

Sources of Income for Nonprofit Organizations

Types of donations, or charitable gifts, include:

- **Liquid assets** –may be in the form of cash, check, money order, or securities
- **Grants** – foundation gifts that do not require repayment. Types of grants include:
 - *General Operating Support*
 - *Program Support* for specific programs or projects
 - *Seed Money* for new programs or organizations
 - *Capacity Building* to develop organizational skills and resources
 - *Capital* to fund facilities and equipment purchase and improvement
 - *Matching* which match other funds raised by the organization
 - *Challenge* which are conditional on a certain amount of other funds being raised
- **Planned gifts** –large gifts that transfer assets from an individual to an organization contingent on the donor’s death. The most popular types of planned gifts are:
 - *Bequests* – an organization is named as a beneficiary in a will
 - *Charitable Remainder Trusts* – the donor makes a donation which is invested into an annuity; the donor gets an income stream as long as they are alive and upon their death the remainder is transferred to the organization
- **Real estate, artwork, or other valuable items**
- **In kind donations** – material goods that help the organization fulfill its mission
- **Volunteer time**—take into account the value of volunteer time on budgets

Other sources of income for your organization might include:

- **Membership** should be tiered with increasing benefits at each level
- **Program Fees** should be set in accordance with participants’ ability to pay
- **Earned Income** from the sale of goods or services

Remind your volunteers and donors about your organization’s material needs as part of developing a mutually beneficial relationship with them. Incorporate opportunities for giving into all of your interactions and activities, including:

- Annual giving and other campaigns
- One on one communications
- Special events
- Newsletters
- Email newsletters and announcements
- Website