESULTS



Work the  
plan

## Step 4: Work the plan

Developing support for your program is an on-going process. It requires that someone have fund development as an essential part of his or her job description. Here are some tips for executing a successful funding campaign:

- Assign a staff member to lead your funding efforts and ensure that adequate time is allotted to this effort.
- Form a Funding Committee to help identify potential funders and to help make the necessary contacts and follow up. Engage your partners in this effort.
- Assign each potential funder to a member of the committee.
- Have regular committee meetings to review your efforts and determine the strategies for approaching each potential funder.
- Monitor the status of your efforts and keep your committee members updated.
- Continually seek out new potential funders to add to your list.
- Always send thank-you letters when you receive support – whether it is in-kind or monetary, large or small.
- Communicate regularly with your funders so they understand the value and impact of their support.
- Celebrate your successes!

# Developing a Prospectus

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Once the big picture is laid out in your Funding Plan, your team can begin the task of approaching the funders you have chosen to target. The process for each approach is somewhat similar to applying to work for a company: you study their website, mission, what they do, who works there, and what appeals to them. Then, you evaluate how to best position your program as something they will want to support. Your prospectus is a critical part of this process. It could be compared to a short resume, as it shares critical information about your program with a potential funder.

The following page describes what you should include in the four components of your prospectus.

# Getting Started on Your Prospectus

## DEMONSTRATION OF AN URGENT NEED

- What is the community need? (*Refer to your original needs assessment.*)
- Why is the need urgent?
- What data do you have to support your claim?

## YOUR APPROACH TO THE PROBLEM

- How does your approach address the need?
- What evidence do you have to demonstrate that your approach produces positive outcomes? (*Refer to your evaluation data.*)
- Is your approach logical and easy to understand?
- What's your plan to support the approach?

## COST OF THE SOLUTION

- What is the total cost (three- to five-year period)?
- How (generally) will you use the money?
- What are your funding strategies for supporting your program? Who has provided support?

## EVIDENCE THAT YOUR ORGANIZATION IS BEST TO PROVIDE THE SOLUTION

- Do you have the experience? (*List it.*)
- Do you have the people and other resources? (*Who and what resources?*)
- What systems and infrastructure are in place to undertake the work?

## Considerations in Preparing your Prospectus

**Nice, but  
not too  
flashy**

What are you communicating about yourself?

**CONSIDERATIONS:**

- ✓ Paper Quality
- ✓ Printing Process (copy, 1 or 2-color, 4-color)
- ✓ Length
- ✓ Binding
- ✓ Packaging and delivery

**Eye-  
catching**

You want your prospectus to draw attention

**CONSIDERATIONS:**

- ✓ Image
- ✓ Color
- ✓ Readability

**Don't  
write it  
yourself**

You know your program too well and will try to tell your audience too much.

**CONSIDERATIONS:**

- ✓ Clarity
- ✓ Use of jargon and technical terms
- ✓ Background knowledge needed

**Recognize  
this is a  
one-to-one  
piece**

This is not a mass-marketing piece; it is intended for a narrow group of people.

**CONSIDERATIONS:**

- ✓ Understanding the audience
- ✓ Language
- ✓ Voice