

2011 GPUS BUDGET INCOME NARRATIVE

INTRODUCTION

It takes a lot of people power and money to build a successful political party in the United States. Lots of both! These have been challenging times to raise funds for GPUS. The recent economic crisis has affected many of our donors. Shortcomings in our fundraising infrastructure, lack of a staff fundraiser, and an inadequate donor database, severely hampers our ability to execute fundraising programs. But a new opportunity seems to be at hand with the increasing voter dissatisfaction with the present political options. It should be a breakout year for Greens!

The choices made in the past, to divert earmarked funds from state, committee and caucus sharing to general operations, have made some donors wary of contributing, for fear that they will not be spent for their intended purpose. With the passage of the new fiscal policy, donor intent will be strongly honored and protections for restricted funds will be securely in place, putting to rest that issue. Now we can move on to full-powered fundraising with integrity.

This 2011 budget and fundraising plan are setting a top priority of rebuilding a sound, broad-based fundraising program. It begins with a special, one-time campaign to raise \$50,000 right away. This is necessary to provide the working capital required to complete the migration of our donor database to the Democracy in Action/Salsa platform. This in turn will provide an adequate donor database tool to support all other fundraising activities. Following that, the plan includes hiring a fundraiser, hiring a professional phone solicitor, having a special focus on increasing sustainer income, and rolling out a newly repackaged Green Party Card program.

And even more importantly, the fundraising committee is working to develop a culture of universal giving to set a whole new tone to fundraising. While large donors will still be much appreciated, it will be thousands of Green Party members and supporters giving and asking others to give small, affordable amounts on a recurring basis that will enable us to sustain ourselves and lead to more successes. This will take time to develop, but the goal is that everyone gives something, not matter how small. The committee is currently reaching out to GNC members and state leaders across the country with one-on-one conversations to enlist their aid in fundraising. The goal is to build a state-by-state network of champions of fundraising, reaching down to the local level.

We have maintained a national office, paid staff, web/press presence and resources, and annual national meetings for nearly a decade. There is no question that the resources that went to these things was money well spent. However, especially in recent years, we have not raised enough money to fund all of the work that we aspire to do - nor all of the tasks that a political party should be doing. This 2011 budget is a step forward to build our fundraising capabilities as a foundation for expanding the other party activities that we all want so desperately.

FORMAT

This narrative is in two sections, the first using income categories from the budget that show kinds of income, and the second showing income by solicitation methods. The totals for each section are the same.

KINDS OF INCOME vs. SOLICITATION METHOD (FUNDRAISING PROGRAM)

Financial Statements - Kinds of Income		Fundraising Reports - by Solicitation Method	
Sustainers (existing & new)	\$90,000	Existing Sustainers	\$75,000
One Time Contributions		Special One-Time Campaign	\$50,000
Green Party Card Donation of \$250 or more	\$30,000	Larger Donors	\$80,000
Other Contributions	\$80,000	Resolicitation	\$85,000
Planned Giving	\$185,000	Direct Mail-prospecting	\$24,000
Merchandise Sales	\$30,400	Planned Giving	\$30,400
Retail Sales	\$12,000	Merchandise Sales	\$14,600
Bulk Sales	\$1,600	Phone Solicitation-existing donors	\$31,000
Printed Literature	\$1,000	Phone Solicitation-prospecting	\$4,000
ANM Registration Fees	\$22,000	Online Appeals	\$24,000
		ANM Registration Fees	\$22,000
		National Committee	\$12,000
TOTAL KINDS OF INCOME	\$452,000	TOTAL FUNDRAISING ANALYSIS	\$452,000

I. SUSTAINERS - \$90,000

(https://salsa.wiredforchange.com/o/175/shop/custom.jsp?donate_page_KEY=2851)

Sustainers are Green Party supporters who make a monthly, quarterly, semi-annual, or annual contribution to the party. The income projected from sustainers in 2011 is \$90,000 (\$7,500/month), up from \$74,400 (\$6,200/month) projected for 2010.

The number of sustainers has increased from 275 in November 2010 budget to 500 in November 2011. Of the 446 [396 (online) + 50 (by mail)], 412 are monthly sustainers, 21 quarterly sustainers, 5 semi-annual sustainers, and 8 annual yearly sustainers. Some monthly sustainers aren't actually making donations every month because they do not respond to reminder letters or their credit or debit cards are declined. Therefore, actual sustainer payments are below 400. In these cases the GPUS Office Manager attempts to contact the donor to reactivate with a new card. Members of the Fundraising Committee have agreed to help with this task.

A discussed long-term goal within the Finance, Fundraising and Steering

Committees has been that income from sustainers could fund the day-to-day operations of the party, freeing other income for ballot access, candidate support, communications, capital improvements and other programs. At the 2009 Annual National Meeting in Durham, North Carolina, there was an informal sentiment toward reaching 500 active sustainers over the next year contributing \$10,000 per month. The Fundraising Committee has informally adopted that as a mid term goal.

Beginning in 2011, existing sustainers will be tracked separately from new sustainers and are budgeted for \$75,000 income. New sustainers will be included in the Sustainer income and will be tracked on the secondary grid under the program through which they entered the Sustainer program and are budgeted for \$15,000 income.

II ONE-TIME CONTRIBUTIONS - GREEN PARTY CARD - \$30,000

(<http://www.gp.org/greenpartycard.shtml>)

In 2010, the GPUS was phasing out the Green Party Card program, but this year is considering expanding it. On one hand, producing the actual Green Party Card and merchandise fulfillment is time-intensive, expensive and typically consumes one or more days of a volunteer's time every month. However Green Party Cards can be a valuable symbol of party building and provide a tangible recognition for many of the party's smaller donors. In 2010 these donors still receive a card, but don't also receive bumper stickers and other paraphernalia as former donors once did. There has been some discussion of giving every donor a Green Party Card, but no decision has yet been reached.

III. ONE-TIME CONTRIBUTORS - DONATIONS OF \$250 OR MORE - \$80,000

This category includes the former Major Donor program and expands it to include donors of \$250 or more annually.

The Major Donor program worked to identify and solicit donors for contributions of \$1,000 or more, on a one time or preferably an ongoing basis. The responsibility for developing and managing this program, including maintaining relations with current major donors as well as bringing in new ones, is included in the job description of the Fundraiser that the GPUS is advertising for (<http://www.gp.org/jobs/fundraiser.pdf>).

In recent years the GPUS has been proactive at identifying and reaching out to potential new large donors. Research has been done to identify networks of individuals that are active in efforts in alignment with green values. When a prospective donor was identified, the Executive Director sent an introductory letter and followed up with a phone call. In some cases, Steering Committee Co-chairs also assisted with the calls, in coordination with the Executive Director.

Cultivating donors until they are willing to actually make a donation often takes weeks or months. In some cases, major donors from past years who have not given recently, have been successfully re-solicited by the Executive Director. The steps involved in cultivation of major donors in recent years may be summarized as follows:

- New Donor: This donor has given to the GPUS for the first time.

- Repeat Giver: The new donor gives again, perhaps this time responding to a program request, special project or sustainer appeal.
- Upgraded Giver: The donor gives yet again, increasing the amount of the gift over the last contributions, showing an increase in involvement and sense of ownership of the organization.
- Major Giver: The donor gives at a high level, now aligned with mission, giving at a high-rate, now and in the future.

IV. ONE-TIME CONTRIBUTIONS - OTHER CONTRIBUTIONS - \$185,000

This category includes smaller donations as well as income from the special 2011 one-time fundraising campaign.

V. PLANNED GIVING - \$30,400.

The Planned Giving program encourages and assists people in bequeathing a gift to the GPUS in their Will. The responsibility for developing and managing this program is included in the job description of the Fundraiser.

The amount the GPUS can receive through this program is defined by Federal law, which limits the maximum contribution per donor (living or deceased) to a national party committee. In 2010 that amount per committee is \$30,400

<http://www.fec.gov/pages/brochures/citizens.shtml#how_much>. This limit applies separately to a party's national committee, House campaign committee and Senate campaign committee.

In 2010, the GPUS is scheduled to receive \$30,400 in its General Fund through the Juoni Trust that was established in early 2008. This is the first such trust for the GPUS and has provided the party with basic information and experience from which an ongoing Planned Giving program is being developed and publicized.

After the initial 2010 receipt of \$30,400 there will be a balance of approximately \$5,000 remaining in the Jouni Trust. In February 2011, the FEC will update the maximum amount receivable in a year. If there is an increase, the GPUS could choose to receive that increase in 2011.

VI. MERCHANDISE SALES - \$14,600

This program includes retail sales income of \$12,000 for profitable fundraising. Bulk sales income of \$1,600 is based on cost plus 10% sales to states and locals for their fundraising. Printed literature of \$1,000 is sold at little or no profit for outreach.

VII. REGISTRATION FEES - ANNUAL NATIONAL MEETING - \$22,000

Income from the Annual National Meeting by definition at least covers the amount of expenditures.

VIII. REGISTRATION FEES - OTHER EVENTS - \$0

No income is projected from GPUS events in 2011. Events sometimes can be a good source of income, but often are more "friend-raiser" than "fund-raiser".

The Lavender Caucus is using \$350 of its Restricted Funds to pay the tabling fee at the Creating Change Conference in Minneapolis in February. In addition to outreach efforts at this nationwide gathering, merchandise will be sold and contributions solicited.

IX. IN-KIND CONTRIBUTIONS

In 2011 developing a system to track in-kind contributions will be a priority.

INCOME BY SOLITICATION METHOD (equals Kinds of Income above)

- I. SPECIAL ONE-TIME FUNDRAISING CAMPAIGN - \$50,000**
- II. REGISTRATION FEES - \$22,000 - See VII and VIII above.**
- III. MERCHANDISE SALES - \$14,600 - See VI above.**
- IV. EXISTING SUSTAINERS - \$75,000 - See I above.**
- V. LARGER DONORS - \$80,000 - See III above.**
- VI. DIRECT MAIL RESOLICITATION - \$85,000**

The GPUS has a history of sending three re-solicitation direct mailings per year. Direct mail messages are written with input from staff, Steering Committee, Fundraising Committee, GPUS committee volunteers, candidates, officeholders, and others to reflect significant issues of the time of the mailing. Each mailing is written approximately one month before the direct mail is shipped.

VII. DIRECT MAIL PROSPECTING FROM STATE & CANDIDATE LISTS - \$24,000

In addition to re-solicitation mailings, the party also does periodic prospect mailings to bring in new donors. This budget plans for sending prospect mailings to 1000 individuals from state and candidate lists per month. Breaking even or showing a net income in these mailings is considered a bonus, because they are undertaken to develop new donors for the long run.

States are expected to provide their donor lists to GPUS for solicitation, with the understanding that states will approve the timing of any such solicitations. Historically, few states have actually done this. The Fundraising Committee is working to develop relationships and programs with states which will make them more willing to share their lists. Candidate donor lists are available to some extent on state and federal board of elections websites. Each state has different rules and systems with which they report this data. Data is usually reported only for donations over a certain amount, which can leave out smaller donors; it is not always 100% accurate even with what it claims to include. We expect to mine state/federal websites for this data, which typically includes only mailing addresses, for prospect mailings. We will also solicit complete lists from candidates and states.

VIII. PHONE SOLICITATION - \$35,000

After several years of hiring independent Fundraising Assistants, the party hired a telemarketing firm to solicit donations from lists we provide. Last year, the program showed a small net gain from telemarketing existing donors. It lost money on calls to prospective donors, but new donors were gained with the potential of future donations from that group.

The Steering Committee is in consultation with Keys Direct, a direct marketing firm with experience in fundraising for the Green Party of Canada, which has offered financial terms more advantageous to the party. .

IX. ON-LINE APPEALS - \$24,000

In March 2009 the GPUS began sending one e-blast per week and this program has continued through 2010. E-blasts are e-mail messages to the entire national GPUS e-mail list. E-blasts are typically written according to a rotating schedule. They include Greenline (a monthly newsletter), fundraising appeals, action alerts, and appeals such as a merchandise sale or event announcement (like the Annual National Meeting).

E-blasts are scheduled and sent through Democracy in Action, an online database/fundraising tool package that tracks e-blasts and all GPUS online donations. With the capacity of Democracy in Action (DIA), the GPUS has many tools available to increase online fundraising, including more easily targeting specific geographic areas with different appeals, or segmenting the list for testing. State parties can work directly with the GPUS database and its own database to run joint fundraising campaigns.

X. PLANNED GIVING - \$30,400 - See V above.

XI. NATIONAL COMMITTEE/STEERING COMMITTEE - \$12,000.

The 2010 budget projects \$55,000 raised by members of the National Committee and Steering Committee. In many organizations, the Board of Directors is involved to a meaningful degree in the fundraising. In the GPUS, fundraising is done almost exclusively by GPUS staff. It is clear that GPUS cannot realize its organizational and political goals without greater involvement from leadership in fundraising.

For the GPUS, the Board of Directors is the National Committee. This budget line, if adopted as part of the 2010 budget by the National Committee, would represent a commitment to raise that amount, including by promoting the sustainer program.

All Green Party members have local and state party networks, family and friends who can be convinced through personal contact to donate the party. They include face-to-face contact, phone calls, personal letters, and email appeals from one Green to another Green (also called Peer to Peer fundraising) or to other potential donors. They may also include donations in memory of /honor of a person or event.

National Committee delegates, state Green Party leaders, and party members in general should feel empowered to fundraise, with guidance

from GPUS, on behalf of the party. GPUS can compile materials (literature that can be downloaded and copied, donation forms, and return envelopes) that individual members can use for personal solicitations.