

Political Fundraising Fundamentals



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Location: Saskatoon Club

What we will cover today.

1. Introductions.
2. The only metrics that matter.
3. No magic solution.
5. Exercise.
6. You need a mix.
7. Tidbit #1.
8. Credits are key.
9. Tidbit #2.
10. The 'ask'.
11. Putting it all together.



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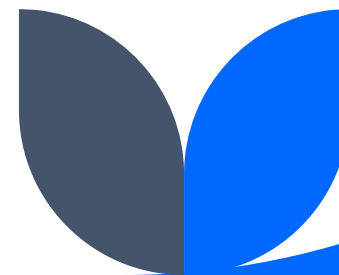
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Only two metrics matter in politics.

1. The money you raise.
2. The total votes you get on election day.

This presentation and material focuses on the first point.

But, if done well,

How you raise money will help with the total number of votes on election day.



There is no magical way to raise money

PART 1/3

First know the rules and follow them! Always. No short cuts.

Keep proof that your campaign/party/EDA followed the rules.

This is your treasurer's job and is accountable in the case of an audit. The candidate and campaign manager should know the rules too.

Like your campaign manager, your treasurer should never be a family member or close friend.

Your comms /marketing materials need to reflect the rules. The campaign manager/EDA President should double check before materials are sent to print or sent by email.

Rules may make raising and spending campaign money harder, but it ensures voters know how politicians get and spend their money.

You can't raise all your money online.

There is no AI, app, gismo that will raise all the money you need. Online donations is one stream for contributions.

Nothing beats a personal ask. Especially for a donation of substance.

There is no magical way to raise money

PART 2/3

Personal connections. As a candidate you should already have a list of every personal connection you have to identify supporters.

LinkedIn, Facebook, Twitter – all fair game for building out your list.

(You've already done this, correct?)

Contact them in whatever way makes sense for them. And then follow up again, again and again.

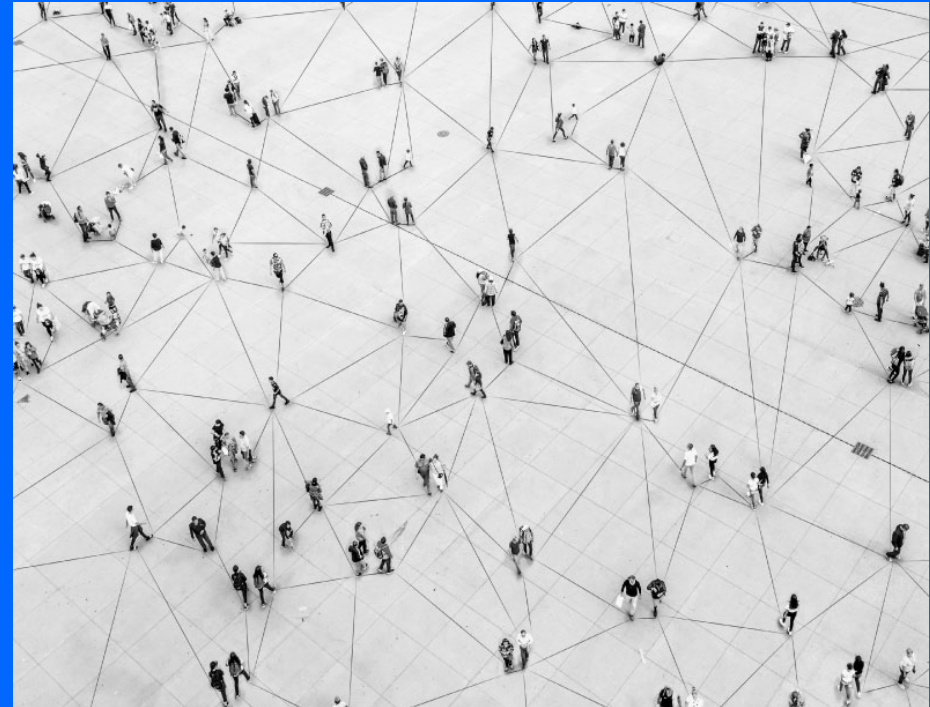
Money is a great way for them to prove to you that they support you.

Too busy to volunteer. No problem. If you donate \$200 to my campaign/party it would help a lot, because I could order lawn signs.

Not sure about a party membership. I understand. You know me and support why I'm running. A \$500 donation would pay for stamps for a direct mail out to explain how I'm going to address X, Y, Z issue.

Exercise – dig out your phone

- Who is in your phone?



Exercise – Segmenting your contacts.

Name	Relationship to Candidate	Fruit listing	Target amount	How would they like to be contacted?	What are their drivers / issues?	First ask owner	Follow-up ask owner	Amount Received	Thank you sent?
Person A	You.	Grapefruit	\$1,000+	n/a	Running for office	n/a	n/a	Maximum possible	Pat yourself on the back.
Person B	Partner	Grapefruit	\$1,000+		Supporting you	n/a	n/a	Maximum possible	Up to you.
Person C	Family member - Cousin	Grapefruit	\$1,000+	Phone call / not family dinner	Supporting you	Candidate	Your parent	\$500	Not yet.
Person D	Coworker	Grape	\$100	In person	Supporting you. Don't like X, Y, Z	Candidate	Campaign Manager	\$75	Not yet.

I recommend Excel or Google Doc for building and sharing this with your treasurer, fundraiser, and campaign manager. **Password protect it!** Keep privacy and financial information safe. Cyber security is a real thing.



Donors – You need all kinds.

Grassroots donors = small dollar donations in amounts of \$10, \$25, \$50 or \$100 at a time and once.

They are important, but time consuming with minimal ROI.

You need to ask 10 grassroots donors for \$10 each to raise \$100. This is a lot of work if you need to raise \$100K or more.

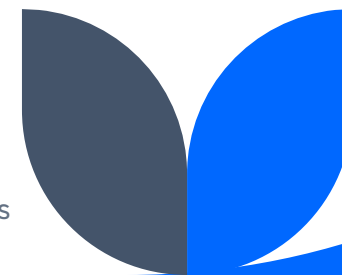
Instead ask your 10 grassroots donors to be \$10/month donors. *Why?* 12 months = \$120/ year each, the donation is automated, and the annual income for 10 grassroots donors changes to \$1,200.

Still a lot of work but is \$1,100 better than the first option.

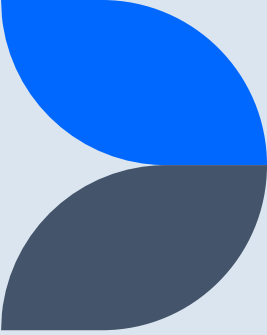
Tiered donors – you will need to tier donors. The tiering is party/candidate specific. You know your supporters best.

You'll need a mix of donors. E.g. ten \$5,000 donors = \$50,000 – better ROI by the candidate/campaign

Amount	1X donation	Monthly Contribution
\$10	\$10	\$120
\$20	\$20	\$240
\$25	\$25	\$300
\$50	\$50	\$600
\$75	\$75	\$900
\$100	\$100	\$1,200
\$1,000	\$1,000	n/a
\$5,000	\$5,000	n/a



Tid-bit #1: Saskatchewan



There are no donation limits on contributions to registered political parties or candidates.

Donations can be accepted from Canadian citizens regardless of where they reside.

No donations can be accepted by non-Canadian citizens if they do not reside in Canada.

No anonymous contributions more than \$250 may be accepted by a registered political party or candidate.

Political contributions can be in the form of money, goods or services.

All contributions over \$250 must be disclosed in a registered political party's or candidate's audited financial returns.

The return needs to include the name of the donor and total contribution amount by that individual, corporation, trade union, unincorporated organization, association, person or group of persons.

Source: <https://www.elections.sk.ca/candidates-political-parties/electoral-finance/contributions/>

Tax Credits – get to know them!

Saskatchewan

Individuals or corporations that make donations to qualifying political parties or election candidates can claim a tax credit. The tax credit amount is:

- 75% of the first \$400 donated;
- 50% of the next \$350 donated; and
- 33 1/3% of the next \$525 donated.

Can't take money from non-Canadian citizens or if they do not reside in Canada.

Source: <https://www.elections.sk.ca/candidates-political-parties/electoral-finance/contributions/>

ELECTIONS SASKATCHEWAN
POLITICAL CONTRIBUTION TAX CREDIT CALCULATOR

You Contribute	Your Tax Credit will Be
\$25	\$19
\$50	\$38
\$75	\$56
\$100	\$75
\$150	\$113
\$200	\$150
\$250	\$188
\$300	\$225
\$350	\$263
\$400	\$300
\$450	\$325
\$500	\$350
\$550	\$375
\$600	\$400
\$650	\$425
\$700	\$450
\$750	\$475
\$800	\$492
\$850	\$508
\$900	\$525
\$950	\$542
\$1,000	\$558
\$1,050	\$575
\$1,100	\$592
\$1,150	\$608
\$1,200	\$625
\$1,250	\$642
\$1,275	\$650

1. Where the total of the contributions made by a tax payer in a taxation year is less than \$25, the contributions are not eligible contributions.
2. The maximum tax credit per individual is \$650

Tax Credits – get to know them!

Canada

Only Canadian citizens or permanent residents can donate to political candidates and / or parties.

- Can donate maximum to a national party, and
- donate a separate amount up to \$1725 to a combination of an electoral riding associations (EDA), candidates and nomination contestants.

Contributions from corporations, labour unions or associations, and unincorporated associations are prohibited.

Source:
<https://www.elections.ca/content.aspx?section=pol&dir=tra&document=indx&lang=e>

The breakdown

Contributions may qualify you for a tax credit on your federal income tax return as illustrated below.

Your contribution	Tax credit	Actual cost
\$50.00	\$37.50	\$12.50
\$100.00	\$75.00	\$25.00
\$400.00	\$300.00	\$100.00
\$750.00	\$475.00	\$275.00
\$1725.00 (max)	\$650.00	\$1075.00



Please Note:

Payment by cash, pre-paid credit card, money order (unless from a Canadian financial institution), corporate cheque or corporate credit card is not permitted.



Tid-bit #2: How you spend money is as important as raising it.

When raising money, **don't spend it on dumb things.**

You need to spend money to raise money, but ask yourself this question, “Will I be embarrassed if the media or supporters see this on my campaign finance report?”

Free – doesn't mean best or good could be an in-kind donation or illegal. Know the rules!

Fancy dinners, receptions, venues, salaries for friends, family, consultants, one-of-a-kind apps/gizmos, booze, etc.

How many political “strategists” do you really need? Spend the \$ on getting the work done vs strategizing on how to do the work.

Asking for a political donation.

You will get rejected. A lot. Don't take it personally.

Be authentic and transparent about your values and why you are running. Money means they believe in you and your 'why'.

Ideally, your donors are contributing because they already know how you would vote. *Attract donors that support your vision.*

You are not asking for a handout. Their donation is an investment in their community's or family's future, etc.

As the candidate, you're doing the hard work, putting yourself out there, and taking on the risk/scrutiny.

Asking for a donation is the same as asking someone if you can count on their vote.

Talk is cheap. Money means they have 'skin in the game'.

The size of the donation also is a good indication if they will tell their friends, family, network to vote for you too. (GOTV)

Who on your team is asking supporters to financially support you?

In Canada, candidates asking directly for money causes a lot of perception issues and uncomfortable situations. *Find a trusted surrogate.*

Fundraiser/Asker is a role often hard to fill or 'forgotten' on campaign teams.

Raising money for the candidate is an important job. Don't diminish it. Support them.

Asking for a political donation.

These are my favourite and most heard objections in Saskatchewan.

Doesn't matter the Political Party or level of government. The following objections to donating to a party/campaign seem to be alive and well, especially between elections.

1. Only want to support 'a winner'.

Translation: they aren't going to vote for candidate X either. *Don't miss the opportunity to ask why they only vote for winners and if they ever vote for people with shared values/vision? You may not win them over, but you'll demonstrate what you believe in and that you are going to win.*

Another reason why you need a great surrogate to demonstrate confidence that the candidate is going to win. (Third party credibility)

Polling demonstrating the Party/candidate is tracking/trending to win should be included in fundraising messaging.

2. Government/Corporations should pay for political Parties' expenses.

Translation, anyone other than them.

Know your audience. Do they complain about third party interference in elections/government? If yes,

Remind them that the only way to prevent this interference is if people like them donate (even small amounts help).

Remind them of the corruption in the United States. Is that the campaign financing system we want here at home?

Should taxpayers be paying for every political parties' campaign? This means the government will be giving money to political parties and candidates they don't agree/like and for parties/campaigns to spend money on what they please.

You are not asking for a handout.

Each donation request has a purpose – lawn signs, billboards, stamps, etc. and is an investment in their future. Plus, the candidate (you) is already doing the hard work.

Events often help these potential donors get over their issues of “contributing” to a campaign.

How to raise political donations

You need a plan that includes all the options

Actions	Candidate/ EDA	Party	Voter Id	Issues/policy positions
Direct mail out (physical letter)	X	X	X – great way to see if you have correct supporters addresses	Option to send surveys & solicit feedback on party performance, key issues, etc.
Email communications	X	X	X	X
Events – grassroots	X		X	X
Events – signature	X	X	X	X
Website / online	X	X		X – if people are donating in response to their concern or support for your position on an issue. Good intel.
Personal Ask	X		X	Know your network.
Corporate/Organizational engagement*		X	n/a	X

*Corporate and organizations donating to candidates or parties is not allowed by Elections Canada (federal) and in most provinces. Saskatchewan is the exception that allows corporate/organizations to donate to a party/candidate.

** Most MNC will not donate to any political party, even if the local rules allow it, due to internal code of conduct and conflict of interest policies. Some companies prefer to 'sponsor an event', rather be seen as directly contributing to a political party of candidate. (E.g. golf tournament, annual dinner, etc.)

Fundraising tools

PART 1

Membership and donor database – this is critical!!!

Up-to-date and easily accessible. But completely secure.

Donor database should never, ever become public or shared widely even within the party.

Track & tier supporters by their membership status (current/lapsed/potential), donor history, key drivers, network/circle of influence, etc.

Leverage every engagement as a way to gather contact details and key drivers.

Identify donors – both those that will and won't support you.

For large donors, they shouldn't be bombarded with multiple asks in a year. It's annoying. A current database with correct information prevents this from happening.

Practice makes perfect. Practice your 'ask' repeatedly. Use the shower, a mirror, your family, close friends, your pet, whatever you've got.

Most people won't give until they are very clearly asked to give. So, clearly ask them to give to you and how much.

And then be prepared when they say “yes”

Make donating easy and quick. Don't let someone say they'll donate when they get home.

Make sure you can take donations on your mobile device with all major credit cards e.g. via the party website.

Ensure the donation links work before sending out an email.

Print material – use QR codes, clear, short forms that are quick to fill out, or concise URLs for someone to search

Fundraising tools

PART 2

Researchers and data entry volunteers with attention to detail skills. You'll need a core group.

Research annual financial submissions, public databases, event/competitors' websites, to develop target lists

Research organizations and companies that 'fit' the party/candidate's vision/values and their contact details

Surveys, polling and policy position feedback – determine your donors 'drivers' – use in your fundraising messaging.

Build lots and lots of lists, enter information and track details, stay organized.

Event planners and good comms volunteers are also really helpful with fundraising.

Annual Fundraising Plan

Why, who, what, when and how much needs to be raised

Updated annually to reflect what works, what didn't, approaches election year versus nonelection year, leadership change – EDA/Party levels, other elections in the area – federal, provincial, municipal, etc.

Should be no more than 5 pages and clearly provides new volunteers, candidates and MLAs with guidance & direction.

Aligns with campaign and annual comms plans.

Tax breaks are important to a lot of donors.

Don't forget about it in your messaging and talking points.

Don't underestimate the power of a thank you.

Tier the recognition of your donors to their contribution but recognize and thank all donors regards of amount.

Handwritten, personalized thank you cards are invaluable.





Hope this was helpful.

Good luck!

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