



The Biblical Approach to

## Fundraising

**Make a Donation**

### Exodus 25:1-9

Offerings for the Sanctuary

<sup>1</sup>Then the LORD spoke to Moses, saying, <sup>2</sup>“Tell the sons of Israel to raise a contribution for Me; from every man whose heart moves him you shall raise My contribution. <sup>3</sup>This is the contribution which you are to raise from them: gold, silver and bronze, <sup>4</sup>blue, purple and scarlet *material*, fine linen, goat *hair*, <sup>5</sup>rams’ skins dyed red, porpoise skins, acacia wood, <sup>6</sup>oil for lighting, spices for the anointing oil and for the fragrant incense, <sup>7</sup>onyx stones and setting stones for the ephod and for the breastpiece. <sup>8</sup>Let them construct a sanctuary for Me, that I may dwell among them. <sup>9</sup>According to all that I am going to show you, as the pattern of the tabernacle and the pattern of all its furniture, just so you shall construct it. NASB

### Introduction

Fundraising is the process of soliciting and gathering voluntary contributions as money or other resources, by requesting donations from individuals, businesses, charitable foundations, or governmental agencies. Traditionally, fundraising consisted [mainly] of asking for donations on the street or at people’s doors, and this is [still] experiencing very strong growth, in the form of *face-to-face* fundraising. New methods, such as *online* fundraising, [however], have also emerged in recent years.

Moreover, many non-profit organizations now hire professional fundraisers. They may be paid for their services either through fees unrelated to the amounts of money raised, or by retaining a percentage of raised funds (a practice expressly forbidden under the Code of Ethics of the Association of Fundraising Professionals (AFP)). The most common practice is to hire a staff person whose main responsibility is to raise funds.

### Grants and Donations

In the US, grants can come from a wide range of government sources, and an even wider array of public and private trusts and foundations. According to the Foundation Center, these trusts and foundations number in excess of 88,000 and disperse more than \$40 billion each year. Trusts and Foundations are more complicated to research and can be found through subscription-based directories.

Funded projects typically rank highest in a merit review process. Grant compliance and reporting requirements vary depending upon the type of grant and funding entity.

- excerpts from Wikipedia: Fundraising; Grants; UBIT

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### Private Foundation Support

A private foundation is a legal entity set up by an individual, a family, or a group of individuals, for a philanthropic purpose. The Bill & Melinda Gates Foundation is the largest private foundation in the U.S. with over \$38 billion in assets. However, most private foundations are much smaller, and approximately two-thirds of more than 84,000 of them filing with the IRS in recent years have less than \$1 million in assets. 93% have less than \$10 million. In aggregate, private foundations in the U.S. control over \$628 billion in assets. Unlike a *charitable* foundation, a private foundation does not generally solicit funds from the public.

### Social Networking

& Special Events

More than ever, non-profits are relying on social media to reach their target audiences. Why social media? Because Facebook, Twitter and other networks are where the viewers are. In fact, socially shared subject matter now makes up about 10% of all web content, according to [an] analysis by “The Social Platform”. In addition, the 2012 MDG Advertising Report revealed that nonprofits now have a very strong presence on Facebook, Twitter and YouTube!

### UBIT’s

Unrelated Business Income  
Tax Activities

Unrelated Business Income Tax (UBIT), in the US Internal Revenue Code, is the tax on business income that derives from activities engaged in by tax exempt 26 USCA 501 organizations which are *not* related to the tax-exempt purpose of the organization.

For most nonprofits, a business activity generates unrelated income, subject to taxation, if it fails to sufficiently relate to the tax-exempt purpose(s) of the organization pursuant to a *three-tier* test; Whether the activity: (1) is a *trade or business*; (2) is *regularly* carried on; and (3) is not *substantially related* to furthering the exempt purpose of the organization.

Always feel welcome to contact me directly with any questions, comments, or great ideas!

*Jack Johnson*

The Advocacy Foundation, Inc  
Managing Partner

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### **501(c)(3) Acquisition**

Forming a nonprofit organization can be a formidable undertaking. With our Start-to-Finish Formation, Continuing Educational Opportunities, and Personal Service, we will turn your basic ideas into Master-Level Social Service, High-Power Community and Faith-Based entities, capable of consistently attracting large, mid-level, and individual donations with which to fortify your true passion and strengthen your communities.

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