

**Strategies of Financing: Fund Raising and Money Stewardship**  
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It's a fact that the money you raise today doesn't go as far as it did just five years ago. The cost of equipment, services, salaries, utilities just keep going up. On top of that, potential donors are becoming more selective in their giving to ministries.

**Learning the following things will ensure your fundraising:**

- a) How to establish a **BIBLICAL BASIS** for fund raising that will focus and motivate your board, management and staff to commit their involvement. Having your entire staff excited about raising money.
- b) How to succeed at converting occasional donors to monthly givers.
- c) How to identify major donors and raise thousands of dollars from them on a regular basis.
- d) How to keep donors giving consistently and lead them to make annual increases.
- e) How to maximize your Board's role in fundraising.
  - f) Having your operating budget funded every year.
- g) How and when to use the best electronic communications tools to reach new prospects, cultivate your donors and raise more money.
- h) Building your faith stronger than ever as you trust God with more and more

**SOME MINISTRY-TESTED LESSONS for improving your annual fund.**

**1. Emphasize trust, not techniques.**

Raising funds for ministry requires knowledge, skill, and systems in place. But most important is your trust in our faithful God to use you to help connect God's people and God's resources to God's work around the world.

**2. Connect your operations needs with other "front line" activities tied to your mission.**

Combine requests for operations and programs (i.e., scholarships, special projects), building your administrative and fundraising costs into those requests. Rename your annual fund or general fund requests to reflect the overall mission of your organization.

**3. Focus on caring for donors, not soliciting donors.**

Find out how you can pray for your donors, and do it—over the phone, in person, and in staff meetings. See yourself as a pastor to your donors, and watch what God does with those relationships!

**4. Create special campaigns and giving clubs.**

Launch a deliberate effort to specifically ask people for an ongoing commitment to pray, give, and tell others about your ministry. Those who commit are with you, so emphasize appreciation and updates with them instead of the usual appeals that everyone else gets.

**5. Look beyond your current needs.**

Don't make the mistake of spending all your time chasing the next gift. Build your strategy around patterns that encourage relationships with your ministry partners that are strong during and even after their lifetimes.

**6. Step up your personal contact strategy.**

Ask your board members to help you thank donors—as many and as often as possible. Be more visible through one-on-one and group meetings.

### 7. **Leverage the momentum from other campaigns.**

Maximize the "spill-over" effect of other campaigns (i.e., capital or endowment) by using the opportunity to highlight your ongoing programs.

### 8. **Reenergize your list.**

Make a concerted, intentional effort to encourage inactive people on your list (lapsed donors, alumni, etc.) to get involved. It's a lot harder and more expensive to get new donors on board.

### 9. **Find reasons to communicate more often.**

In addition to the normal "thank you's," receipts, and donor updates, find creative ways to stay in touch with your supporters with things like board updates, new plans and other ministry news, etc.

### 10. **Lower your expenses.**

Raising money isn't the only way to help your annual fund budget. Take a hard look at your expenses and see if any could be cut or delayed.

## **COMMON FUNDRAISING MISTAKES *to avoid for maximum effectiveness in funding your ministry***

1. **Thinking money will come to you because you have a need.** Money does not flow to needy institutions but to promising leaders who have a realistic and inspiring plan of action. Needy institutions exist everywhere. What will make your ministry rise to the top of the many appeals and proposals people receive is a confidence in your leadership and your proven ability and/or proposed plan that will effectively address specific needs and opportunities.
2. **Saying you adhere to the George Mueller pray-only-and-tell-no-one principle without following George Mueller's practices.** George Mueller was a man uniquely used by God in the 1800's. In his lifetime he saw God's answers to thousands of specific prayers for God's provisions. If you are going to follow the principles of his ministry and funding practices, you would need to: (1) Give yourself wholeheartedly to a group of people who have no way of providing for themselves (in his case, orphan children), (2) Make every need (small or large) a matter of specific prayer, (3) Be committed to living within the means God provides (and without the use of debt), and (4) Communicate in writing praises for God's specific provisions to hundreds and thousands of people (i.e. George Mueller annually sent out a newsletter-type report detailing hundreds and hundreds of prayers and the ways in which people were used by God to answer these specific prayers – this newsletter gave people "living examples" of how they could be used by God to help the work of Mueller's orphanages). Some people also feel George Mueller's methods are the only way God provides. The scriptures give much greater latitude in how God provides for His work. Moses had a large group gathering, David asked for leadership gifts, Nehemiah asked a major leader for government support, Paul sent appeal letters and field representatives, Elijah experienced God's miraculous provisions with the help of ravens but also asked a woman to directly support him.
3. **Thinking you can raise major funds without strong personal relationships or seeing the people in person.** Big gifts do NOT come through bulk-rate mail appeals. Big gifts come because people are intimately acquainted with your cause and/or have been specifically asked to consider making a major commitment. Major givers also need to be involved and asked to participate on the front end of any undertaking or project. Go to your best givers and prospects first, not last. Don't make the deadly mistake of thinking, we'll try our best, and then a major donor will hopefully come in at the end of the effort and save the day. Ministries that have done this have found themselves with unstarted or unfinished projects that have greatly embarrassed them and seriously eroded their credibility with their donor publics.

4. **Trusting methods to provide for you instead of the Master.** In this day and age, it is easy to try to latch onto various “fundraising methods” that you have heard worked for others to meet their financial needs. God used certain methods to meet specific needs. When you later used the same method to try meet a different need, you experienced complete failure. Keep learning to go to the Master and seek the methods (old ones and/or new ones) that He leads you to use to meet a specific need.
5. **Hinting at your needs with the hope that people will respond.** It is said that there are four ways to have your needs met, three are biblical, the fourth is not. The first three are: going in your closet and specifically praying for God’s provision; using money you have or earned or saved up to purchase the item; or going to God’s people, explaining the need, and specifically asking them to help. The fourth method (that is not biblical) is: just hinting about your needs. God’s first three methods are far superior to the last method. Nine times out of ten this last method will leave leaders empty handed and resentful.
6. **Pursuing money instead of God’s provision.** It is very freeing to discover that your need is not for money but for God’s provisions. Do you need equipment? Do you need a vehicle? Do you need a new building? Do you need some professional services? God may provide you with some or all of the money for these items or he may choose to provide the actual item on a donated or discounted basis! If God owns everything, He can be very creative in the way He provides.
7. **Trusting God for the payments instead of trusting God for His provision.** One wise Christian leader once said, “What God orders, He pays for” and “Where God Guides, He Provides”. A ministry policy of debt-free operations and capital expansion will allow you to experience God’s provisions in ways you would not otherwise experience. The value of a debt-free policy in ministries is vital. When there seemed to be no way to meet the need without borrowing, God always opened up a way or gave us the patience to wait.
8. **Not personally giving at 10% or more of your own income to the Lord’s work.** If you want to short circuit God’s provisions for your life and ministry, just convince yourself you “cannot afford” to faithfully give to the Lord’s work. This deadly deception will do more to destroy your faith and God’s provisions than any other single thing you can do. When a leader is not committed to faithfully giving to the Lord’s work in his own personal life, it has a definite impact on the person’s attitudes and actions in all personal and corporate money matters. Tithing faithfully will sustain most of the ministries beyond belief.
9. **Attempting to use simple arithmetic to try and meet your funding needs.** One ministry that wanted to raise \$9,000,000 sent a letter to the 3000 households on their mailing list asking everyone to send in \$3000 over the next three years. Some of the wealthy quickly sent their money and decided they had done everything they needed to do to help with the project. For many of the people, the thought of giving \$3000 was an impossible task. In the scriptures, God teaches that each one is to give according to how God has blessed them. In many major building projects, 10-20% of the givers will provide 80-90% of the funds. If you do not recognize this truth, you will have a recipe for disaster and humiliation in trying to meet your funding goals.
10. **Thinking you can conduct major funding efforts or a capital fund drive without experienced help.** Real money is not raised by amateurs striking out on their own. There are tried and proven biblical methods that need to be understood and applied. Here are a number of ways a ministry can get the help they need in order to be successful in their fundraising efforts: Send a ministry leader or team to get Christian fundraising training, utilize the gifts of a board member who is greatly experienced in fundraising programs and campaigns, find an experienced fundraising mentor, hire experienced development staff, pay a stipend to an experienced Christian fundraising professional from another organization to help develop a solid funding plan, and/or

retain the services of a Christian consultant or fundraising firm. Without some level of training and/or experienced help, a ministry will never be able to fully accomplish its mission and goals.

**Case Study:**

Life Sports, Kohima - A Mission to transform the youth and develop Football in Nagaland.

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Colo Mero is the Founder and Director of Life Ministries, Kohima, Nagaland, INDIA. He is married to Bodeno C. Colo and is blessed with three lovely daughters. Through 'Life Ministries' Colo has made a huge impact on the hundreds of youths in Nagaland.