

Fundraising

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>> Good afternoon, everyone. This is DeBrittany Mitchell. I'm just letting everyone know that we will begin in five minutes. We'll give everyone a few minutes to join and begin promptly at 2:05. Thank you.

>> Good afternoon, everyone. We will begin in a couple of minutes. Thank you.

>> Good afternoon, everyone. And welcome to today's community of practice on fundraising. Before we get into today's today community of practice discussion, I would like to walk you through a tips on how to best use this Zoom platform. Throughout the presentation, if you have questions or comments, please feel free to type them into the chat box. I typed a chat test message that says "welcome." Please feel free to type your questions and comments here. Throughout the discussion we'll be monitoring the chat box to raise questions to the presenters. At the end of the presentation, there will be a question and answer session where you can respond to your questions directly.

In addition, you will see the option to mute and unmute your audio. At the end of the presentation, during the question and answer session, if you would like to chime in verbally, please feel free to raise your hands and I will call on you to unmute yourself to ask your question or provide your comment to everyone. This community of practice meeting is also being recorded and closed captioned. If you have any technical difficulties throughout the presentation, please feel free to message me directly. Again, this is DeBrittany Mitchell. Or type your concerns into the chat box. As a reminder, there's also a phone number to call into the meeting platform if you have any issues connecting via your computers. Thank you. And without further ado, I would like to hand this over to Jay.

>> Good afternoon, everybody. I would like to welcome you all to today's community of practice discussion. This is our fourth discussion in a TA series, training and TA series.

And today's topic is going to be on fundraising. But before we begin, I would like to give a special acknowledgment to CDFI Fund for their training and support to make this training possible. We are here to bring you, a group of esteemed experts in this field, to share some really great knowledge and tips for you all to consider using in your own organization. So without further ado, I would like to turn your attention to Jack Brummel, our lead TA expert. Take it away, Jack.

>> Yes, thank you. Just quickly, I've been given some feedback before that sometimes my voice can sound tinny. Hopefully it's because of the computer rather than because my voice normally sounds tinny. Is this sounding okay to folks?

Jay or DeBrittany?

>> Yes, it sounds good to me.

>> Okay, good. Well, thank you all for joining us today. This is the fourth as Jay said of our community of practice call. We're going to talk about fundraising and some issues that may be unique to trying to raise money to serve people with disabilities. And of course, that question, what do you need the money for is a key one as we're doing fundraising in the field. Your intended use of dollars you're trying to raise can influence your target. After we hear from experts, we're going to turn to the folks who are participating that are receiving TA through this initiative. And we're going to ask for your input, your participation, and any questions that you have on the topic. So on this one, the use of money, what you need the money for, Michael, do you want to start off?

>> Sure. Hi, my name is Michael Swack. I'm with the University of New Hampshire where I direct the center on Impact Finance. It's always a good place to start with what you need it for because particularly when making investments in projects and programs that serve people with disabilities there's quite a wide range of financial needs. A starting point is really looking at are you looking for loans? Are you looking for grants? So one of the things we would like to ask people to do as we go ahead is to type into the chat box specifically what you're looking for in terms of grants versus loans, keeping in mind that many of the types of projects that CDFIs will lend to or invest in that serve people with disabilities actually require both, a sort of mixed package, one that many CDFIs are used to looking at.

So a couple things to think about and then I'm going to call on Susan and Danny to give specific examples. The first is that you may be looking at loans, first of all. Unsecured consumer loans for assistive technology, for example. In which case you can actually underwrite the loan and look at ability to repay. That's going to be very different than if you're looking to invest in housing where you'll need long-term fixed rate financing and perhaps some subsidy, as well. So the first thing to think about is have you identified a specific product already that you're either beginning to utilize or will be utilizing in the future in terms of serving people with disabilities? Because that will affect this whole question of do you need debt or do you need grants? Do you need long-term fixed rate financing, which in case you will look in other places versus, do you need short-term financing, for example unsecured consumer loans. So we'll look at a range of different financing sourcing and funding sources ranging on

one side on the funding from different foundation and government sources. And on the lending side, for more typical CRA-type bank loans, and loans that may be available in the form of program-related investments that can be made from local or national foundations.

So Susan, let me turn to you first and ask you to talk a little bit about what do you use? I know you do assistive technology. If you could talk a little bit about both the lending side and the grant side for that.

>> Sure. I'm Susan Tachau from Pennsylvania Assistive Technology Foundation. And I see several of my friends here on the phone. So please feel free to put questions in the chat box. And I also wanted to add that today's topic seems particularly timely, a good time for this, because of the stock market. And so it's really important to diversify our funding streams.

We try to look for money in two different ways. One is for operating expenses, and the other one obviously for loan capital, and loan guarantees. The operating expenses for us when we are thinking about something specific and a little unusual compared to our day-to-day operating, because general operating grants are more difficult to come by, we will then look for a foundation that may sponsor us on this one activity. So for example, we just wrote a grant so we can completely rebuild our financial education website. Just wanted to add it is a little unusual because we are in our ask having to explain what CDFIs are and why this money is important to us. Even though the CDFI world is my whole life and assistive technology is my whole life, it turns out it is a minor part of other people's lives. We look at general operating, what can be done, and then local foundations. We're a statewide organization, but our office is in the southeastern part of Pennsylvania. So we are also able to go towards those foundations that provide general operating moneys for non-profits in that area. So every year, for example, we are able to apply and receive a grant from the Philadelphia Foundation. That really helps us offset some of the other expenses that we would need to allocate, especially some of our CDFI money for. And then we can focus on looking for loan capital. And as we'll talk later in the day, in this community of practice call, there are ways to raise loan capital in Pennsylvania, and I believe in most of the states that I've researched there is a state program for CDFIs. You first have to be federal, a federal CDFI. And if you are, you can qualify for state CDFI money. And that can come as long-term low-interest loans, or also as grant moneys. I would just investigate that. Last year we were able to get \$100,000 grant from our state CDFI board.

So Danny, is there a nuance you can add to this?

I had to push * 6, Danny.

(Screen reader reading quickly)

>> I am so sorry. My computer is having some issues. (Chuckling)

>> While we're waiting for Danny, Susan let me ask you one question. You do primarily, although not exclusively consumer-type lending. When you raise money for your fund, can you talk a little bit about whether you need to segregate your grant money from your loan

money that is when you borrow money, do you have specific requirements that you have to meet for your investors? Or does it all go into one big pool and you report to investors generally? There are so many specific types of funding sources that make it more complicated when you're running a CDFI.

>> Yes. Well, that's a good question. All of the funders like having their own accounts and for us to report on them. The good news is we can do this through Quickbooks. We have one large investment account and then we have kind of different accounts within that investment account. And we have one manager, but each of those accounts seem to have different requirements. So for example, the CDFI fund is fairly conservative. The alternative financing program is very conservative. Other moneys that we raise, they don't specify. But they want us to all report out on it. We're able to manage this through QuickBooks and through the reporting through our investment manager. It makes it a whole lot easier for us that we do not have to set up separate banking accounts. We're 21 years old. It certainly happened 20 years ago that everyone wanted their own special discrete account. That's something that's really marvelous that we can do on our own. And then we have a separate checking account that we can transfer.

>> Just to follow up on that, you have in general with the CDFI you have an operating account where you pay expenses from.

>> Yes.

>> Can you give us a sense of how large your loan fund is and how many sources of funds you have?

>> That's a good question. Our direct lending program is a micro loan. It's a credit building loan program from \$100 to \$2,000. And our fiscal year is July 1st to June 30th. And this year already we've closed around 200 loans. And we happen to run that loan program so it's not a lot of money. It's several hundred thousand. We run that through a bank account. And we also did it with one of our partners so that they know we're invested in their bank. Be specific, we run it through PNC, which is based out in Pittsburgh, but they are a very large regional bank. And therefore, I'm able to apply for some of their foundation moneys because it's showing them we're invested in their product, as well.

And for the other CDFI money, for example, when we are guaranteeing loans, and we have partner banks on that. So we're not the direct lender for our guarantee loans. We have partner banks. It's literally a matter of bookkeeping through QuickBooks that we reconcile with our partner banks every month so that we don't have to transfer money out of our investment accounts, but rather we're keeping track and we are, and we have three and almost a 4th partner bank. So that we're in communication all the time and it works for them because they can take CRA credit for us and they're doing a good thing. And it certainly works for us because we're able to extend more loans like this year in our consumer lending for assistive technology, we've done a million and a half since July 1st. And we don't have all the direct capital ourselves, but we are guaranteeing only about a third of those. But because they're low

income and because we're doing the underwriting and financial education, we can also count those, those consumers, those borrowers and applicants with our CDFI report to show that our impact even extends beyond just what we're doing lending for.

>> Before we move on Susan, can you just do a quick listing of the investors in your fund? That is those who have loaned money and expect it back as well as donors to your fund so people can get a sense of what that mix is?

>> Okay, surely. Right off the bat, we've summoned our larger banks, our Brinmar Trust, Malvern Federal, PNC has invested some. Those are right now.

>> They invest directly?

>> Into our program. Right. And some of them, it's all loan capital and foundation grants. So a combination of that.

>> Can you list a couple of the foundations?

>> Yes. Philadelphia Foundation, Vision Core Foundation, Stabler Foundation. Those are Pennsylvania specific.

>> So your fundraising tends to be more local once you get beyond the CDFI fund.

>> Except for our other government funds. And our other government funds are often national in scope.

>> Okay.

>> The alternative financing program, as well as Agrability, and you'll hear about this later, several of us also received grant moneys from the developmental disabilities council, and those are project specific and those come out of the Department of Health and Human Services, the administration for community living.

>> Right.

>> But I do think the answer to this so much is diversifying your funding streams.

>> Yeah. Danny, I don't know if you've made it on or not, but if not Jack, you might want to move onto the next topic then.

>> Yeah. Thank you, Michael. Danny, are you able to join us?

>> I am. And fingers crossed everything cooperates. Sorry. I had several competing voices coming out of my computer a minute ago.

>> Is there anything else on this? What do you need your money for? What's the intended use? Any comments on this topic?

>> I so run the Credit Able Program in Georgia. For us, we really just have two things. We are working at loan capital for our direct loans for assistive technology and we're looking for operating expenses. But that's the bulk of it.

The most important thing is having a little money to limit those grants and then having funds to loan out specifically for assistive technology, and that comes with a lot of education on a lot of terms about what is assistive technology and educating people about the communities that we serve and what a CDFI is. A lot of stuff that Susan has already talked about.

>> Good. Okay. I think the point about phrasing the question this way is later on we're going to get to banks and credit unions. And banks and credit unions are going to be a little more understanding of what a loan loss is and why you might want capital. But if you're looking for the money to do financial education work, then it might be turning toward foundations and family independence and things like that. The next question we got up is related to how do you develop your inclusivity and economic opportunity story for your clients with disabilities. So here what we're looking for is making sure that you get your story good, and a lot of fundraising is around storytelling. So let's turn to Susan again for this one. I apologize. We need to pause and let our participants ask us any questions on this.

Folks out there, we are running a little behind, but I do want to make sure we have an opportunity.

Okay. No one is stepping up on that one. Susan, will you go ahead on the second topic?

>> Sure. So the second topic is really telling your story so you can then be effective at your fundraising. And I think many of us focus a lot of energies on our website. Some websites, remember they're supposed to be accessible. But some websites are not seen as a priority to keep them updated and tell your story. It's my recommendation that you do that because more and more funders are looking at websites to figure out nuances and to learn more about you. We put stories on our website, try to make it as clear as possible, put infographics. But Peter is on the call. And if you go to Finata's website, they do a beautiful job of having wonderfully clear pictures and stories. The first thing that happens when you look at their website is you're drawn in to learning more about the work that they do. So being able to tell your story. Having an annual report. And when you look at lots of annual reports, you'll see a lot about the finances of the organization. Not your balance sheet, but telling your story. What exactly do you do? And then connecting it with your products. Your people, your end user. Even if what you're doing is facility lending. Where are those facilities? What do they look like? Who are they helping? The small business. Having pictures of your borrowers who are creating small business who are creating jobs and what do those jobs look like. So whether it's solar energy, for example, or weatherization that you show people actually doing the work so you can tell your story. The story will then help you be able to fundraise. So sometimes the grant applications actually ask for your annual report. A lot of times they will say you can attach

whatever additional information. I take it around when I am meeting with funders and I pass it out all the time because I know people don't understand what is a CDFI and why we would need money and what is an alternative financing program. So again, I would work on websites and making sure they're accessible, and making sure that they really tell the story about who you are. Quickly. And then you can keep delving deeper into some of the specifics, having an annual report, and then again having infographics. So exactly what it is you do on one page that's colorful and memorable.

>> Good. Okay. Thanks, Susan. Danny, how about your -- the way that you tell your story about inclusivity and economic opportunity?

>> Yeah, absolutely. At the core of it, it's all about the people. (Chuckling) It's all about the people that we serve and kind of highlighting since all of our focus in Georgia is on assistive technology, we want to highlight those individuals that have been able to use our program to increase their independence in various ways. We want people to live, learn, work, and play in the community of their choice. And one of the things about partnering with our assistive technology program is we can share those stories and consumers to get those out there. And we can take advantage of some of the videos and the media that our assistive technology program is producing, which often feature the people that have participated in the program.

I talked before about it's all about defining things. So when we are approaching people, we let them know if it's a foundation or whatever kind of funder we're looking at. We do define what is assistive technology, running through the whole gamut of what counts and why it's important. And then talking about the areas that we serve, which is the whole state. And sometimes it's about defining the barriers that are going to be broken down with the funds that an individual has access to. Sometimes that's just simply being able to get in and out of the home or being able to, you know, access a certain part of the community or what have you. So it's really about crafting those stories and showing those stories of empowerment with individuals. That's really kind of, it helps somebody to want to invest in the program or to want to become more involved.

And we want to, you know, be very mindful of when we are presenting those stories of individuals that we're approaching it from that empowering standpoint and not from a perspective of pity. We don't want it to ever look like oh, we helped this poor individual, you know. Being careful about that story.

>> Danny, that is a really important point. Those pictures need to show empowerment. People are able to do things and to avoid the pity. But you're right.

>> We do touch on that in an upcoming webinar. We'll be doing a deeper dive.

>> That's on March 31st. That's the final webinar of this series. Okay. Thank you both. I want to turn to Anna. You're in Iowa. Have you had any trouble developing your story? I

know that you lend exclusively to people with disabilities. Have you had any trouble developing your story in a way that is understandable to your donors?

Is it possible to unmute Anna?

>> I'm here.

>> Go ahead.

>> If you can hear me, the problem that we've got is we have lots of great stories. We're just trying to find ways to recruit volunteers to help us capture those stories. So we have had hit or miss with volunteers who have started projects where we get their stories and they tell us we're going to get them. But we have amazing empowerment stories. We just need to find the volunteers and the manpower to get those out. Our website is under revision and trying to get the updates, but it's a funding issue. We have an idea and a vision for a website, but we don't have the funding to be able to do what we needed to do. So that's a chicken or egg issue for us, if that makes sense.

>> Uh-huh.

>> Yeah, you're here on this fundraising call and you said you need more money to get your story out.

>> Exactly.

>> Yeah, uh-huh. Anybody else on the call? Any other participants?

>> Jack, this is Susan. For Anna, we had that same problem several years ago (clearing throat) Excuse me. And I went to a larger arts foundation and proposed X-amount of money so we could get our story out and that we would use photographers and creative writers to help us. And they funded it through their arts program.

>> Oh, that's very creative, Susan. And it's consistent with the first issue we raised. What are you going to use this money for? And then who do you target to raise the money. You did it in a creative way. That's great. Okay, anybody else?

All right. We are running a little bit behind. The next one is important. This is about the sources of information on your prospects. Where do you go to identify prospects. And you see some answer to that on your screen. Susan, do you want to start this one off?

>> Sure. There are two that are my favorite to go places. One is board members. What recommendations do they have. So as I mentioned, we're in Pennsylvania. And we have board members from all over. But it's particularly helpful to know about some of those regional foundations, as well as the big city ones. So our board helps do the introductions like in Pittsburgh in the PNC bank. And the second one is what I can do at night when I'm winding

down and maybe watching television is I get on to Guidestar. And for all of you who have not used Guidestar, you do have to have a login. You can make it up yourself. Or you can read non-profits' or foundation's 990s. And you can find out what people fund. And going back to number one, if you have an idea, you can find out would this fall within some of the grants that they have funded in the past? So it's kind of fun to see what people do fund and we found our Vision Core Grant. How can we help people who are blind or low vision? We wanted to be able to give a partial grant for a loan, and we found this in a regional foundation through Guidestar.

>> Charlie, you've got some thoughts on this.

>> Yes, I'm going to echo a little bit what Susan said. One thing that we don't do is in terms of the sources on prospecting is we don't do events and we don't do fundraising through individuals. So in the world of CDFIs, it's much more along the lines of trying to which foundations and which organizations do enjoy to support community development work. We started back in 2008 because there was a foundation that liked to support the initial two years of a CDFI, and we were very beneficial to get that support. In today's day and age, I think we have a lot more foundations as well as impact investors who are still looking to support CDFIs and are learning more about it. I was in a meeting just this last week. And somebody wanted to take their cash and invest in a CDFI. When they heard we were a CDFI and doing disability work, they were keen to invest in us, which obviously could then lend itself to doing grants. So from our perspective, it's really taking a look at community development overall. And looking at that landscape. And yes, while things are incredibly volatile right now, things will calm down at some point. And what the trend has been recently will continue, which is if people are going to give money, and if people are going to invest their money, they're going to want it to have a social good. And I think that everybody on this call with regards to their working in CDFIs and specifically in disabilities will fit that category. I'll hand it back to you, Jack.

>> Okay, great. And Jack --

>> Yeah, one of the options I wanted to raise for people if they're not familiar with it is donor-advised funds. And particularly donor-advised funds that are administered by a community foundation. For those of you who aren't familiar, donor-advised funds now contain about \$130 billion. These are private funds that are administered by a third party, in many cases a community foundation. There's over 700 community foundations. But we just finished a project where we talked to a number of community foundations, in particular about how donor-advised funds can be used for investment even before they're donated. This is actually a problem in the tax law, but maybe one people can take advantage of. And that problem is that you get the tax advantage of making a donation to a donor-advised fund even before you give the money away. So in many instances that money is sitting in investment accounts. But you've given the money away, you can never get it back, and therefore you are willing to take more risk with it. We have worked with several groups across the country who are working with CDFIs both to make investments, low-interest loans, and ultimately they hope to donate that money to CDFIs. Things to keep in mind, there are many interests that donors have that

would be consistent with what we're talking about investing in projects that serve people with disabilities, whether that be consumer loans, small business loans, housing loans. But they don't know about these opportunities. One of the best things you can do is introduce yourself to your local community foundation. Ask to talk to one of the people who is involved in donor-advised funds and tell them about what you do. Because their job is to know what the interests are of their various donors and to expose those donors to opportunities to make donations and in many instances make investments, as well. I really encourage people to find out which. The donor advised plans. And help direct funds in your direction.

>> Thank you, Michael.

>> Thank you, Danny. Can you wrap up this expert portion of this?

>> Just like other folks, we do rely on our board of directors for CFI and our advisory tools for life. Sometimes it's just a matter of hitting Google and looking up things that way and looking at local foundations, local companies. That's one of our biggest ways. And sharing information. I've been interested in calls and I'm connected to a lot of different disability groups in the state. We share information all the time. There may be a funding source the National Federation of the Blind can't use, but we can benefit from it. If I come across something. It's all about sharing that information and having that good network of other nonprofits and other organizations that you can share those resources and information with. So that's all I have.

>> Okay, great. And how about our other participants on the call? Are there thoughts that you had about how you're going to proceed with supporting the needs of people with disabilities? Thoughts that you had about how you're going to approach fundraising around this?

>> Jack received a comment saying she found networking events are a great way to make introductions and get prospects. And LinkedIn has been successful for Iowa ABLE.

>> Okay, great.

>> I'm with the Mountain Association for Community Economic Development, in eastern Kentucky. And we work with a community foundation, the Foundation for Appalachian Kentucky. They have a donor advised fund set up to help us take more risk. We have a couple to help with loan loss reserves. And others, they may both be for that. And can also buy down interest rates. And we're talking with them more. We haven't talked to them about working with entrepreneurs with disabilities, but I'm thinking that would also be a good partner. We're deepening our partnership around some other things, as well.

>> Good. Thank you for speaking up. Anybody else?

>> Do you want to expand on that a little bit?

>> I'm unmuted now. Yeah. So Andy, our CEO, does most of this. But sometimes they go to conferences with him. But he sends a significant portion of his time traveling to different conferences around the country and making introductions with potential investors, et cetera. And I think that's been one of our most successful avenues for building funding relationships, to be honest.

>> Good. Okay. Thanks. Anybody else? Before we move on?

Okay, the next topic is about turning to banks and credit unions. We touched on this a little bit before. And the first point after the underlying stuff on your screen shows that the strategic deposit of CDFI funds, the notion here is that you have money and you put it in the bank and you all may be doing this already, but the notion is that you, when you go to a bank and you give them your money to hold they can be viewed as allies in the work that you do. And you need to approach them and ask them about your willingness to support your work since you're supporting them with your deposit. The issue here is you probably have a lot of money. You may want to spread it out to a number of financial institutions. And if the financial institutions that you're depositing your funds in aren't really interested in your work, then it's probably time to go to a different financial institution. You can get funding from both your local branches as well as the larger parent banks. And they have multiple pots. And I know we've got both Charlie and Susan have experience in this. Charlie, do you want to start off?

>> Sure. We've done in the past. We have had relationships with banks and there's pros and cons in terms of if you spread your money out too far and wide, then there's a lot of reporting and compliance issues in terms of keeping track of reconciliations, of bank accounts and such. But there's definitely some strategies around finding the right partners who you will be able to make a deposit, but at the same time they have a foundation or they have a programmatic side. They have the CRA division. So there is definite ways to sort of work with the bank relationships on both sides of the aisle. In terms of actual depositing money in a CDFI bank. You may not be getting something back. Their CDFIs is low and they're not going to give you a grant. But at the same time you're supporting a CDFI bank in your own community. So be on the lookout for that, as well.

Also, it's interesting, especially in the world of disabilities, to look at banks not only from a relationship standpoint, but who is on boards of directors and who may have a connection to the disability work and senior management of banks. That's a way to make a connection on a personal level to local banks and community banks, as well. We've had some very good success in that arena. And it's definitely worth utilizing. Just be cautioned on not taking a lot, you know, having a lot of bank accounts all over the place. And thinking you're going to get a great benefit because there is the compliance side where you have to reconcile bank accounts on a monthly or quarterly basis. So it's just added paperwork. So just counterbalance that when you're thinking about the strategy.

>> I think Charlie brought up a really good point, and that is trying to make a connection if you're developing a new relationship. In the disability world, for example, it really help if you

find someone in their management that understands disability. So our very first bank at First Union, the senior vice president had a sister with an intellectual disability. At PNC bank, the president has a brother who recently died who had an intellectual disability. At Brinmar Trust, the senior vice president had a nephew with muscular dystrophy. That's how we were able to get in and have them listen to our story. We all do that research for different reasons. But if you're developing new relationships, it really helps if someone understands what it is at a core level you're doing. Also, what Charlie was mentioning is the different kinds of programs funders have and the same with banks and credit unions. And it goes back to how we have diversified our funding. So as most of you know, we have a financial education book, *Sense and Sensibility: A Guide to Money Management*. The very first funding of this for the research and then the first printing came from a large disability organization that was interested in this and the Pennsylvania Credit Union Association. So that the credit unions could, you know, part of the deal was we would create this financial education material that they could then use in their local credit unions. For us, it's looking at foundations. As well as the loan capital. That being said, until recently, I was the sole grant writer. What I would do is think about -- the CDFI grant, that's pretty exciting because it's a lot of money. But some of the local foundations and for example local banks, the branches, it's not a lot of money. So I go to regional. So for example, I know this sounds a little close minded. But given how much time it takes to write a grant for \$5,000 versus \$10,000 versus \$2,000, the minimum I will write a grant for is for \$5,000, and that's only because I've got limited time. We recently hired somebody to help out with this, which is going to expand our opportunities. But I would really think about the programs you're trying to fund, whether it's for loan capital or for a new website or for it to be able to get stories out there, to tell your story. And then figure out how much time is it going to take you and what's the minimum you're going to ask for.

>> Good. Thanks Susan. Okay, before we turn this -- there may be equivalent situations in other states. Then look at the lists, the members of that. And for Washington, we can get a list of the member organizations. What they do is they pool dollar amounts into a CRA pool and then they make loans from it to meet their obligations. And they have periodic meetings. We went to the top of the list because the top of the list are the largest things. The largest banks give the most money to the pool. We started in terms of where we deposited our funds and where we were going to ask money of, we started at the top of the list with the largest banks because they have the most money. You can also if you're looking to figure out where the big banks that give the most, you can go to your bankers associations and have discussions with them. The CRA Association in Washington has frequent meetings. I had discussions and got invited to the meeting. And at the meeting, you know, you've got a group of 20-30 people in a room where you can talk to the CRA people about your organization and why the work you do is important and how you can help them, because you're a CDFI, how you can help them meet their CRA obligations. I just wanted to throw that out to you. That has been quite fruitful.

Anybody else in the audience that has experienced working with banks and credit unions in terms of raising money for your work? Do you have anything to share out there?

>> Jack, this is Susan. I'm wondering if other people have minimums that they go after. Or did we just kind of randomly do this? I would love to compare notes.

>> He doesn't have audio.

>> Okay. Anybody else? All right. So I think we've established that banks and credit unions are good places to go. The next topic is around government funders. And here I think that I'm going to just throw this out. Susan had earlier talked about the AgrAbility program. There's also something the Department of Labor does, their disability employment initiative. Northwest Access Funds has raised funds twice for that. We were able to use this collaborative effort for the employment security department in the state to raise money to support our individual development account program for people with disabilities. The next time we're able to work with the employment security department on the Disability Employment Initiative was on our financial capability work. So we've twice worked with the local, the state employment security department, to get funds from the Federal Department of Labor for our folks with disabilities. AgrAbility, Susan can speak more to this. This can take some effort if your state isn't currently doing this. Every state has the capacity to do this through their extension, whatever state university has an extension program, it has to be through the extension program. It is working in rural communities. Worked with people with disabilities, farmers or farm families with disabilities. It took us about four years of working this. We initiated to Washington State University. And identified one of the programs that was willing to go for the dollars and we had to apply three separate times before we got it. But you do. And this is a great way for us, because we are a statewide organization. This was a great way for us to collaborate with others to do outreach. And this is the project with our assistive technology act program in the state, as well as extension service. State department of financial institutions are listed here. This also with Northwest Access Fund, we were able to get financing for a two-year effort, actually a three-year effort, but two years initially. They had funds for financial education and we had a financial capability program we wanted their funds for. And we negotiated with them. This took about a year of work. But negotiating with them. And over time they were willing to support our work, targeted to the needs of people with disabilities.

The final one, I know Susan will be able to talk to a couple of these other ones. The statehousing finance authority. Here, if your program is going to be doing home modifications, the housing finance authority in the state might be a great source of funding. We got a \$250,000 loan at .5% interest. It was very good terms. For a long time, it's being delivered in tranches of \$50,000 each. And the timeframe I think is for a five-year period doesn't start until we draw down one of the tranches. This is going to last us for a while. And if you're working in the housing field or the AT field, both ways you can get money for this to do home modification. I'm going to stop there because others have experience here. Susan, I have you next on the list here.

>> Right. And again, I want to echo what you're saying about the housing finance program. Every state has one. And they've raised their own money separately. Some it's through bonds. But they all have programs to help people with disabilities access housing. We do it a

little differently than Northwest Access. But one of the ways we have received a grant from the housing finance agency is I looked at their website and noticed they didn't have any pictures at all of people with disabilities, and yet they have a wonderful mortgage plan and soft second and soft third plan for people with disabilities. So I offered them a deal if they offered me X-amount of money to go get pictures of people with disabilities in a home of their own and making home modifications, I would get the authorization from them that they could use those pictures on their website, as well. That's one way that we got pictures of some of our borrowers, and then also pictures of people that we could demonstrate how we could fund home modifications through our CDFI program. I think they have an executive director. The executive director has an amazing amount of authority. They also have a board of directors. If you know those people on the board of directors, it's a wonderful source of potential revenue for you. And I think the other piece, as we talked earlier, if you are working with a disability organization, oftentimes through that partnership there will be at some point opportunities to apply for a grant from your state developmental disabilities council. Those are federal moneys that come into the state to help support projects that empower people with disabilities to live the life they would like to live. Live in their own home, go to work, be fully included in their community, be able to vote. All that stuff. The way we have done that is the promotion of financial education. Because we believe that financial education is the foundation of independent living and working. And we've also received grants so that we could promote smart home technology and the funding of smart home technology that then we've integrated and encouraged developers and housing lenders to incorporate in their projects. I think that's a funding source that is different in every state except the core of federal funding. And it's set up how your state, the kind of RFPs your state will do. But it's certainly something to look at. And these are not small grants. Like, I mean, I think the grants we have received are \$100,000 each and there's opportunity for growth. Once they know you. So Chavon had a comment here that I really wanted to address. It's spot on. And that is when you start, whether you start with small grants or large grants, but certainly with small grants, the funder gets to know you and trust you. So of course you need to measure your impact. But those small grants can grow and mean you have a greater capacity to do the things you would like to do. I totally agree with you about the importance of not ignoring small granting opportunities. That's it for me.

>> Right. Because it's all about developing and building relationships. And the relationship that starts with a small grant can develop into something larger and can develop into even loans, you know, depending on your needs.

We also have Danny and Charlie who have things to say. Do you want to talk to us about government funding that you're familiar with?

>> Yes. When our program here in Georgia began, we had a lot of state buy-in. We did have funds that came from our state's Developmental Disabilities Council. The statewide independent living council did some buy-in. And then we had funds from the Brain and Spinal Injury Trust Fund Commission, which is a program for people who have traumatic brain or spinal cord injuries. They have access to funds up to \$5,000 in the form of a grant. And through them, we were able to get some support to get the alternative financing program up

and running. That, I think, was coupled with some federal dollars that came in. But those state funds can't be discounted. We've had, we work with the Disability Employment Initiative, as well. That's through our technical college system of Georgia is who helped run that for our state. We did some education with them. We've also worked with the Department of Education in Georgia educating educators on how to find funding for assistive technology. Promoting our program, but also providing that service.

We're currently looking at working more with our DD council because that's an important partner, another statewide partner. And we have different connections and different resources we can leverage throughout the state for that.

We have not done anything with the State Housing Finance Authority, but that is something that we have considered pursuing. And as far as the AgrAbility Program, we're looking at making that relationship a little stronger than it currently is. But there's a lot of possibilities. With us, I will say when we're looking at doing some of the state government funds, it's one of those things where you have to plan ahead for changes, I can share we were working on a partnership with a state agency here. And then when the governor announced, you know, 4% cuts three month into the fiscal year, and so that burgeoning partnership evaporated. (Chuckling) It's one of those things that you really have to have a backup plan. And we've talked about diversifying your funds and your resources. That definitely echos when you're looking at any kind of especially state government funds because they can go away in the blink of an eye.

>> Thanks Danny. And Charlie, you had some thoughts on government funders.

>> Yeah. One thing I wanted to note before this call got started, there was a call for OFN. And just as a point of updating everybody on this call, OFN announced that if there's going to be any sort of a bailout emergency bill on Capitol Hill as there was in 2008 and '09, the CDFI coalition are going to ask for a supplemental \$1 billion on top of the current SA program, that's obviously just a request at this point. But if anyone on the call who is not a member of OFN, you should just check out their website. And I'm sure they're going to update people and you should get their news letter and things like that. So those members will be reaching out. Because it was a webinar, I threw a comment in on the question side and just asked that if there was going to be such a large increase that the disability portion, or the disability financial rewards get an increase, as well. So we'll have, I think as a group here, you know, we should be able to be cognizant of that and stay on top of that with OFN to make sure that that doesn't get lost at the table.

Other than that, in terms of government funders, we've been able to utilize government funding at different levels of deals. So it didn't necessarily mean that that money hit our balance sheet, but we were able to use home funds and other housing funds for our borrowers to then reduce the exposure that we had in terms of the loans that we were making. So it is something to be aware of.

In terms of an area that we're getting involved with now that's included in a disability category is substance use disorder and opioid use disorder and there's clearly going to be a lot of government funding at the local, state, and federal level on that. And for anybody who is on this call who may be interested in that topic, we can talk offline to talk about some strategies about how your CDFI can get involved on a government-funding basis to enhance the work that you're doing. Let me pass it back at this point.

>> Okay. Thank you. Let's turn. We are running out of time. We've got one more topic. I want to turn it to the audience. Others on the call? Does anybody else have anything to add? Are there some potential government funders that we might have not thought of that somebody else may know of on the call? Anybody?

Okay, good discussion. The last topic for today is fundraising through events. It's something that you all can think about doing. I know that we have some experience on that among our experts. Danny, you have some experience with event fundraising. Do you want to talk about that?

>> Sure. So a lot of the events that I've worked with have been from the organizations that I'm involved with. I will throw out when you are planning on doing an event, it is a lot of work. (Chuckling). You definitely need somebody who is going to be the point person, somebody who has the time to commit to doing things like finding a venue and whatever your focus might be. We've done things like a comedy night. We have done a gala for the Center for Independent Living. We've done celebrations of the ADA for different organizations. And, yeah. It's a lot of work. Just like if any of y'all have ever put on a conference. (Chuckling) It is equal to that amount of effort that goes into it. You do also have to have some funds available to do things like renting a space and tables. And if you're catering an event, whatever it might be, but this is also an excellent opportunity to build those relationships in your community, through working with the Center for Independent Living, doing some their events, we were able to foster relationships with organizations we had never worked with before. Things like organizations that do modified vans that we had never really worked with. Suddenly we found out oh hey, look, they've got a funding stream that can help with doing some of these outreach efforts that they were doing.

We formed better relationships with things like home healthcare organizations that have an arm that does donations. So, you know, it can open a lot of doors. It can make a lot of the valuable connections and connect you with your community and local businesses, but it does take a lot of work to make that happen. But in the end, it's going to work out because maybe you get a large donation, but more importantly maybe you get smaller donations that are going to happen on a regular basis. Maybe on an annual/biannual basis that are going to help support your work. And we're working on right now we've been kicking around the idea of doing an event specifically for the alternative financing program. And that's one of the barriers we're facing is that time commitment that it takes. And looking at what the focus is going to be.

I don't think we'll have a problem getting people out. I don't think it will be a problem getting people engaged. It's just a matter of getting it all to happen.

So I think they are very valuable. They're fun events usually for when you finally get to the day of. It's a great thing for the organizing agency. But again, those connections are invaluable. They're key. Mm-hmm.

>> Yeah, thanks Danny. And I know that Susan and Charlie are going to want to weigh in here. But before they do, I just want to say a couple of things about this. Northwest Access Fund does an awards dinner and has had success doing that, but I want to say that it started small. So it doesn't always have to be a huge effort. It started small. The events, before the awards, were like wine and cheese things. And what it was was one of the members of the board happened to be the branch manager at a local bank and they did a wine and cheese event there. And then that grew over time and eventually there was the decision made that it would be useful to the community to award people for the good work that they do. And we developed an innovation award and an economic opportunity award. We developed an award for recreational engagement. And then that became a community event and it has value beyond the funds that you raised. The first one we did was at a place called town hall and we had a national radio speaker who came and was a big draw for it. So this can be useful for reaching individuals. So it's a way to reach out to them. It is a lot of work to do this fundraising one on one, but it can help you develop a donor base. You can develop it into an annual appeal. So there are ways to build on it. And then Susan, I've got you and Charlie both wanted to speak on this, as well. Give us a little warning about events, as well. Susan?

>> Okay, so real quickly this past year we did an event to talk all about financial education and where is it going in Pennsylvania. We have several competing state agencies that are beginning to talk about the importance of financial education. And we got them talking about where do families of people with disabilities fit in and where are the resources? We put together this program. And it was as Danny and Jack said a lot of work. But we raised \$60,000 from our managed care organizations and some of our provider agencies so that we were able to provide the day-long conference for free in Harrisburg in a hotel with all kinds of food fully accessible at no cost. Of course it rained, just like a wedding. It poured that day. But we still had 229 people show up. And it was very meaningful and people are saying when are we having the next one. Let me tell you, not for two years. It's a lot of work. But it was well worth it and it was fundraising for people who we knew had an interest in this topic area.

The other thing Charlie mentioned very briefly is they don't do individual, have a campaign for individual donors. We do. We don't raise a lot of money on that. Probably 35-40,000 dollars a year. But on the other hand, those are unrestricted dollars.

>> Good. Okay. Thanks, Susan. Charlie, you have some thoughts?

>> Yeah. So we basically started our CDFI in 2008, very similar to the economy that's going on now. And we started off our hope that we were able to not have to do events to be able to

prove our model. It was more that we took an aspect to it. I attend a lot of events and we go and support a lot of things. As an organization, depending on your size, though, Susan gave the cautionary note. It's a lot of work and you need to understand where the rewards are. We, too, have done a lot of nice events but through the ABLE Act. And we've coordinated that with other not for profits. We do go to events and we do participate in our community affairs. But we don't look at it as a fundraising tool, you know, per se. Nevertheless, you know, there are very good reasons to do things like that if you have the support and you have good either volunteers or board members. If your budget can afford it, that's great. But again, when you have an economy like we're now about to go into, and if you have events being a major part of your budget, then you're susceptible to those issues. It may seem a little obvious, but the reverse also seems as though it's the knee jerk reaction with a not for profit. And we're going to do convince everyone to release money into what my project is. It sounds all good, but just be cautious about that. In terms of whether you can pull it off or not. Just think about how many events got put off in this season, as we're going into the spring season. We actually did a whole review of our borrowers in the last 48 hours. And what the consistent theme from the not for profit borrowers were is they had to put off their gala. And of course their galas are a percentage of their revenues. So we're going to have to track that and see what's going to happen there.

So a cautionary tale on events, but there are pros and cons on it. Hand it back to you, Jack.

>> Thank you. Thanks, Charlie. And I know that Anna typed in that the downside with events can it can be dependent on current events, like the coronavirus and the weather. Lots of non-profits are canceling their events.

Any other thoughts besides from the experts on the line? Anybody else have thoughts on events as a tool?

And if not, let's go to the whole --

>> This is Peter, can you hear me?

>> I just wanted to mention an event that was held in 2019 in September. We had what's called the FINAMFA Fair. We showcased 12 of our small businesses and invited just about 100 people to attend the event. Probably more than half of them were current clients of ours. And what we wanted to do is allow these 12 businesses to kind of show off, kind of showcase the products that they make and then all the attendees could take home a sample of each of the 12 businesses' products.

And it was sponsored by a number of banks.

And the banks were totally thrilled. The representatives that attend were thrilled with the event and thrilled with the marketing we did of, you know, saying, you know, lead sponsor this person. And we actually raised more sponsorship money than we did spend on, you know, the expense of the event. So it did a couple of things. One, it made the banks satisfied with the

event we said we were going to pull off. Then it also gave the clients the space and time to meet with each other and to be excited about what they've been able to do with the financing they've gotten from us. And there's a great networking opportunity, as well. So we hope to repeat that event in the future. And if we do, I think we have a lot to work with with how this event went.

One thing that we did is we had a really long program and we're going to change that and instead of having speakers speak for 45 minutes, we're going to reduce it probably to about 5-10 minutes. That seems a little bit more appropriate.

>> Good. Thanks Peter for that. Just to add on, on our events, we give some tickets away to our clients. And so we get folks in the community at the tables and we, you know, by the nature of the awards, we've got, since we do business lending, we would have folks that would be there that are, you know, looking for support and it's paid off very well for the Northwest Access Fund. Anybody else with thoughts about events? And we are fast approaching the end of our time. How about any other thoughts on the topic of fundraising? Does anybody have any questions before we close today?

On March 24th, we're going to have our final community of practice call. It's going to be on measuring impact. I think it's going to be useful to everybody. This is something that obviously the CDFI fund expect us to do so we'll have people who will be able to address a number of issues related to that and we're looking forward to everybody's participation. And before I close anything else. Thank you all for participating today.

>> Thank you!

>> Thanks, everyone!

>> Bye-bye.