



# ANNUAL REPORT: Is it a Burden or a Call to Action for Donors?

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Prevention Advisory Group

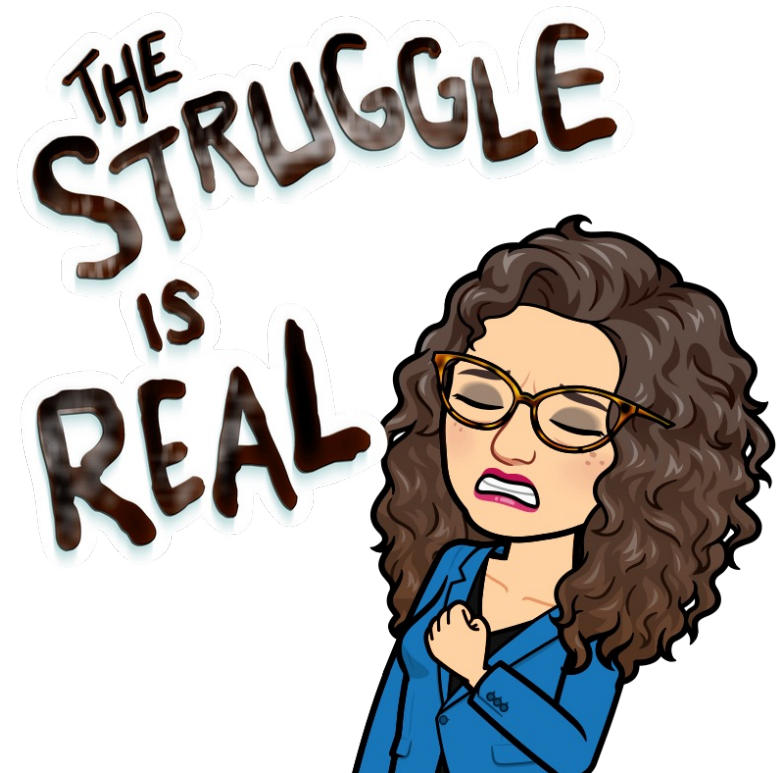
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[www.PreventionAdvisoryGroup.com](http://www.PreventionAdvisoryGroup.com)

## You're in the right place if ...

- You'd rather get a root canal than spend another minute working on a nonprofit annual report!
- Setting aside time to think and write an annual report, when is that supposed to happen?
- Putting one more thing on my plate, seriously?
- No one reads the annual report, so why waste the time?



# ROADMAP / AGENDA



1. Why You're Not Attracting More Donors
2. Neuroscience
3. Impact
4. Prospecting
5. The Ask
6. Acknowledging the Donor
7. Next Steps

# Our Gift to You . . .

Go to [www.NonprofitBonus.org](http://www.NonprofitBonus.org)

- Ultimate Guide to Creating Nonprofit Annual Reports (14-Page PDF)
- Nonprofit Annual Report Checklist
- Bonus Training: \$500K Donor Challenge



THE ASSOCIATION  
OF CONSULTANTS  
TO NONPROFITS



# Two Notes



# VOICES of LEADERSHIP Conference

## Discounted Registration!

- Virtual Only, 3-day Conference
- [www.LeadingChangeConference.org](http://www.LeadingChangeConference.org)
  - VALUE
  - OUTCOMES
  - IMPACT
  - COMMUNICATION
  - ENGAGEMENT
  - STRENGTHS
- Deadline for discount is Aug 17th, 2022



**LEADING CHANGE**  
**CONFERENCE**  
.....  
NOVEMBER 3-5, 2022

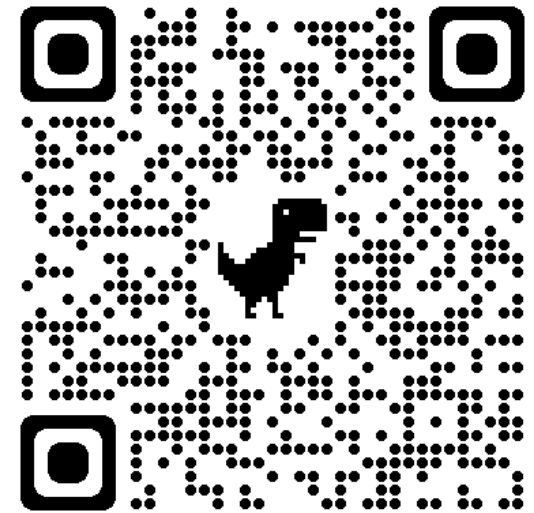
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# Leading Change Conference

## Client Connect!

Do you have a governance or leadership problem that you've been struggling to solve?

- Apply to receive free consulting advice using this QR Code link to the application
- Deadline is Aug 15th, 2022
- Selections will be made by Aug 31st



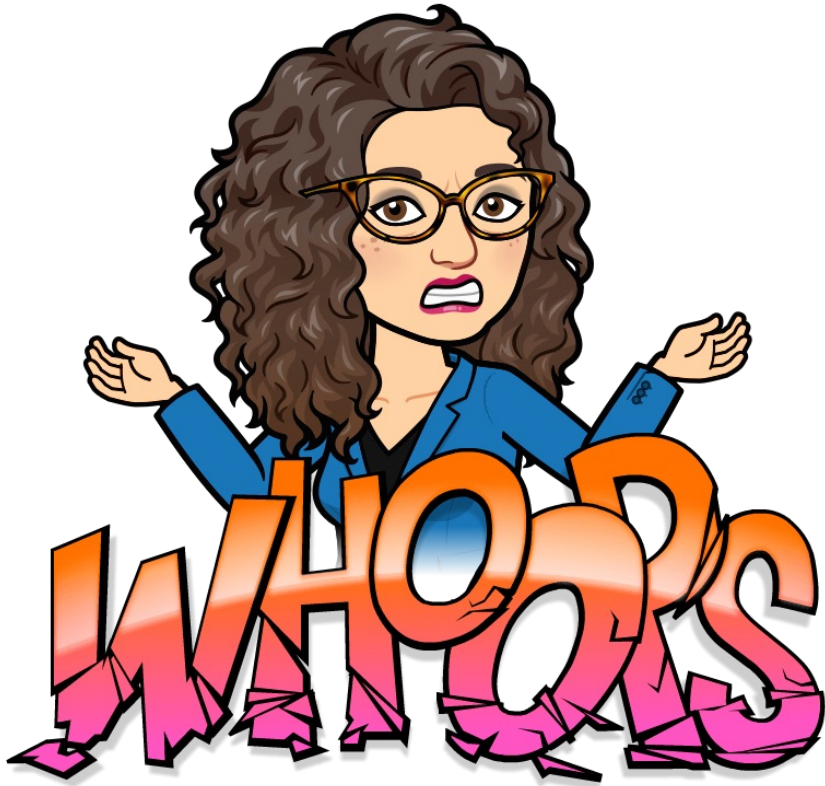


- Annual report is all about the accomplishments of the **organization**.
- Social media is a **bragging** platform.
- Website doesn't have a volunteer or **donate** button.
- Donors give then don't **hear** from you until the next fundraiser.

- Annual report feels like a **gift** to the donor.
- Social media **draws donors** into the website and annual report.
- Website is modern and **moves people** to donate or volunteer.
- The **nurture strategy** keeps donors engaged and giving.



# Failing on My First...



- Shared lots of pictures of my team and me engaged in activities.
- Shared a laundry list of our accomplishments and fiscal prowess.
- Didn't share any stories about our clients.
- Shared a number of testimonials about how great we were.
- Completely missed the mark on motivating donors and recruiting volunteers!

# Failing First...

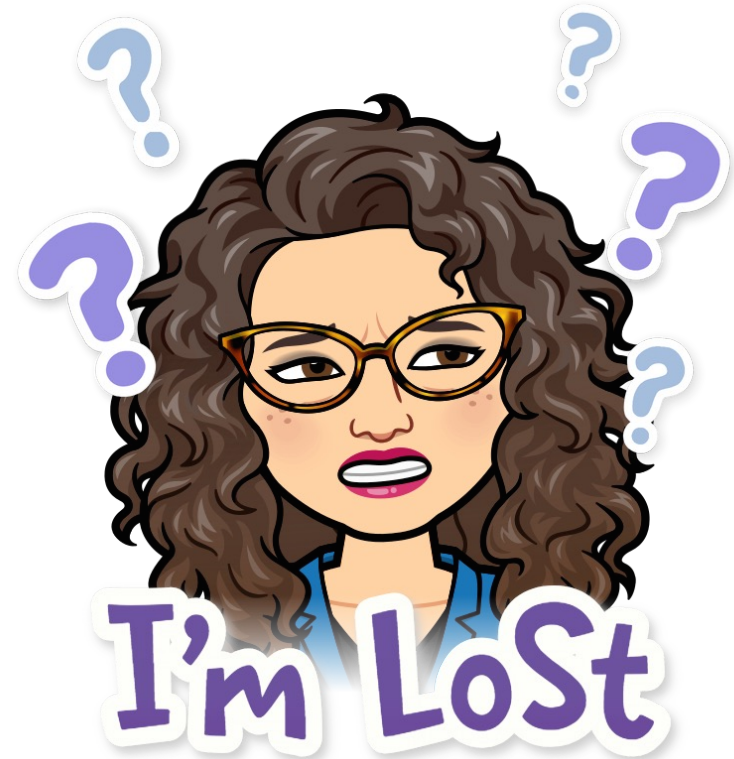
- Refused to stay focused on identifying and nurturing donors.
- Squirrel Syndrome!
- Allowed that poor response to become an excuse for getting discouraged, walking away, or giving up.
- Left big \$\$\$\$\$ donations on the table, and the young people I served didn't get all the support they deserved.

## Six Strategic Places to Get Stuck:

1. I don't know where to **begin**
2. I need more **prospects** to talk to
3. I need more **follow-up** meetings
4. I need to make my **ask** more specific
5. I need to **get** big donors
6. I need to **update, thank, or recognize** my donors

## 1. Why You're Stuck . . .

- “You have to use **Twitter**”
- “It’s all about **events**...”
- “What? You’re not buying **lists**?!?”
- “Relationship **mapping** is the way”
- “**Research**, research, research”
- “You need a new **website**”





## 2. The Neuroscience of Donating

- We are social animals
- The neurochemical drivers of happiness are:
  - Dopamine
  - Seratotonin
  - Oxytocin
- Helping others triggers the Happiness Trifecta



# MAKE AN IMPACT

Get the outcomes you desire, even if you struggle to prioritize projects and mobilize your team.



**PREVENTION**  
ADVISORY GROUP

### 3. Why Annual Reports...

- Helps donors visualize their **impact** - how they can or did help others.
- Images of **smiling people** has the same impact of an in-person smile.
- ED letter can create **curiosity**.
- The **annual report** becomes another member of the fundraising team.
- It works 24-7.
- The inspirational **stories** attract volunteers.
- Documenting **results** motivates the Board.



## Inspirational Stories:

Donors gave more money to a fundraising appeal created by the charity's volunteers than one created by its fundraisers.

Jess Crombie and David Girling

[“WHO OWNS THE STORY?”](#)

[Fundraising testing: charity led vs contributor led”](#)

March 2022

## Question Break #1



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# Donor Dynamamos

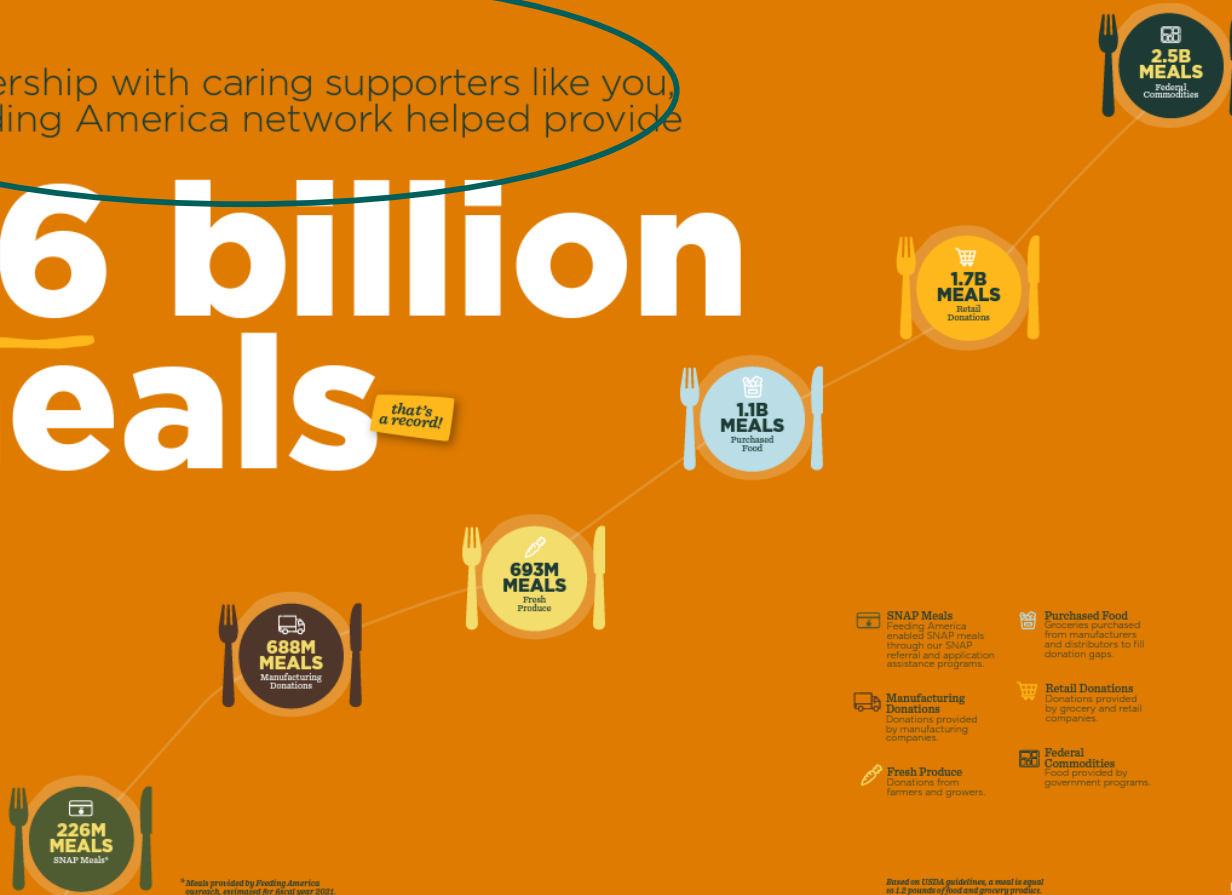


2021 ANNUAL REPORT

In partnership with caring supporters like you, the Feeding America network helped provide

# 6.6 billion meals

*that's a record!*



- SNAP Meals**  
Feeding America enabled SNAP meals through our SNAP referral and application assistance programs.
- Manufacturing Donations**  
Donations provided by manufacturing companies.
- Fresh Produce**  
Donations from farmers and growers.
- Purchased Food**  
Groceries purchased from manufacturers and distributors to fill donation gaps.
- Retail Donations**  
Donations provided by grocery and retail companies.
- Federal Commodities**  
Food provided by government programs.

\*Meals provided by Feeding America network, increased for fiscal year 2021.

Based on USDA guidelines, a meal is equal to 1.2 pounds of food and grocery products.



# Donor Dynamamos

2021 ANNUAL REPORT

## meet Christina

Pre-pandemic, the Feeding America network gratefully welcomed nearly 2 million volunteers each month.

“  
*With the pandemic, I wanted to find a way to help out if I could.*  
”

p5 / MOTIVATION



However, between May 2020 and March 2021, an average of approximately 55% of food banks were accepting and in need of volunteer support. Members continue to be challenged with the higher demands of keeping staff and volunteers safe while addressing health concerns and adhering to related protocols.

To help fill the volunteer gap, people in communities across the country continued to step up to help their neighbors facing hunger. People like Christina, a chef who knows the power of food.

“Food is one of the basics. I want to make sure people are fed, especially right now,” she said.

When she learned St. James Food Pantry, a partner of the Greater Chicago Food Depository that serves a predominately Asian-American community, was seeking a Chinese translator, she jumped at the opportunity to use her knowledge of multiple Chinese dialects. She began volunteering once a week at the pantry and assisting with monthly mobile food distribution.

“Most people don’t think Asians are lacking, but so many are working in restaurants and a lot are out of work because many of those businesses closed down,” she said. “You can see in the expressions of the people that come to the pantry when I talk to them, ‘Oh, you understand me! You can get me what I need,’ and that’s a good feeling.”

# Donor Dynamamos

2021 ANNUAL REPORT

## doing more to bolster communities through investments

Thanks to the exceptional generosity of donors like you, Feeding America increased funding 59% over the prior year—awarding\* nearly **\$380 million in grants** to network food banks. This grant funding included over \$181 million in grants to support the COVID-19 Response Fund to help food banks across the country provide equitable food access and reach communities, families and people disproportionately affected by the pandemic and its economic fallout.

\*Feeding America distributes funds to member food banks year-round. Totals reflect grants awarded to food banks July 1, 2020 through June 30, 2021.

**COVID-19 Response Fund**

100% of funds help the Feeding America network provide equitable food access and reach people disproportionately affected by the pandemic

**Flexible Funding**

Funds that enable food banks to invest in areas of high need and high potential

**Community Programs**

Initiatives that alleviate hunger for children, seniors and low-income families

**Food Sourcing**

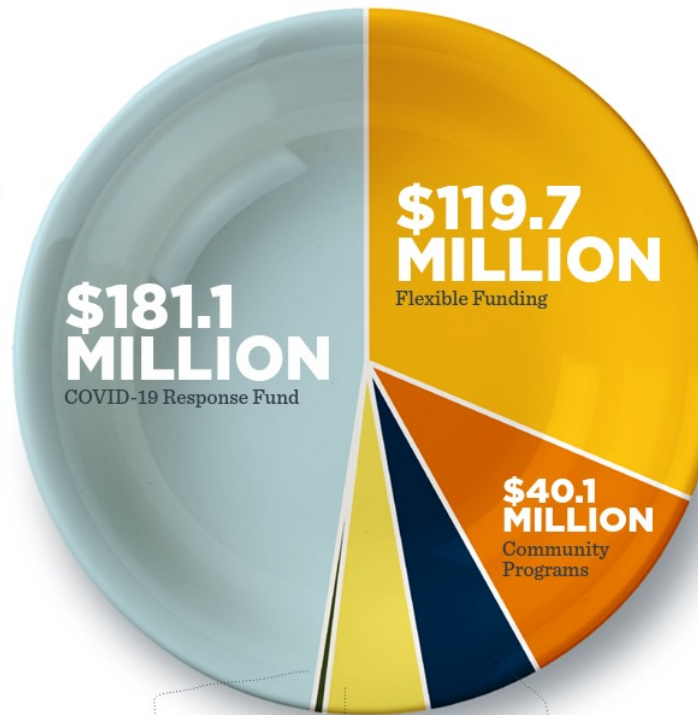
Food-rescue initiatives, including regional Agribeltos (fresh produce, protein and dairy) and programs that prevent food waste at retail grocery and manufacturing locations

**Capacity Building**

Investments in research and nutrition initiatives, capacity building for food pantries and network improvement

**Disaster Relief**

Support for network members to deliver meals in the wake of disasters and during the long recovery that follows



*Special thanks!*

- AIG Insurance
- Albertsons Companies
- All in Challenge
- American Eagle Outfitters
- American Express
- The Beacon Fund
- B.J.'s Charitable Foundation
- Booz Allen Hamilton
- Capital One Services, LLC
- Casey's
- Chick-fil-A
- Circle K Stores Inc.
- Citizens Bank
- Conagra Brands and the Conagra Brands Foundation
- Costco Wholesale Corporation
- CVS Health
- Darden Foundation
- Enterprise Rent-A-Car Foundation
- General Mills and General Mills Foundation
- Hollywood Foreign Press Association
- HungerMito
- Jersey Mike's Franchise System, Inc.
- Michael Jordan
- The Kroger Co. Zero Hunger | Zero Waste Foundation
- Dale Larson
- Peter and Veronica Malouk
- Morgan Stanley Foundation
- National Football League
- Sam's Club
- Silicon Valley Community Foundation
- Southeastern Grocers
- Starbucks Coffee Company and The Starbucks Foundation
- The Stavros Niarchos Foundation
- Subaru of America, Inc.
- Team Beans
- TJX Companies and The TJX Foundation
- Unilever
- Walmart and the Walmart Foundation
- Walton Family Foundation
- Wells Fargo



## Common Annual Report Mistakes

ERROR



- Lots of pictures of the staff and leadership
- No smiling faces
- Not enough opportunities for donors and volunteers to imagine themselves involved
- Focus on the organizational accomplishments rather than the impact on clients
- Financials report without saying what it means for the future
- No donor or volunteer stories



*Erin, shown here with her mom*

“I give to DLA because my mom was the fortunate recipient of a lung donation about two years ago. This is the kind of favor that you can never fully repay. Because of that, I have decided to **PAY IT FORWARD** instead.”

– Erin Meza, *monthly contributor*

## RECURRING CONTRIBUTORS

Thank you to the contributors who sustain Donate Life America’s work through their recurring contributions.

Alexandra Bradley  
Carlee Brannaman  
Dawn Bright  
Trina Britton  
Jacob Carr  
Amy Clower  
Emily Colford  
Crystal Collins  
Brenda Cortez  
Kathleen Coulsby  
Kenneth Davis  
Denise Diaz  
Liberty Dwyer  
Kate Effinger  
Cheryl Fyock  
Holly Gage  
Karin Garrido  
Adam Giblin  
Matthew Goodrich  
Katherine Gustafson  
Jamie Hanna  
Kevin Hatfield  
Polly Hickcox

Justice Hiser  
Robert Horsey  
Bethany Joseph  
Michele Kell  
Heather Levanduski  
Paige Lewis  
Elaine and Dave Liebrecht  
Ryan Linderman  
Gracia Luoma  
Victor Martinez  
Ricardo Martins  
Connie McAfee  
Trevor McDonough  
Tina Medina  
Erin Meza  
Christina Mirocha  
Tyler Mitchener  
Gilbert Montano  
Nicholas Moscato  
Teresa Murdock  
Elizabeth Newsome  
Marie O’Connor  
Anne-Marie O’Grady

Stephanie Page  
Ryan Peak  
Payton Powell  
Joan Powers  
Michelle Ramos  
Kristin Reese  
Marla Regan  
Kathy Richards  
Evan Rosenthal  
William Rouse  
Jeanette Sherman  
Jennifer Stech  
Brian Steinmetz  
Jacob Stroud  
Lynn Talbott  
Jim Teal  
Kenneth Thorn  
Brooke Truesdale and  
Andrew Mauldin  
Sarah Unser  
Sue VanHecke  
John Veasey  
Jason White





## 4. Prospecting with Annual Reports

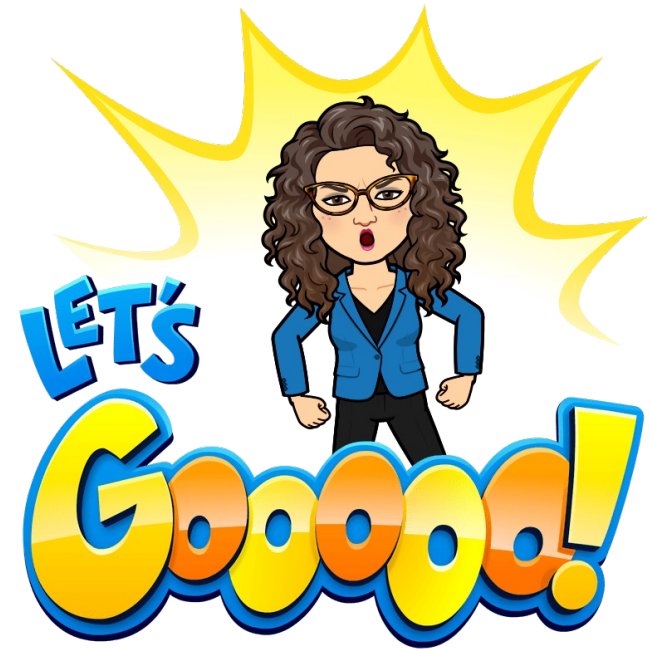
- Think executive **summary**
- Make the **conversation** about your donors and their interests
- Point to action images to help them **visualize** helping others
- Share the stories of others, like them, who are making an **impact**
- Let them see that your financials are **strong**
- Trigger the Happiness **Trifecta**





## 5. Making the Ask

- Be **prepared** and Be **specific**
- **Tailor** it to their interests / needs / means
- No more than three **options**
- Ask, then **stop** talking
- Be ready to **accept** the donation
- Be ready to **provide** more information
- **Allow** the conversation to continue



## 6. Acknowledging Donors

- Potential donors want to **see** how you treat current donors
- Share stories about the difference they've made in the lives of **real** individuals.



Vilas and Allie Kuchinad

### For Vilas and Allie Kuchinad, the best part about supporting DREAM is watching kids succeed.

Vilas tutors and mentors at DREAM, and he's been on the All-Star Committee, DREAM's committee of young board members, for five years. Allie shares her passion for the organization by inviting her network and friends to A League of Our Own, an annual event that celebrates DREAM's women and girls.

Supporting DREAM is an easy choice for Vilas and Allie. When they see DREAM youth taking steps to be changemakers in the community, it makes them proud to be part of the DREAM family. And as a first generation immigrant, Vilas understands how education can transform a child's future. When he works with kids on interview prep, he sees how being a part of the DREAM community boosts their confidence and prepares them for success long after they've graduated from high school.

Teresa Goetz  
Hallie Goldblatt  
Steven Goldstein  
Stacey Gomez  
David Gordon  
Alexander Gorokhovskiy  
Ashley Grant  
Alexandra Gray  
Antonio Graziano  
Jeffrey Greenberg  
Rick Greenberg &  
Debbie Zlotowitz  
Jerry Gruner  
John & Terrica Grunewald  
Gennady Gurevich  
J.R. Gurrieri  
Peter Hafner  
Michael Haggerty  
Eskandar Hakim  
Marisa Hall

Christian Horrocks  
Allison Horvath  
The Horwich Family  
Foundation  
Scott Hounsell  
Jeffrey & Susan Hunter  
Muhammad Hussain  
Marilyn Hutton  
IBM Employee Services Center  
Troy Irwin  
Gary Isaac  
Arnauld Issette II  
Allison Jacobs  
David James  
Brian Jamiak  
Steven Joachim  
Arcelio Josiah  
Austin Josiah  
Alexandra Kaplan  
Alexander Katz

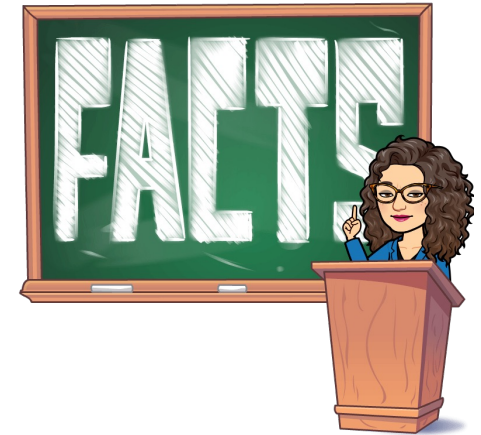
Catherine Lawton &  
Thomas Cosgrove  
Kristin Lax  
Harry Layman  
Christopher Leary  
Laura Lebow  
James B. Lee  
Vince Leo  
Julie Levin  
Jared Levine  
Michael Levine  
Lori Levinson  
Stephen Lipton  
Meredith Little  
Brian Lloyd  
Lorena Lopez  
Omar Lopez  
Daquan Love  
Alex Lowenstein  
Michael Ludwig & Jean Harris

Brian McDonald  
Philip McGovern  
J.J. & Allison McGowan  
Helen McGuire  
Rich & Danie McHugh  
William McLaughlin  
Robert McMullan  
Karina McNish  
Helen McPherson  
Chris McTammany  
Mark Melchiorre  
Hillary Melin  
Louis Membrino  
Catherine Menta  
Harry Menta  
Michael Messaros  
Michael Meyers  
Microsoft  
Andrew Miller  
Kristin Miliot

Chris O'Connor  
Liam O'Donovan  
Anne O'Shaughnessy  
Julie O'Shaughnessy  
Dan Opsal  
Olena Ostasheva  
Michael Ottaunick  
Emily Parkey  
Nicole Pasternak  
Shalin Patel  
PayPal Giving Fund  
Jonathan Perrelli  
Caleb Peterson  
Jacqueline Pickering  
Rachael Pickering  
Chandler Pierce  
Benjamin Pinczewski  
Kenneth & Marilyn Platzer  
Barbara Pollack  
Evelyn Pollack

## Nonprofit Truths

- You **can't SERVE** if you can't SELL
- Fundraising is the #1 job for any ED/CEO
- The better you are at **attracting donors**, the more freedom you have on everything else
- The better you are at creating the **Happiness Trifecta**, the easier it is to attract donors in spite of yourself



## Ask Yourself

- Is something missing? [Add It](#)
- Is something misaligned? [Adjust It](#)
- Is something murky? [Illuminate It](#)

Not sure how?

Join me beginning in July for the

**[\\$500K Donor Challenge](#)**

and [we'll do it together.](#)

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