

# **RAISING MONEY FROM HIGH DOLLAR DONORS**

*A Local Victory Special Report*

**By Joe Garecht**

## **RAISING MONEY FROM HIGH DOLLAR DONORS**

© 2010 by Joe Garecht. All rights reserved. No part of this special report may be reproduced in any form, or by any electronic or mechanical means without the express written permission of the author. You may print this report out for your own personal use.

For more information on fundraising and all aspects of winning local elections, visit:  
**[www.LocalVictory.com](http://www.LocalVictory.com)**

## **Introduction**

Everyone who has been around politics for any length of time knows that fundraising is the lifeblood of the political campaign. Nearly every activity that political campaigns undertake requires some amount of money. Sure, campaigns can sometimes make up for a lack of financing with a plethora of volunteers, great strategy, or a large grassroots operation, but more often than not problems with fundraising mean major difficulties for a campaign.

In order to succeed in fundraising, campaigns need to understand how to raise money from major (big dollar) donors. Major donors form the core of your fundraising effort. This isn't to say that lower dollar contributors aren't important, or that your campaign shouldn't seek out these donors. Low dollar donors are very important to your fundraising success and should be courted. Getting a low dollar donation takes as much time and effort as getting a high dollar donation, however, and thus higher dollar donations provide a greater return for the time and hard work you invest in getting them.

Many campaigns are intimidated by high dollar donors, and figure that they won't be able to raise large contributions. Other campaigns plan on raising large donations quickly and easily, without doing much work. Both types of campaigns need to rethink their strategies. While raising high dollar donations takes planning, time, and hard work, it can be done by any campaign provided it uses the right strategies.

This special report presents the key strategies campaigns use to raise money from big dollar donors. Because every successful fundraising effort starts with a solid plan, the first section of this report will guide you through writing an effective fundraising plan of your own. The other sections of this report will show you how to start a major donor program, how to hold successful major donor events, and how to raise money from PACs.

Remember, planning and hard work are the keys to raising money from big dollar donors. Every campaign, no matter how large or small, can and should seek out big dollar contributors and use the tactics in this report to successfully raise money from them.

## Writing an Effective Fundraising Plan

Running a successful fundraising operation is like running a successful business; both require detailed planning in order to succeed. Without a detailed fundraising plan in place, your campaign is doomed to mediocre financial success, at best, and dismal financial return, at worst. Writing a plan is important not only to your success in raising big dollar donations, but to the success of your fundraising operation as a whole.

Of course, many campaigns ask the question, “Why can’t I just raise money from wherever I can get it? Why do I need a plan?” Below are just a few of the reasons why a detailed fundraising plan is critical for each and every campaign:

- 1. Provides organization** – a detailed fundraising plan creates organization and order in the chaotic world of campaign finance.
- 2. Defines responsibilities** – a fundraising plan determines who does what, and adds accountability to your fundraising campaign.
- 3. Sets deadlines** – a good fundraising plan tells you when you need the money. Deadlines help motivate your team to perform.
- 4. Provides a credible fundraising tool** – when an investor purchases a business, he or she wants to see the financials that prove the company can be a success. Often, it’s no different for major political contributors. Your fundraising plan shows why you need the money and lets them know you are serious about winning the election.
- 5. Measures progress** – a detailed fundraising plan lets you measure your fundraising progress, thus allowing you to make needed adjustments before it is too late.

## Plan Components

The basic components of a fundraising plan are:

### 1. The Summary Sheet

The summary sheet sets the goals for the fundraising plan, including gross and net financial goals and costs. The summary sheet also explains the basic fundraising strategy the campaign intends to pursue and how this strategy fits into the overall campaign plan.

The summary sheet is the executive summary of the plan – it provides all the information in a nutshell. The summary sheet is often the information you will present to possible donors, political leaders and contacts to prove that you have a viable fundraising plan that will make you a credible candidate with sufficient resources to win the election.

## **2. Financial Needs**

The financial needs narrative describes, in their entirety, the estimated costs the campaign will incur and when they will be incurred, excluding the costs of fundraising.

The financial needs are drawn from the political plan. The Political Plan (or the campaign plan) is the written strategy you plan to pursue to win the election. Many campaigns make the mistake of drawing up the fundraising plan first, deciding how much money they can raise, and then writing a campaign plan that suits their fundraising capability. Never, ever do this. Always write the campaign plan first.

After writing the campaign plan, use the financial needs section of the fundraising plan to determine how much it will cost to carry out your plan. This cost will determine your fundraising goal. By writing the political plan before the fundraising plan, you will ensure that your strategy decisions will be based on how you can win, rather than what you can afford. Of course, if you can't raise enough money to carry out a viable campaign plan, you may want to rethink running for office.

The financial needs narrative needs to take into account every cost the campaign will incur, from how much it will cost to buy office supplies for the headquarters to the amount of money the campaign will spend on TV. When in doubt, overestimate the cost. Better safe than sorry. Make sure you include a contingency or miscellaneous amount for at least 2% of the total cost of the campaign.

## **3. Income Narrative**

The income narrative describes in detail the methods the fundraising operation will use to meet the income needs of the campaign, including:

- Finance committees
- Major donor programs
- Personal solicitations
- Direct mail
- Telemarketing
- Special events
- Internet
- Other

This narrative is detailed, and includes projections on the amount of money raised, the cost of raising the money (cost of fundraising), explanation of how the plan will be carried out including organization, theme of direct mail and phone packages, etc.

The income narrative should provide a step by step method for the campaign to raise the entire fundraising goal that it has set.

#### **4. Income Worksheet**

The income worksheet is a ledger spreadsheet that details, in number terms, the financial needs and income narratives. The income worksheet is the “financial book” of your campaign – one glance at the worksheet should tell you whether your campaign is on budget or not, and whether it is meeting its fundraising goals or not.

The income worksheet includes the budget numbers that should regularly be compared to your “actual numbers.” For example, if you spend \$25,000 in January, but are have only budgeted \$15,000 to spend, you need to reevaluate your plan and/or cut costs. If, however, you were only budgeted to raise \$75,000 in January, but your raised \$105,000, and the extra money you spent was used to raise the extra money, there may not be a problem after all.

#### **5. Finance Calendar**

The finance calendar lists the date and scope of every fundraising activity the campaign will undertake to meet its financial goals. The fundraising calendar is a graphic depiction of the fundraising timeline. It not only shows when key events occur, when mail drops, and when calls will be made, but it should also detail, on a weekly or monthly basis, how much money should have been raised to meet the fundraising goal and how much money should have been spent to stay on budget.

#### **6. Job Descriptions and Organization**

This section details who will be responsible for meeting the campaign fundraising goals, what manpower will be required, and how many volunteers can be utilized.

Use the job descriptions and organization section to lay out the job responsibilities for your key finance people, whether they are paid or volunteer. These positions can include the fundraising director, the direct mail staff, the phone bank team, major donor program coordinators, etc., as well as the “in the trenches” personnel who actually make the calls, lick the stamps, and take tickets at the door of events.

#### **7. Cash Flow Chart**

The cash flow chart is a detailed chart listing when money will come in to the campaign and when it will go out, thus ensuring that the campaign always has enough working capital to keep it afloat.

#### **Plan for Success!**

With the proper planning, dedicated staff and hard work on the part of the candidate, the fundraising plan can be a solid foundation for an energetic program that not only keeps the campaign afloat, but injects the lifeblood it needs to steamroll to victory.

## **How to Start a Major Donor Program**

Major donor programs can be a key component of the fundraising plan for any campaign. This is especially true for local campaigns, which must often rely on personal solicitation by the candidate and finance committee to meet their fundraising goals. In this issue, we'll lay out a complete plan for any local campaign or organization to use to start its own major donor program.

A major donor program is a method of fundraising by which campaigns set up donor "clubs" and encourage contributors to give a certain amount in order to be included in the group. The members get certain perks for being part of the group. Major donor programs work equally well for organizations that want to increase big dollar contributions – the Republican and Democratic National Committees as well as numerous state and local political organizations have set up major donor groups in recent years.

### **A Quick Example**

To give you an idea of what major donor programs are, here is a fictional example. John Ryan, a candidate for city council in Allentown, Pennsylvania, wants to use a major donor program to meet his fundraising needs. His campaign sets up two donor levels. The first is the "Ryan Rooters," a major donor club which requires members to give \$1,000 each to join. The second is "The Friends of John Ryan," a lower level major donor club, which asks members to give \$100 and get two of their friends to do the same. Each groups gets special perks when they join, including VIP events (for the Ryan Rooters) and special newsletters letting them know what is going on in the campaign (For both groups).

As you can imagine, there are any number of giving levels and combinations that an organization or campaign can use, depending on its particular situation. Remember to check with a competent elections attorney to ensure that your campaign complies with all federal, state, and local laws.

### **Fulfillment**

One of the most important components of any major donor program is fulfillment. Contributors join major donor programs because they want to get involved in the campaign or in politics at some level, and joining the group makes them feel special, like "political insiders." Campaigns and organizations must set up a system of rewards for contributors who join your programs to make them feel like they are on the inside. Of course, this must be done legally and ethically, and donors must never be promised political action (such as legislative votes) or jobs in a new administration in return for their contributions.

There are many different ways that campaigns and organizations can reward their major donor members. One of the most popular ways is with VIP events and receptions. Other

methods include newsletters and meetings to keep them informed about what the campaign is doing, autographed pictures of the candidate, special bumper stickers and lapel buttons, and any other method to make your donor groups feel special.

### **Setting Up Your Program**

Before setting up any type of fundraising operation, it is imperative that you contact a lawyer or accountant familiar with your state's campaign finance law or that you have someone on your team who is intimately familiar with it. Campaign finance regulations not only differ from federal to state and state to state, but often from county to county and town to town. Campaign finance law is complicated and changes often, so be sure to thoroughly research and comply with the law before beginning.

You'll also need to recruit a team to help manage your major donor program. If your campaign or organization has a finance director or fundraising director on staff, he or she should head up this program, because of its importance to your campaign. Otherwise, choose a qualified staff member or volunteer who is a good organizer and natural born "salesman." In addition to the staff who must organize the program, keep records, head up fulfillment and process donations, the campaign will need a group of people who will actually go out and recruit members. For many campaigns, the candidate and the finance committee do the actual solicitation, but volunteers and donors who are already in the program can be utilized as well.

Before beginning the actual solicitation process, your team should take a look at the campaign's fundraising goals and define some realistic giving levels as requirements for joining each donor group. Some of the key considerations are:

- **How many giving levels should we establish?** Many campaigns make the mistake of trying to set up a ton of different giving levels and programs, far more than they need. Local campaigns are usually able to get by with just one giving level (e.g. a \$1,000 or \$500 program, etc.) No campaign needs more than three.
- **How much should you ask for?** Major donor programs should require just what their name implies... major donations. Ask for a substantial amount. Remember, if people say no, you can always have someone contact them later for a smaller donation (without joining your program). You'll be spending lots of time on your major donor program, be sure the amount you ask for makes it worth the effort.
- **What is required to join the group?** There are two common ways to allow members to join the group. The first, and most common, is to simply require a donation of a certain amount. The second is to allow people to join by making a contribution themselves and pledging to get a certain number of contacts to do the same.
- **What fulfillment will we offer?** The people you approach to join the group will want to know what to know "what's in it for them." Decide what type of

fulfillment you will offer in return for membership. Events? Meetings?  
Newsletters? Lapel pins?

- **Naming the Group.** Your major donor group or groups need a name. Choose a name that makes people feel included and excited about joining, that gives your group prestige and makes it sound like something people will want to be part of.

### **Prospecting For Members**

After your group is organized, and your team in place, you will need to begin prospecting for members. The task of prospecting begins with assembling a list of possible donors who need to be contacted. Your fundraising team, finance committee, and volunteers should all work together to assemble the list you will use to start with. Some sources of names for this list include:

- Friends and family of the candidate, finance committee, and volunteers
- Supporters from past elections.
- People who have indicated their support for this election.
- Donors to the local party and other candidates' campaigns.
- Business leaders and professionals in the community.
- Members of local civic organizations.

Try to assemble a list of names, addresses, telephone numbers, and any other information you can gather on possible donors.

The next step is to assign a “giving level” to each person on the list. This is the amount that you believe each person will be able to give. For names that you get from the finance committee and volunteers, ask them to help you name a giving level. Check past contributions to campaigns and use profession and other available information to help you assign giving levels. One of the best ways to set up your operation is to put each possible contributor on a separate index card; along with all the information you have on that person as well as their possible giving level.

### **Action!**

Once your organization and research is complete, it's time to actually go out and solicit the donations. The key to major donor programs is personal solicitation. Because you will be asking donors to contribute large sums of money, the best way to get contributions is to have someone personally ask for them, rather than sending direct mail or using another method. Events work fine as a mechanism for bringing in members, but the actual selling has to be done person-to-person.

### **Who Should Ask?**

It's always best to have the candidate do the asking. People are more likely to want to give when speaking to the actual candidate. This may change somewhat if the person to be solicited is a contact that was given by a volunteer or a finance committee member. If

this is the case, it may be best to have them both do the asking, either by having the contact who actually knows the person let him or her know that the candidate will be calling, or by doing a conference call where the contact introduces the candidate, then hangs up.

If the candidate cannot ask for the membership him or herself, then the next best person is the fundraising director or the finance chairman. Often, there will be too many prospects for the candidate to make all the calls. In this case, each of the people who will be assisting should choose names of the list (or index cards, if the campaign has made them up) and make the calls. Each person should have a clear goal, whether it is in terms of money raised or total members recruited. Let the person making the calls set their own goal – if they set the goal themselves, they are much more likely to accomplish it. Keep track of each person’s goal and how they are doing. Be sure to keep in constant contact with your prospect solicitors.

### **“Sell” the Donor Group**

When asking people to join the donor group, there are several things to keep in mind:

- You have to “sell” the group – just like selling a product; you have to let people know why it is in their best interest to contribute.
- Highlight the exclusive nature of the group, and all the perks people will get when they join.
- Highlight your relationship to the prospective donor. If the person doing the asking knows or has a relationship with the prospect, be sure they emphasize it.
- You can do the actual “ask” by phone, or in person. If possible, do it in person – people are less likely to say no.

### **Getting Paid**

It is imperative that once someone commits to joining the group, the campaign has an operation in place to receive the contribution. If the contribution is large enough, you may want to have the person makes the call ask the donor if they can send someone by to pick up a check. This ensures that the donor won’t forget or have second thoughts. If this isn’t possible, be sure to immediately send out a “pledge” card, reminding donor what they pledged and include a self-addressed stamped envelope or BRE (business reply envelope) so that the person can send a check in immediately.

### **The Fortune is in the Follow-Up**

In business, there’s a saying, “The fortune is in the follow-up.” This is equally true in fundraising. This applies not only to constantly following up with people who have pledged donations to ensure that they actually contribute, but to people who decline to contribute as well. If someone says they would like to contribute, but can’t afford to join your major donor program, have a procedure in place to follow-up and solicit a smaller-dollar donation from them instead.

Many people will also ask for more information, without pledging a donation. The campaign should prepare a major donor kit that it can send to each of these people. The kit should include some or all of the following:

- A cover letter reminding them that they requested this kit.
- An explanation of the program.
- A list of all the perks members get.
- Campaign literature.
- Contribution cards and pre-paid envelopes they can use to join.

### **Events, Newsletters and Buttons**

Once your program is up and going, it is absolutely vital that you fulfill all of the perks that you promise. If you don't, donors won't ante up for your re-election bid. In fact, you should give your major donor program members more than you promised. Hold events and give them a special reception, or hold an event just for them. Keep them in the loop with a campaign newsletter. Give them buttons and pins to tout their membership. Send a thank-you card from the candidate. Ask them to solicit their friends to contribute.

Even after you win, be sure to keep in touch with your major donor program members – in fact, the major donor program should continue, even after the election. The members can be asked to continue contributing, and their support will build a great nest egg for a re-election effort or another electoral bid.

Major donor programs should be a part of almost every political fundraising plan. To ensure success, be certain to:

- Develop a plan and team before beginning.
- Set the price of membership high enough.
- Follow-up, and
- Keep your fulfillment promises.

## The Secrets to Holding a Successful Fundraising Event

Events serve many purposes in political campaigns. Some events, such as press conferences and visits to factories or schools, build earned media for the campaign. Other events, such as rallies and speeches, can serve to build coalitions or generate momentum. Fundraising events are unique in that their main purpose is to gather funds to make the campaign's other activities and events possible.

Of course, just because an event is a "fundraiser" doesn't mean it can't serve other purposes as well – many fundraising events also serve to build momentum, garner press coverage, or build coalitions. If your event can serve two purposes, great. But before holding any event, your campaign needs to choose which purpose is paramount – which is most important. This will determine which goals will be expendable and which are integral to the event.

In order to hold a successful fundraising event, the campaign must prepare well in advance, put together an event organization, and work hard to put the event strategy into practice. The number of fundraising events you hold and their timing is a matter of looking at the campaign plan, determining the budget (when money will be needed) and figuring out what part events will play in your overall fundraising plan.

### Types of Events

There are several types of fundraising events you can hold:

- **Dinners** – Sit down or buffet, black tie or business casual.
- **Receptions** – Cocktail receptions, pre-dinner parties, VIP gatherings, etc.
- **Informal Gatherings** – Barbeques, pot luck dinners, chili cook-offs, or anything you can imagine.
- **In-Home** – Coffees or receptions in a supporters home.
- **Rallies** – At campaign headquarters, a local park or a supporter's home.
- **Miscellaneous** – Car washes, auctions, bingo games, etc. (Check local laws first.)

Each type of event has various advantages and disadvantages. The more formal your event, the more entertainment and food you have, the more refined the location, the more you can charge per ticket. On the other hand, events like these tend to have higher costs, such as food, beverages and bands. More informal events allow a wider array of supporters to be able to afford your event. Ultimately, what type of event you choose to hold depends on the amount you want to raise and the number of people you can get to buy tickets at various price levels.

### Mix and Match

Many campaigns have found that the best strategy is often to mix two different types of events into one. For example, your campaign may be holding a banquet style dinner and charging \$50 per ticket. In order to attract more affluent donors, your campaign could

offer a VIP reception and charge an additional \$100 to attend this event, which includes photos with the candidate and guest speaker for the night. This way, both smaller and larger donors can attend the same event.

In addition, avoid having all “really big donor” or “really small donor” events during the course of the campaign. Your campaign should try to have both types of events. The best way to make sure every possible donor contributes is to have both "big ticket" and "small ticket" events. There's a large pool of donors who will not be able to contribute \$500 for your black tie gala, but would be happy to attend a \$25 barbecue. Similarly, there are a good number of donors who would not come to a \$10 coffee, but would gladly attend a \$450 candidate's night. Be sure to offer events that tap each pool of prospective donors.

### **Event Goal**

The first step in planning your event is determining how much you want to raise. Take a look at your campaign plan and budget and set a realistic goal for the event. Don't forget to factor in the cost of holding the event when you are determining your goal. For example, you may plan to raise \$10,000 from a \$100 per ticket fundraiser. Don't assume that you will only need to sell  $\$10,000 / \$100 = 100$  tickets. Unless every single expense (food, location, ticket printing, etc.) is donated by supporters, you will need to sell more than 100 tickets to cover expenses while still reaching your \$10,000 goal.

Be wary of giving away free tickets to your fundraising event. Remember – your goal is to raise money. The more tickets you give away for free, the more it will cost to put on the event and the less money you will make from it. Of course, free tickets could be part of your overall strategy. For example, you may have set up a major donor program and told donors who gave \$10,000 or more that they would receive free tickets to your fundraisers. If this is the case, be sure that you are asking your major donors for a high enough contribution to cover your costs. You can always offer major donors reduced price tickets instead of free ones.

### **Ticket Pricing Strategy**

You've determined how much you want to raise from the event, and what type of event it will be. Now determine the number of tickets you will need to sell to reach your goal. Be realistic about what people will pay – for example, don't be tempted to charge \$1,000 per person for a chili cook-off in your backyard, unless you are sure you can get away with it and still reach your goals.

Also, determine whether yours will be a tiered event. You can add various components to allow some donors to pay more than others, as we discussed above. For example, your \$10 per ticket fundraising rally can have a \$50 per ticket VIP lunch afterwards. You can even have three tiers, if you have a large enough base to support it (in the rally example we just looked at, you could charge another \$500 for tickets to a formal dinner that

night). Unless you have very special reasons, you should never have more than three tiers to an event – each tier requires additional work and manpower.

### **Obey the Law**

During your planning, it is extremely important to contact a knowledgeable campaign finance lawyer or someone who is intimately acquainted with your local election and fundraising laws. Most states and localities have regulations that require detailed reporting of contributions and expenditures, as well as limits on what type of events you can hold and what types of in-kind donations you can receive. Check the laws before you begin.

### **Organizing the Event Committee**

The event committee is your sales team – the people who will actually go out and sell the tickets to your fundraiser. This group is different from the volunteers or staff that will actually plan and set-up for the event (this group will be discussed later).

Most campaigns designate an event chairman and event host committee in the same way that they set up the finance committee for their campaigns – choose people who can donate large sums themselves and/or convince others to do the same. The host committee can be composed of local businessmen, professionals, socialites, and political contacts, among others. The only requirement is that they support the event financially and pledge to get their (preferably numerous) contacts to do so as well. In return for serving on the host committee, the members may receive a mention in the invitations, special recognition by the event speaker, or other suitable “rewards.”

In addition to the event host committee, you may also designate volunteers as part of your sales force. These volunteers can solicit donors from many places, including:

- **Personal Solicitation** – Approaching friends family, and associates with a personal request to purchase tickets is the most effective way to sell.
- **Past Contributors** –Past contributors to the campaign who are still able to contribute should be contacted to purchase tickets to the event. Contributors to the local party and past campaigns can be contacted as well.
- **Coalitions** – Often, the groups that your campaign has reached out to will provide a ready supply of donors, and can often help you sell tickets to their own members. For example, if you’ve received the endorsement of the local chamber of commerce, encourage the president of the chamber to join your even host committee and sell tickets to the members of his group.
- **The Speaker’s Audience** – If your event will feature a guest speaker, you may be able to get people who are interested in the topic the speaker is presenting or in the speaker him or herself to purchase tickets to the fundraiser, even if they

normally wouldn't. For example, if you were having Bob Dole speak at your event, members of veterans groups or history buffs may want to purchase tickets even if they don't normally attend political events.

You should set clear sales goals for both the host committee and your volunteers. Make these goals reasonable, but high enough to ensure that you will meet your fundraising goal for the event. It is imperative that you accurately keep track of how each of your committee members and volunteers is doing, keep them informed of their progress, and establish rewards for volunteers upon meeting sales milestones. Keeping your team motivated will ensure that you sell enough tickets to make the event worth the huge amount of work it will require.

### **The Organizational Team**

In addition to your event host committee and ticket sales people, your campaign will need to designate staff or volunteers who are responsible for planning and setting-up the event. Some of this group's responsibilities will include:

- Printing tickets and invitations
- Arranging entertainment, food and beverages
- Setting up tables, stages, and decorations
- Designing the programs
- Cleaning up after the event

### **After the Event**

The work isn't over once the lights go out after the event. First and foremost, make sure that you get the donations you were promised. You should require that payment for tickets be made before the event. If you don't, be sure to follow up on pledges immediately.

You also need to thank everyone who was involved with making your event a success. Send thank you's to your host committee, your set-up staff, and if possible, to every person who purchased a ticket to the event. Remember – these are the people who are most likely to contribute to your campaign in the future.

Fundraising events can be a boon to your campaign's finances, but if the cost and time required to hold the event escalate, that boon can quickly become a boondoggle. Hold down costs, plan in advance, keep your team motivated and make them feel appreciated – if you do these things, you're well on your way to holding a successful fundraising event.

## **Raising Money from PACs**

PAC fundraising is an important component of your major donor fundraising plan. PAC fundraising is different from all the other types of fundraising activities your campaign will undertake. Different strategies must be employed to make sure your PAC campaign is a success.

### **What are PACs?**

The acronym “PAC” stands for “political action committee.” PACs are special organizations that are set up for the purpose of collecting contributions from large numbers of people, aggregating those contributions into one giant pool, and then making contributions from that pool to campaigns and organizations.

PACs are generally based on one special issue or party interest. Thus, PACs exist that donate solely to Republicans in Missouri, to candidates who are pro-life, to candidates who are supported by the United Auto Workers Union, and a myriad of other causes.

There are two very different types of PACs under modern campaign finance law. The first is the federal PAC, which collects donations to distribute to candidates who are running for federal office such as congress or the presidency. The second type of PAC collects “state money” for use in state elections, such as races for governor, the city council, or any other non-federal elections. This distinction is important. Due to the various campaign finance laws promulgated by the Federal Election Commission and the state agencies responsible for this area, a federal PAC generally only makes contributions to federal candidates and vice versa.

### **Why PAC’s Are Important**

PACs are important for several reasons. First and foremost, in many states, as well as in federal elections, PACs may contribute more money to candidates than individuals. For example, in one state, individuals may only contribute \$500 to candidates running for the state legislature per election, while PACs in the same state may contribute five times that amount, or \$2500. Of course in some states, both PACs and individuals may contribute unlimited amounts to candidates.

The second reason PACs are so important, even in states with no contribution limits, is that PACs often have plenty of money to spend on candidates. Whereas individuals may not be able to spend large sums on political activity, PACs raise money from a large donor base through direct mail, fundraisers, and the like, and spend a good chunk of that money solely on funding campaigns.

### **Don’t Rely on PACs to Save the Day**

While PACs often have large amounts of money to contribute, don’t make the same mistake that many campaigns have by relying on PACs for all of your campaign funding.

Many campaign start out thinking, “Our candidate is pro-life. As soon as the pro-life PACs know about us, the money will come rolling in.” Don’t be lulled into this false sense of security. It’s true that a pro-life candidate will be attractive to the many PACs who support that issue. It’s not true that raising that money will be easy.

PACs are fickle organizations. They often have complex formulas to determine who will receive contributions. If you don’t support their cause, you obviously won’t get a contribution, but if your race is too close, if it isn’t likely you will win, or if there’s no way you’ll lose, you may not get funding. Often, PACs have multiple decision makers who must all give their approval before a check is cut. Simply put, there are too many variables to make PAC fundraising a sure thing. PACs have so much money available to them that you would be foolish not to attempt to raise money from them – just don’t count that money as a “sure thing.”

### **PAC Fundraising Strategy**

Your goal for PAC fundraising should be to contact as many PACs as possible without wasting your time. You are wasting your time if you spend lots of time contacting PACs that you know won’t support you, or that are very unlikely to support you. Instead, concentrate on PACs that you have a real shot in convincing to donate to your campaign.

Your first task is to draw up a list of PACs that you will approach. Take a look at all of the PACs that operate on your level. If you are running for federal office, the Federal Election Commission will be able to give you this list. If you are running for a state or local office, check with your state’s election commission, ethics or campaign finance disclosure board. These offices often maintain a public list of registered state-level political action committees. Frequently, this list is available online.

After reviewing this list, select PACs with which you have a real shot of gaining a contribution. Choose PACs that the candidate has something in common with. This means PACs that have ideological views similar to the candidate, as well as PAC organizations that are affiliated with groups the candidate is affiliated with, such as service organizations, a specific trade, etc.

Check with all of the PACs you are targeting to see if they require you to fill out a “PAC questionnaire.” Many political action committees have extensive forms and questionnaires they will want you fill out if you wish to receive a contribution from them. Be careful and honest when filling these forms out. One wrong answer and you won’t receive a contribution – but if you lie, there’s a good chance that the media will eventually hear about it.

The next step is to prepare “PAC kits” to send to all of the PACs you want to solicit from, as well as to have on hand in the event you are contacted by a PAC in the future. These kits should include a folder with information about your candidate, some basic strategy information that is suitable for public consumption (i.e. why your candidate can win and

some poll numbers), endorsements, and if your candidate has received them, copies of positive press mentions, etc.

It is important to include information in your PAC kit about why your candidate can win your race. PACs don't like to waste money by funding losing campaigns. Let them know that your candidate can and will win the election.

Make sure your PAC kit is professional looking, but not too nice. If your kit is shabby, the PAC will think that your campaign is not really serious and you won't get a contribution. On the other hand, if your kit is too nice, the PAC may think you have money to burn and that its money can make a bigger difference elsewhere.

### **Follow Up Solicitation**

One of the most fatal mistakes local campaigns make is to just mail off the PAC kit and then wait for the money to roll in. PACs are just like individual donors – they need to be massaged. Have your candidate call the PAC a few days after they receive your PAC kit to personally solicit the donation. Offer to come in for a meeting, or to pick up the check personally. PACs like personal contact, and for PAC and campaign fundraising in general, the fortune is often in the follow up.