



Contents

1) The LAPA Model	1
2) Affordability of Fundraising Services	2
3) Campaigns	3
4) Feasibility Study	4
5) Finding New Donors	4
6) Paying for Fundraising	4
7) Return on Investment	4
8) Your Commitment	5
9) Your Board of Directors	5
10) Progress Reporting & Scope of Service	5
11) Outsourcing vs. Outposting	6
12) Fundraising Firm vs. Hiring Staff	6
13) Fundraising Firm vs. Private Consultant	6
14) Engaging LAPA	7

1) LAPA refers to “its model”. What is the LAPA Model?

LAPA was born in 1995 as an outsourcing service, a back-office to implement your essential fundraising program. Traditional consulting is based in transferring skills to the client so that you can implement the work yourself, but we thought that model was ineffectual for our clients because they often also needed the capacity to implement the strategies developed, not just the strategies alone.

LAPA serves as a "back office," providing fundraising services for mid-size and large nonprofits. We also provide strategy for major campaigns plus the planning services that may also be required.

Our three core services are campaigns, grants (private and public), and planning services.

Our model is as follows:

- LAPA employs senior staff and consultants all of whom have extensive experience in the nonprofit sector-more experience than a small or mid-size nonprofit can afford to hire.
- Our contracts cost about 20% below the cost of hiring in-house staff.
- Each client gets a unique team. We assemble a team with backgrounds in different talent

and skill specialties that match your agency's mission. Together, they bring a collective wisdom to problem solving and project management that is greater than the sum of their parts. Our outcomes over the past years prove that this approach produces a higher return on the fundraising dollar than one-person development departments, or development departments that do not utilize fundraising council.

- We publish our results annually, documenting our outcomes and disclosing clients' yearly return on investment-this is rare in fundraising. In 13 years, we have never failed to raise more money for a client than the amount the client paid in fees.
- Because it is in our clients' best interests, we take a long view and plan for long-term results. For this reason, our contracts are for three year terms. Moreover, we have shown flexibility in creating contracting terms that work for our clients.
- LAPA has created a respected brand in the nonprofit sector. Funders know that when a client becomes part of our portfolio they are serious about growth and development, and this knowledge often reflects positively on client success.

2) How can I afford these fundraising services?

We understand that fundraising services represents an important investment. Initially there are upfront costs, but usually they pay dividends for years to come. *Boosting your fundraising capacity is the only way to take your organization to the next level.*

Here are a few ways that our clients have paid for the first 18-months of our contract. Perhaps one of these methods will work for you:

- Seek out a supportive major donor to underwrite the development work. This should be an existing donor or board member who understands the importance of capacity building and with whom you can have an honest conversation about your needs.
- Direct the funds budgeted for in-house development staff to offset the cost. The desire to reformulate and re-frame a fundraising program often coincides with the departure of a member of the development team. With a simple edit to the budget line, your new consultant is paid for and an advanced development program is up and running.
- Approach the Board for a collective "stretch" gift in support of the effort.
- Apply for capacity-building grants. A capacity-building grant is a grant from a foundation that understands your organization's need to improve internal management to grow your programs. Rather than funding a program or general operating support, capacity-building grants specifically cover important internal expenses that are often neglected, fundraising costs among them.
- Host a one-time special event to raise the funds necessary for one year of development work. LAPA recommends the "Party With A Purpose" method of

fundraising when unrestricted funds are needed in short order. A "Party With a Purpose" is a small and intimate 90-minute event during which invitees are asked to make pledges to an organization on the spot. When planning a Party With A Purpose, you can go from picking a date, to the actual event in less than eight weeks. And we've seen organizations easily raise more than \$50,000 on their first attempt!

3) What is a "campaign", and how do we get ready for one?

A campaign is a time-limited fundraising drive, usually 36 to 60 months in length, with the goal of collecting funds for a specific purpose. Capital campaigns are most often associated with building projects -- bricks and mortar -- but campaigns can also help build endowments or meet other nonprofit financing needs.

A campaign is the pinnacle of fundraising for an organization. It is the moment when you focus your organization's energies on building toward the future. You must be in a strong position to start a campaign, and you can work towards it by ensuring the following things are in place:

- **Online Donor Database**
 - a. *Look for accuracy, detailed personal information, and communications tracking. Online is essential so that your fundraising counsel can access the database from its own offices*
- **Giving Policies: Board Giving, Gift Acceptance, and Communications**
 - b. *Look for policies that reflect best-practices and test if the policies are understood and followed.*
- **Strategic Plan**
 - c. *Look for the unification between your strategic plan and your fundraising goals to assure that fundraising takes a central role.*
- **Strong Staff**
 - d. *Look for staff to be prepared to take on the added workload of a campaign, an excited and inspiring CEO, and if all aspects of your development program function to maintain the annual fund.*
- **Supportive and Prepared Leadership**
 - e. *Look for a board that is supportive of the fundraising effort, understands the intense focus required for a campaign, and that is prepared to financially support the campaign with stretch gifts from their own resources*

For more on Campaign readiness, take Hank Russo's test for Campaign Readiness which can be found on our web site or [by clicking here](#).

4) Do I need a feasibility study to start?

Feasibility is an important first step in a campaign for an organization with an established donor base. It will allow you to test your case with donors, figure out if it will be possible for you to reach your goal, and help to identify campaign leaders. *However, if you do not have an active major donor program, you may better use your time and investment to focus on campaign readiness activities like developing your database, building your board, and growing your list of donors. The fact that we do not assume that a feasibility study is always the right place to start is a unique aspect of LAPA's approach and distinguishes us from our peers.*

5) Does LAPA have a list of donors they can introduce us to?

LAPA works to help you build on your relationships and form new ones based on the social and professional networks of the leadership of your organization, usually not on our relationships.

However, if you need to build a donor base, LAPA has an innovative and assertive strategy that can help introduce you to high-net worth individuals that are value-aligned with your organization. We have worked on this strategy for more than a decade. [You can read more about that here.](#)

In addition, we keep a detailed database of many large and small foundations around the country and have personal relationships with many grants officers there. Using our 12-step private grants outsourcing method we are able to help your organization connect with these foundations.

6) How does LAPA get paid? Do you take a percentage of the funds raised for my organization?

No, LAPA does not take a percentage or commission of funds raised. We work on an ongoing retainer or project basis, and every dollar we help you raise goes directly to you and belongs to you. We abide by the Association of Fundraising Professionals (AFP) Code of Ethics which states that fundraising consultants cannot work on commission and we stand by this code completely. For an in-depth take on why fundraisers do not work on commission, [read this article by our colleague Kim Klein.](#)

7) How long will it be before I see a return?

LAPA prides itself on publishing the Return On Investment (ROI) for all of our clients every year. We believe this is an important measure of success. An independent outside consultant, Strategists, Inc. documented that for every dollar that clients have spent with LAPA, they have received an average ROI of: \$4.25 from private grants; \$28 from government grants; and \$8 from campaigns. These returns are above the industry

standards.

That being said, development is a long process, and one that takes time to establish a firm foundation. The development process is built on relationship building and cultivation, and relationships don't blossom overnight. While we don't make any guarantees, and it depends on the amount of work we are contracted to do, LAPA expects our clients to see a positive ROI after 18 months and exponential returns after 36 months.

8) What sort of commitment will our staff and board have to make to work with LAPA?

The amount of time you have to contribute depends on the size and scope of the contract that we enter into, but as a general rule one staff member should be assigned as the point person to interface with us. In addition, we require weekly conference calls with the fundraising leaders at your organization – this is often the Executive Director or the Development Committee Chair. Further, we schedule an on-site, in-person meeting, usually once a week or once every other week.

If you are embarking on a major campaign we ask that your Executive Director be prepared to devote 50% of her or his time to fundraising and for the Campaign Cabinet to attend weekly meetings (usually two hours long) as a group as well as multiple meetings with donors.

9) How can I get my board excited about fundraising?

First of all, we have to get rid of the notion that every single person on your board is going to be a master fundraiser. That is simply not the case, and you must focus your energies on helping those trustees (usually about 20% of the group) who are excited about it.

For those trustees who are interested, usually the hesitation comes from not knowing who to ask and not knowing how to ask. LAPA provides training and coaching to help board members address those issues.

10) How does LAPA report on its progress and manage its scope of service?

LAPA provides monthly reports on the work accomplished and also the projected work for the following month.

LAPA provides an updated revenue report of all the funding we have secured and the proposals and donor asks that are pending.

LAPA conducts weekly phone calls or in-person meetings to keep you abreast of the progress of our work.

LAPA calculates the ROI you have achieved from our services on a bi-annual and an annual basis.

LAPA forecasts your ROI for the upcoming year every January and shares that with you.

11) What is the difference between outsourcing and outposting?

With outsourcing, LAPA serves as your back office and conducts our fundraising work from our virtual office. We come in for meetings and communicate on the phone regularly. We function as an off-site, back office, fundraising team.

When LAPA outposts a consultant at your office, he or she is at your site on set days which allows you to have more direct contact. The consultant still works for LAPA but he/she will have a space at your organization on certain days each month.

12) Why should I use a fundraising company vs. hiring staff?

Trained fundraising teams bring expertise to supplement your staff, and they help with a time-specific special need, for example grants management or donor development. Nonprofit agencies tend to get caught up in staff meetings or gala preparations which can pull an in-house development associate away from grants or donor work. Because we function as a back office, we always remain completely focused on our assigned functions. Also, board members often believe that it's only the opinion of "the expert" that counts—that you need to hire a specialist. A fundraising firm can evaluate your dilemma through fresh, disinterested eyes, without the filters and preconceived notions that internal people may have. Often we are brought in to gain efficiency by enabling you to avoid asking staff to do something they don't have time to do, and to avoid hiring someone at a salary below the level of the experience required. Most organizations have needs that require specialized skills, but which are not sufficient in scope to justify a full-time employee.

13) Is hiring a firm more expensive than a private consultant?

Because of our comprehensive approach, LAPA is often more expensive than solo consultants, but we provide you with access to a wide range of skills and expertise developed by our large staff of consultants. LAPA's proposal presents what we believe you need for success. We do not believe that you will be able to reach your goals with staff that are not top notch. Hiring LAPA is an investment in your future, and one we believe, based on our many years of experience, that will pay off in dividends. So many organizations have the same problem year-after-year primarily because they underfund the development function. Don't let that happen to you.

14) To sum it up, why should I engage LAPA?

LAPA Fundraising gives you a team (a prospect researcher, a lead fundraising professional, a strategist, and a project manager) to assure progress is made. Across the firm, we constantly share information about funding sources that might support you. We also provide a second opinion on every document and strategy before you even receive it. We back each other up and stick to the schedule. We're program content experts and experienced professional fundraisers with proven track records. We focus on giving you the highest possible ROI. Rarely can solo staff provide this level of service and expertise.