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# Fundraising strategies for nonprofits

A guide to seven types of giving campaigns and how to use them

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For generations, nonprofits have helped strengthen communities and improve lives. They influence almost every part of society—and that impact continues to grow.

According to Giving USA, nonprofit donations totaled \$592.5 billion in 2024, growing by 6.3% over the prior year in current dollars. This represents a whopping 191% increase since 2000, when the \$200 billion threshold was first crossed. Meanwhile, the Philanthropy Roundtable reports that workforce participation also grew significantly during a similar period—expanding by more than 30% between 2002 and 2022.

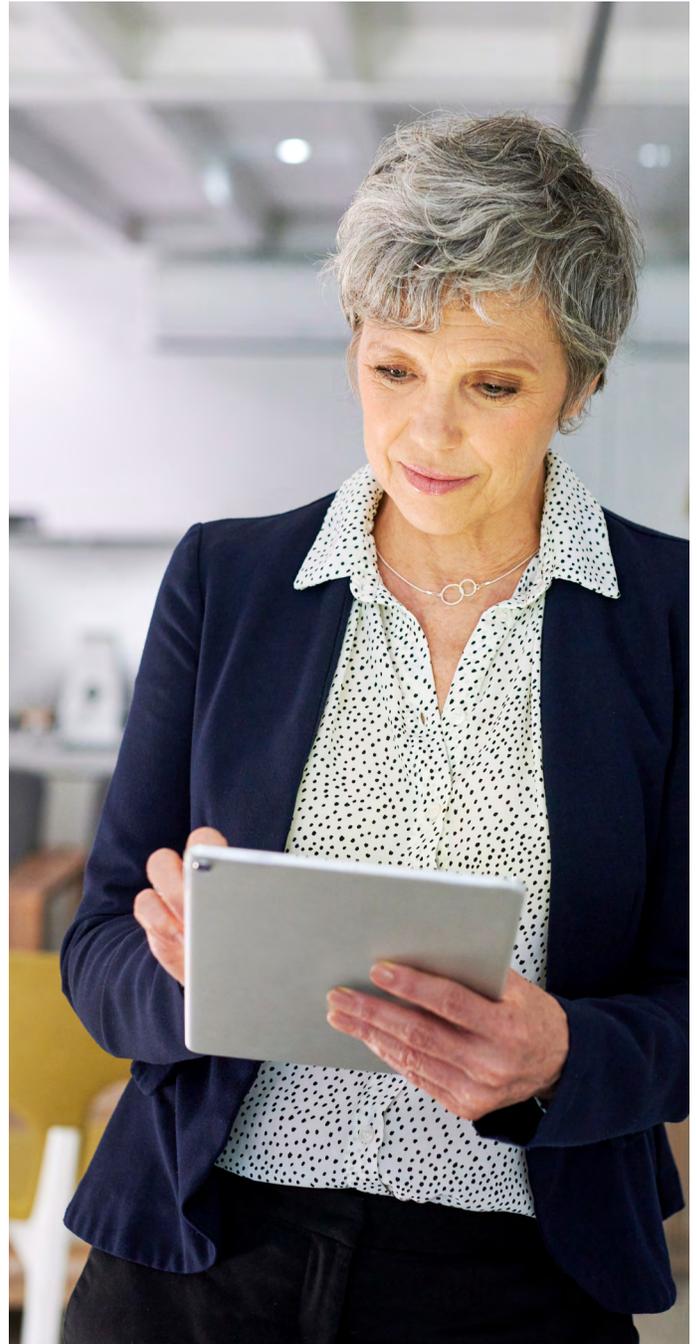
**12.8 million**

**Number of nonprofits workers,  
accounting for nearly 1 in 10 jobs**

Source: U.S. Bureau of Labor Statistics

Given this steady growth in the sector, the importance of fundraising for nonprofits has never been greater. Nonprofits now use a variety of strategies—from annual donations to legacy gifts—to generate resources. To understand what's working and why, this guide takes a brief look at key trends affecting how donors give. It then examines seven common types of nonprofit fundraising and highlights the advantages of each.

Finally, it offers guidance on when and how particular programs may be most effective. By choosing an effective combination of campaigns, organizations can meet their short-term needs while also building enduring financial sustainability.



## A positive outlook for nonprofit fundraising

The long-term outlook for charitable giving remains strong. One forecast even suggests that total annual giving could approach \$650 billion by the end of 2028, following a brief slowdown projected for early 2026.

One challenge is that total donor counts continue to trend downward, with growth driven primarily by major donors giving fewer but larger gifts. Fortunately, cultivating strong donor relationships through personalized outreach and meaningful involvement remains one of the most effective fundraising strategies for strengthening donor engagement at every level.

### Four factors supporting long-term growth

Meanwhile, several broader financial and philanthropic shifts are fueling confidence for growth in the decades ahead. Here are four that nonprofits should consider as they develop fundraising strategies.

- **Private foundations are giving at an accelerated pace.** Total assets have more than tripled since 2009, reaching \$1.6 trillion at the end of 2024, according to FoundationMark. Many are also exceeding their required annual distributions, creating more grant opportunities even in slow economic periods.
- **The use of donor-advised funds, or DAFs, is expanding.** An increasingly popular tool for charitable giving, **DAFs let donors plan gifts strategically**, which often results in larger and more frequent contributions.

- **Qualified charitable distributions are rising.** Both the number and size of donations from **individual retirement accounts**, or IRAs, has grown significantly in recent years. As more donors reach retirement age, the use of this tax-efficient giving strategy will likely expand.
- **Planned giving is likely to increase.** As much as \$140 trillion in wealth will transfer over the coming decades, with up to one-third potentially benefiting nonprofits through bequests and planned gifts. Organizations that communicate the lasting impact of legacy gifts early will be best positioned to secure support.



**+888%**

**Average increase in annual giving after donors switched to DAF contributions**

Source: The 2025 DAF Fundraising Report (analysis of data from 32 nonprofits)

## Understanding common types of nonprofit fundraising programs

Each type of nonprofit fundraising serves a distinct purpose, attracts different donor audiences and helps strengthen long-term relationships in a unique way.

### The annual fund and annual campaign

The annual fund is the foundation of strategic fundraising approach. It builds a loyal donor base and strengthens their connection to the organization's mission. Funds raised through annual giving support current programs and operations, typically through strategies such as:

- Direct mail
- Email and text outreach
- Special events
- Phonathons
- Individual and group solicitations

The terms annual fund and annual campaign are often used interchangeably, but they have distinct meanings:

- **The annual fund** is a year-round giving program designed to build awareness and raise funds for operations.

- **The annual campaign** is a focused, time-limited effort securing operating funds for the organization. Typically, this is a board-driven fundraising initiative centering around a board campaign. It involves leadership gifts to reach a specific fundraising goal and relies on volunteer-led, face-to-face solicitations to drive donor participation.

Together, the annual fund and annual campaign create a cycle of donor engagement. The annual fund sustains momentum throughout the year, and the annual campaign renews energy, visibility and donor commitment. Without both, it's difficult to build the foundation needed for other successful fundraising campaigns.

### Objectives include:

- Secure new, repeat and upgraded gifts
- Establish consistent giving habits
- Raise annual unrestricted funds
- Inform and connect donors to the organization
- Use donor insights to identify potential major donors
- Encourage giving patterns that lead to planned gifts



## Types of giving programs at a glance

<b>Annual campaigns</b>	Time-limited solicitations that renew yearly support and strengthen donor engagement across multiple channels.
<b>Capital campaigns</b>	Focused efforts to fund major projects such as new buildings, renovations or other large investments.
<b>Comprehensive campaigns</b>	Multi-year efforts that raise funds for several priorities—operations, capital and endowment needs—under a unified goal.
<b>Major gifts</b>	Larger, personally cultivated commitments from donors with deeper interest in an organization’s mission.
<b>Endowment campaigns</b>	Efforts to raise permanent or long-term funds that generate steady and strengthen financial stability.
<b>Planned giving</b>	Encourages legacy gifts through wills, trusts or other estate tools to support future mission needs.
<b>Giving days</b>	High-energy, short-term fundraising events designed to boost visibility, participation and donor acquisition.

### Capital campaigns

A capital campaign is an intensive, highly strategic fundraising effort designed to raise a large amount of money within a defined period. It typically funds growth-related, major projects that fall outside of the organization’s annual budget—such as facility construction or major equipment acquisitions. Some campaigns also increase endowment resources for maintaining capital assets.



Capital campaigns are board-led and rely heavily on volunteer engagement. They are typically conducted every 10-15 years, and pledges are paid over 3-5 years.

Unlike comprehensive campaigns, designed to increase the organization’s overall sustainability, a capital campaign traditionally focuses on funding infrastructure. Conducting a capital campaign provides opportunities to:

- Strengthen annual giving and donor participation
- Increase volunteer and board involvement
- Build stronger donor pipelines for major and planned gifts

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## Comprehensive campaigns

A comprehensive campaign is the most wide-ranging fundraising initiative for nonprofits. Comprehensive campaigns are especially common within large institutions such as hospitals, universities and major cultural organizations.

These multi-year efforts combine nearly all forms of contributed income—including major gifts, annual contributions, unrestricted gifts and planned giving commitments—with each contributing toward an overall fundraising target. The campaign usually embraces a set of clear priorities tied to the organization's long-term strategy for growth, including the size, scope and sustainability of its operations.

## Major gifts campaigns

A major gifts campaign is a focused effort to secure significant contributions from individuals, families or institutions. Major gifts frequently include an element of planned giving or estate planning, and they rely on cultivating donors personally—aligning organizational priorities with donor interests and demonstrating meaningful impact.

Major gifts are, broadly speaking, those that stand out as large relative to an organization's usual donations. Thus, the definition of a major gift varies widely. For some organizations, \$1,000 may count as a major gift. For others, it may be gifts of \$100,000 or more.

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Nonprofits that do not undertake comprehensive campaigns or those that are between such efforts often pursue smaller and shorter major gift campaigns with narrowly defined outcomes. Many major gifts include an aspect of an individual's estate and frequently specify a specific program, rather than support for operating funds.

## Endowment campaigns

An endowment campaign builds long-term financial stability by increasing the invested funds that support the organization in perpetuity—often through bequests, planned gifts or significant one-time contributions. Endowment fund donors are often older or long-term supporters who want to ensure the organization's future strength.

Because endowment campaigns emphasize deferred giving, they're often shorter in length than when conducted on their own. However, many nonprofits integrate endowment fund goals into larger fundraising initiatives.

## Planned giving campaigns

Planned giving—also known as legacy giving, deferred giving or charitable gift planning—refers to donations arranged now for an organization's future benefit. These commitments can take effect later in a donor's life or at their death and may involve a one-time distribution or a series of fixed or variable payments. Some planned gifts are revocable, while others are not.

Planned giving is a significant and growing source of philanthropy in the U.S. A planned giving campaign can be conducted as a stand-alone effort, or integrated within a capital, comprehensive or even endowment campaign. Independent campaigns, however, usually have a shorter timeframe.

Introducing planned giving into everyday fundraising conversations helps nonprofits cultivate deeper relationships with donors. The concept is attractive to donors because it helps them leave a lasting legacy aligned with their values.

## Giving day campaigns

A giving day campaign is a brief, high-energy fundraising effort that's become a popular approach to philanthropy. It often takes place on #GivingTuesday—the Tuesday after Thanksgiving—or on another day chosen by the organization.

While giving days are best known for encouraging large numbers of small online gifts, many now seek commitments from major donors and include peer-to-peer solicitations. With strong planning and promotion, these campaigns can deliver impressive results—increased visibility, new donor acquisition and deeper engagement.

## About charitable giving vehicles

Charitable giving vehicles are changing how many individuals and families give to nonprofits, so knowing more about them helps fundraisers align their tactics with modern donor behavior.

### Private foundations

A **foundation is a legal entity** established by an individual, family or business to manage charitable giving over time. Often funded with a substantial initial gift, foundations are required to distribute at least 5% of their assets each year for charitable purposes.

Foundations are an important source of grants and long-term partnerships for nonprofits, so building relationships with leaders can help an organization win continued support.

### Donor-advised funds, or DAFs

A DAF is an investment account established at a sponsoring organization—such as a community foundation or financial institution with a DAF offering—that lets donors make immediate tax-deductible contributions and recommend grants later.

Donors often use DAFs to bunch multiple years of giving into one tax year, then distribute those funds strategically. For nonprofits, cultivating relationships with DAF holders can lead to reliable, recurring support.

### Qualified charitable distributions, or QCDs

A QCD is a direct transfer of funds from an individual's IRA to a qualified charity. In 2026, donors age 70½ or older can give up to \$115,000 per year tax-free, satisfying some or all of their required minimum distributions.

Because QCDs reduce adjusted gross income, they're especially valuable given the **new limits on charitable deductions** that take effect in 2026. Nonprofits can benefit by educating supporters about the tax efficiency of these gifts.

### Charitable gift annuities, or CGAs

A CGA is a contract between the donor and qualified charity in which a donor makes an irrevocable gift of cash or assets and receives a stream of fixed income in return. After the donor's lifetime, the remaining balance supports the organization.

For nonprofits, CGAs offer a planned giving opportunity that increases donor loyalty and provides guaranteed resources for the future.

### Charitable trusts

Charitable trusts are often used by high-net-worth individuals to accomplish both personal and philanthropic objectives. The **two main types** are:

- **Charitable remainder trusts, or CRTs:** Donors receive income for a set term or for life, with remaining assets later going to the nonprofit.
- **Charitable lead trusts, or CLTs:** The nonprofit receives income for a set term, and remaining assets return to the donor or heirs.

For nonprofits, developing expertise with these tools—often in collaboration with professional advisors—can lead to larger and more secure gifts.



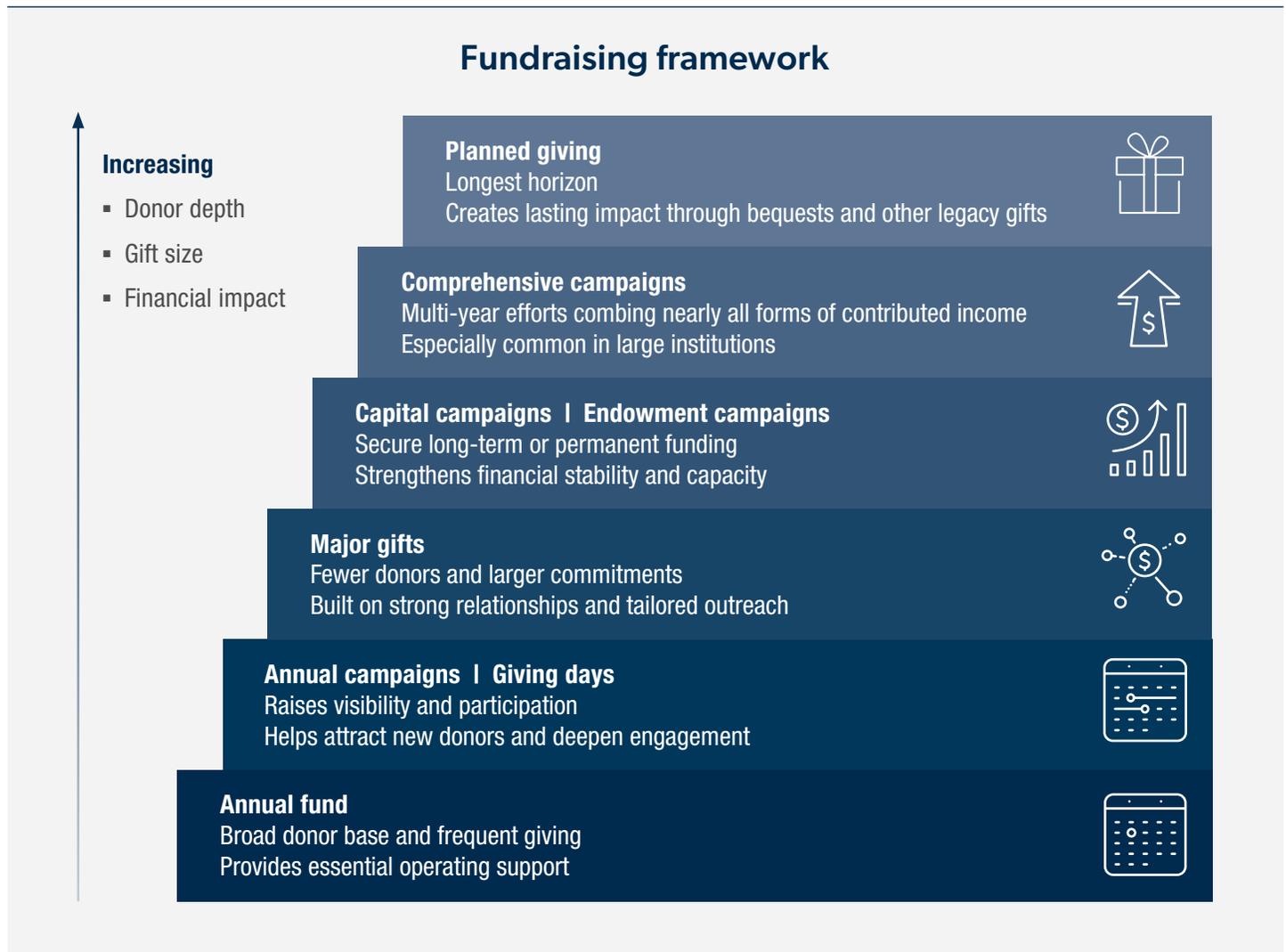
# Choosing the best mix of fundraising campaigns

Selecting an effective combination of giving programs is one of the most important strategic decisions a nonprofit can make. There's no one-size-fits-all model—each organization's approach should reflect its size, maturity, mission and strategic priorities.

Achieving balance is the goal. It's important to secure reliable revenue for today while also cultivating deeper commitments that ensure funding for tomorrow.

## A framework for nonprofit fundraising

Every type of fundraising program fits somewhere along a continuum—from annual operating support to long-term legacy planning. Understanding how each effort supports the mission helps organizations set realistic expectations and plan accordingly.



## Build a foundation first

Every nonprofit should begin by developing and maintaining a strong annual fund. The annual fund and corresponding annual campaigns are the foundation for all other fundraising efforts. They provide predictable **cash flow**, strengthen donor relations and establish the trust needed to pursue larger initiatives.

As fundraising capacity grows, organizations can layer in more specialized programs—major gifts, capital, comprehensive or endowment campaigns—building on the relationships and systems established through annual giving.

It's equally important to recognize the opportunities that legacy gifts present. Planned giving should become part of every organization's development efforts—even if the organization and donor base are relatively young. Many people begin estate planning in their 40s, which means it's helpful to begin having legacy conversations early. Even donors who are not ready to make a bequest today may begin to see themselves as long-term partners in the nonprofit's mission.

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## Align with fundraising strategy

Whatever combination of fundraising programs you choose, each should align with your organization's strategic plan and be board-driven. Board members should be engaged early—long before campaign approval—to help define priorities, understand goals and clarify expectations.

Note that organizations building board fundraising capacity may benefit from **fundraising training for nonprofits**. This is designed to equip leadership with campaign planning fundamentals and best practices.

# Building a sustainable fundraising strategy

While campaign readiness depends heavily on capacity and leadership, sustainability requires systems and partnerships that continue beyond any single campaign. Here are some essential tactics.

## Focus on building relationships

Success in fundraising requires trust—donors who feel valued and who are invested in the organization's mission are far more likely to give and give generously.

Sustainable organizations view every donor interaction as a chance to build that trust, and it starts with responsiveness and gratitude. A prompt thank-you, a clear report on how a gift was used or an opportunity to witness impact firsthand can turn a one-time donor into a lifelong supporter.

## Invest in technology

Digital tools have become essential to nonprofit fundraising, particularly for small organizations. In a survey of 977

nonprofits by OneCause, two-thirds of those with annual revenues under \$1 million reported generating more than one-fifth of their income from digital and social channels. Nearly half also plan to use artificial intelligence to improve efficiency and donor engagement.

Even small investments can make a difference. For example, just simplifying donation forms, offering preselected monthly options and optimizing for mobile devices can quickly boost giving and donor retention.

## Develop effective governance

Strong governance is the backbone of nonprofit sustainability. Having a clear set of written policies and agreements more often leads to decisions that are consistent, transparent and mission-aligned—even as leadership changes.

This kind of internal guidance also builds donor confidence by demonstrating accountability and professionalism.

## Core governance policies and agreements

First Citizens frequently assists nonprofit clients in developing and maintaining essential governance tools like these.

Policy or document	Purpose/description
Bylaws	Define structure, board composition and operating procedures.
Gift acceptance policy	Outlines a process for evaluating acceptable gifts and the authority for accepting or rejecting them.
Conflict of interest policy	Ensures decisions reflect the organization's best interests.
Investment policy	Guides management of endowment or reserve funds.
Spending policy	Defines how endowment or restricted funds may be used sustainably.
Anti-fraud policy	Protects against financial misconduct.
Media release form	Grants permission to use an individual's image or story.
Code of conduct agreement	Sets expectations for ethical behavior among staff and volunteers.
Endowment policy	Establishes and document endowments.
Endowment agreement	Clarifies donor intent.
Endowment records	Document contributions, earnings and expenditures.
Board statement of understanding	Clarifies duties and commitment to the organization.
Board member expectation form	Defines specific contributions, such as fundraising or event participation.
Give-or-get policy	Sets minimum financial or fundraising expectations for board members.

### **Choose an asset manager who is a partner**

Financial management is another key element of sustainability, but it's most effective when paired with strategic partnership. First Citizens works with nonprofits as a relationship bank—emphasizing collaboration, transparency and long-term support.

In addition to managing investments and endowments, the bank can oversee scholarship and grant-making funds and provide policy and governance guidance. This holistic approach helps nonprofits align financial decisions with mission and values, turning assets into tools for lasting impact.

## **The path forward for nonprofit fundraisers**

As the landscape of giving evolves, nonprofits must design strategic fundraising campaigns that fulfill both short-term needs and long-term goals. From cultivating annual donors to engaging future legacy givers, each program should reinforce the organization's purpose while meeting donors where they are both financially and emotionally.

The most effective nonprofits fundraisers understand that giving is more than a transaction—it's an opportunity for donors to put their values into action. That's what turns generosity into lasting change.



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