



Raising Private Money 101



December 2, 2018

 **Convergent**
NONPROFIT SOLUTIONS
Better Fundraising. Better Results.

 **Resource Development Group**
Building Organizations
That Build Communities

SESSION TOPICS

- Trends impacting the ability to attract and retain revenue
- Why you should want private money
- Blocking and tackling/fundraising 101

THE LAST DECADE

 **TRUMP**
MAKE AMERICA GREAT AGAIN!

 **GLOBAL CITIES INITIATIVE**
A Joint Project of Brookings and JPMorgan Chase

 **amazon**
HQ2





WHY SHOULD YOU WANT A PRIVATE REVENUE STREAM?

If you're not bringing in private dollars, you're missing the boat. Why?


Private dollars are:

- Fungible
- Sustainable
- Allow for creativity and innovation

And if that's not enough...Congress just passed the biggest corporate tax cut in US history; Corporate America has money!

What Can You Do With Private Money?:

- "Opportunity" funds -- incentives/cash reserves
- Prospect entertainment
- Additional "Bandwidth" in the form of people and/or program resources
- Talent recruitment
- Advocacy/Public Policy
 - Inform process
 - Support ballot initiatives/community campaigns



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THE BASICS

PUBLIC	PRIVATE	PUBLIC/PRIVATE
<ul style="list-style-type: none"> • Smallest # of bosses • Most restricted • Subject to political vagaries • Long term = date of next election • Can lead to complacent or even alienate private sector -- "doesn't the government do this" 	<ul style="list-style-type: none"> • Most nimble • Most stable • Hardest to fund at optimal level • Optimal if both 501(c)6 and 501(c)3 • Can disenfranchise public partners • Changes the nature of investor communications and engagement 	<ul style="list-style-type: none"> • Combines largess of government with stability of private sector • Governance structure becomes critical • Works best when government \$\$ is less than 50% • Provides ability to direct \$\$ and report specifically on funded initiatives • Optimal if both 501(c)6 and 501(c)3 • Must be committed to investor relations

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PHILANTHROPIC SUPPORT AT ALL TIME HIGH

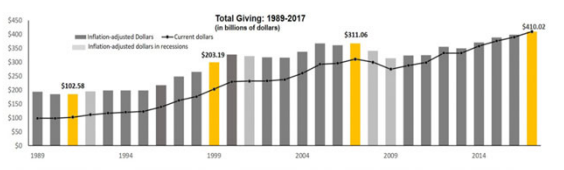
Total Giving 1989-2017

(billions of dollars)

Source: Giving USA 2017 Annual Report


2017 total giving reached its highest inflation-adjusted level ever, at \$410.02 billion

- Giving increased by 5.2 percent (3.0 percent adjusted for inflation)
- 2017 joins other record-breaking years for giving: 1991 (broke \$100 billion in current dollars); 1999 (broke \$200 billion in current dollars); and 2007 (broke \$300 billion in current dollars)



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MORE COMPETITION FOR \$\$



1,571,056
of registered nonprofits
in 2016; 50% more than
2006
Source: National Center for Charitable Statistics

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SOMETHING TO REMEMBER

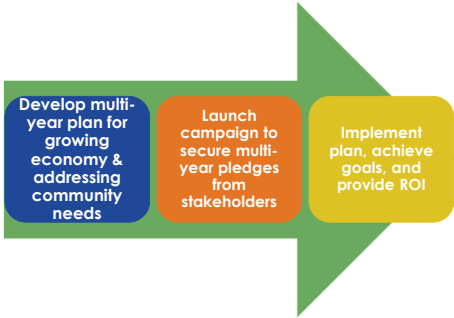
“Good and great are the enemies of possible”



Robert Cooper, Ph.D.
CEO Cooper Neuroscience Lab/Cooper Strategic

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INVESTMENT CAMPAIGN MODEL



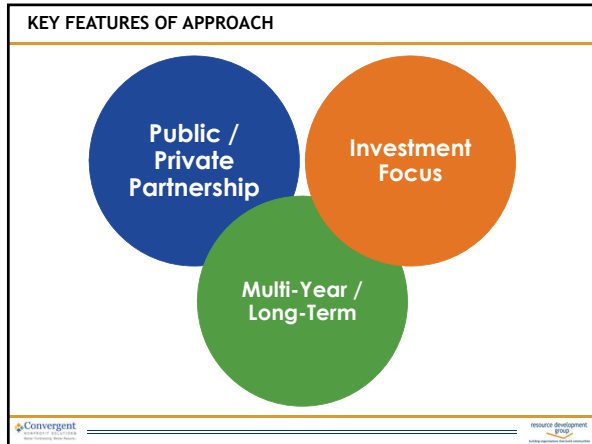
Develop multi-year plan for growing economy & addressing community needs

Launch campaign to secure multi-year pledges from stakeholders

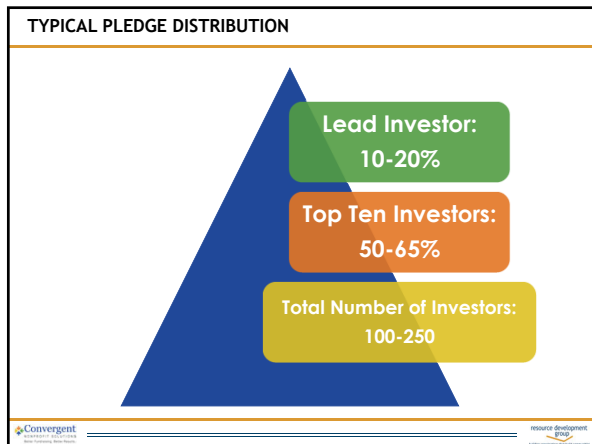
Implement plan, achieve goals, and provide ROI

best practices approach to ED funding

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- ### TYPICAL TOP INVESTORS
- ✦ City
 - ✦ County
 - ✦ Banks
 - ✦ Utilities
 - ✦ Hospitals
 - ✦ Locally headquartered companies (regardless of sector)
 - ✦ Major local employers (regardless of sector)
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CONTACT US

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