

Fundraising Across Legal Entities

Webinar 5: Resourcing the Base: C3/C4 Fundraising and Dues

WATCH RECORDING

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This webinar walks through tactics and practices for revenue generation that help multi-entity organizations mobilize money for power-building work.



DOWNLOAD WEBINAR RESOURCE:

[Chart of Power Building + Resource Building Activities](#)

Key Questions To Bring Back To Your Organization:

1. Has our organization evaluated the strategic benefits and reasons for diversifying our revenue portfolio?

The progressive ecosystem, and most organizing groups within it, are primarily funded by institutional philanthropy. This creates an unbalanced revenue generation portfolio, and an unbalanced revenue generation portfolio can create risks to our work. Discuss these risks by asking the following with your team: How often do we have to alter our programs to appease funders? Do we face funding variability that leads to an inability to retain staff and/or infrastructure in off election years? Might we lose key revenue due to funding variability (i.e., funders undergoing a “strategic refresh” or priority change)? Might we lose funding if election officials change?

2. How can we do this work grounded in our values while facing systemic barriers to fundraising?

There are systemic barriers to both raising (c)(4) revenue and to any revenue generation program. Naming and discussing some of these barriers—and others like them—can help ensure your approach is rooted in your values. Topics for discussion can include: *White supremacy in fundraising; storytelling without re-traumatizing; fear of risk from philanthropy; and lack of resources for the work.* These and other barriers you might encounter in (c)(4) revenue generation are not insurmountable, but they do require you and your staff to be thoughtful, strategic, and intentional when setting up your multi-entity independent revenue generation program. Grounding your program in your values from the start will reap benefits later on.

3. Does raising independent resources align with our organizational and base-building strategy?

Just as you must develop different strategies for organizing different sectors of your communities, you must develop different strategies for mobilizing money from the communities you organize. Be clear about your strategy for each different sector of your base (i.e., deep base, mass base). Often when revenue programs are first beginning, the primary method of raising money is an organization’s *deep base* (i.e., your core supporters and leaders). This provides accountability to those most engaged in your work, and is often the keystone of most organizing group’s first independent revenue plans. However, mobilizing your *mass base* can also provide financial resources to support scale. Raising money from this broader audience, however, requires more resource and time-intensive tactics, like small dollar donation programs, events, commerce, etc.

4. Does our organization have the human and financial resources and the right support to execute our chosen strategies and tactics?

There are two primary tactics that multi-entity organizations commonly use to maximize (c)(4) revenue: (1) *sharing data*; and (2) *moving money strategically between entities*. Executing these and other tactics requires a purposeful plan. Access to the right legal and capacity support for your team is critical. You may need to talk to a lawyer, support your financial and data teams in acquiring multi-entity knowledge and skills, or build new systems, processes, and/or platforms. Get curious about the resources and support you and your team will need for this work.

1. How can we leverage what we are great at to raise revenue?

What are you great at? The most successful revenue generation projects lean into what you are already great at. For example, relational organizing lends itself well to peer-to-peer fundraising. If you're a group that publishes a lot of content, could you

build a subscription model? Do you already have mid-level or major individual donors? Would they be willing to host house parties for you, or start a giving circle with you? Bring your team together to consider what areas of your current work you might lean into to raise more independent revenue.

Tips to Keep in Mind in Your Work:

1. Aim for more independent revenue to design an overall revenue generation mix model that's right for your organization.

Aiming for more balance between institutional and independent sources of revenue can protect your organization against having too much revenue (and arguably power) at risk. It is important to spend time with your team to assess how a more diverse, balanced revenue generation portfolio might set your family of organizations and your work up to scale while defining your own agenda. Consider if one day you might reach a 50/50 balance between foundation funds and independent revenue.

2. Do an entity check.

Your legal structures directly impact the systemic change that you and your organization can accomplish. Take the time to evaluate if you have the right types of legal entities to create the change you want to see in the world. It is also important to understand the different types of revenue that different legal entities can generate (for example, money that comes into a (c)(3) can't be used for political activity, but revenue that comes into a (c)(4) can).

3. Check for staff capacity.

"If you build it, they will come" said no fundraiser ever. Revenue generation must be intentional and resourced with staff time. It takes project management and work time, and staff need bandwidth to do both. Make sure you are dedicating sufficient

staff time to your revenue generation strategy. Sufficient staff capacity will lead to better results, staff retention, and will likely help you build a culture in line with your values.

4. Check for staff and volunteer skills and training needs.

If you don't have development staff, you have to lean into revenue generation that leverages the skill-sets of your other staff, or train them. Take the time to understand the skill set of your staff, to assess what additional skills or support you might need to support your program, and to consider what learning and training opportunities or capacity support might help your staff succeed. Also, don't forget that volunteer leaders are tremendous revenue generation partners! Be strategic about your volunteer resources and think broadly about what networks your volunteers have that may open revenue generation opportunities like corporate sponsorships.

5. Invest in your revenue generation program.

You need to invest money to make money. It is important to create a budget for your revenue generation work. Be clear about what resources you will dedicate to your program – and rightsize your expectations. If you have limited resources, start small. Consider seeking grants for experiments and/or building capacity, and find capacity-building partners with the right experience and expertise to support and collaborate with you.



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