

EARNED REVENUE

Fierce
CONSULTING
GROUP

“Growing Food Changes Lives”





WHO IS JENNIFER HUDSON?



Active Board Member of 2 Nonprofit Organizations



Specialize in Nonprofit Formation, Accounting, and Back-end Processes



Founder/Owner Fierce Consulting Group



18 Years in Accounting



23+ Years in Nonprofit Formation and Development

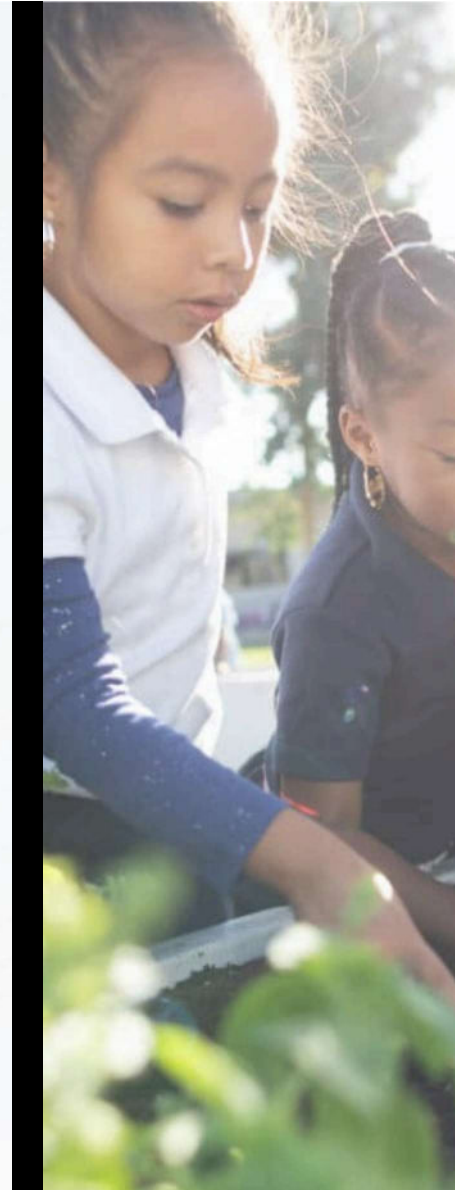
ICE BREAKER

State of the Economy?

- a. Recession
- b. Depression
- c. Civil Unrest



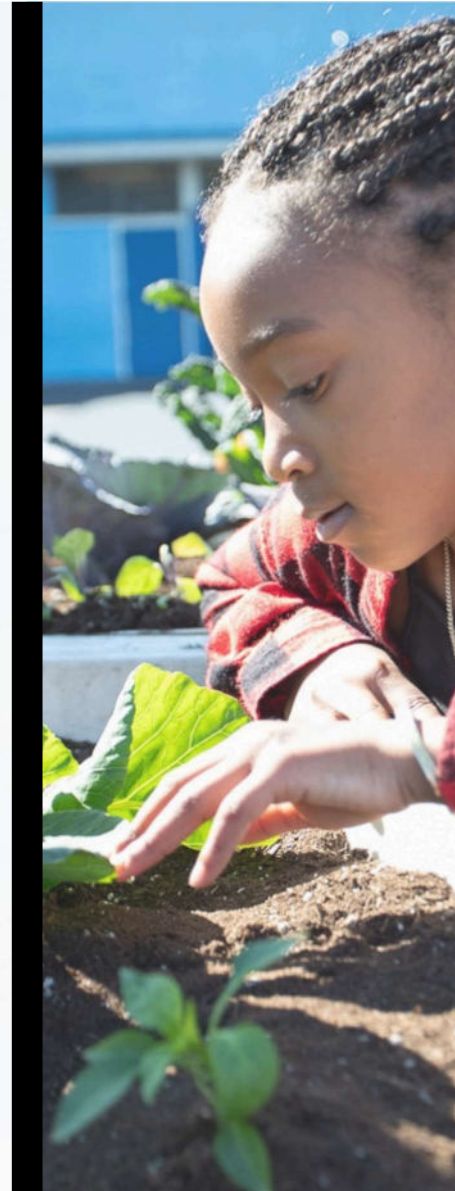
**Most Nonprofits' Revenue
is directly correlated
with the economy!**



Why?



Public Charitable Organizations = Public Support





Myth

a. Can't Charge

b. Nonprofit = No Profit

c. Can't Pay Wages

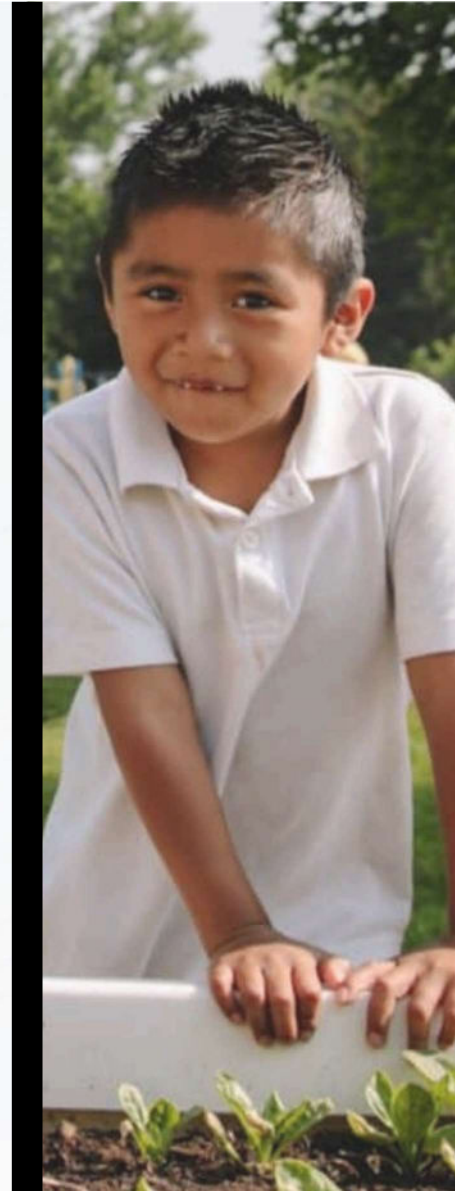
d. Donations/Grants Only

Every Nonprofit Should Have A Diverse Funding Mix



Candid Revenue Breakdown

- a. Fees for Goods/Services - 50%
- b. Fees for Goods/Services (Gov't) - 23.1%
- c. Private Contributions - 12.9%
- d. Government Grants - 9.2%
- e. Investment Income - 3.6%
- f. Other Income - 1.2%



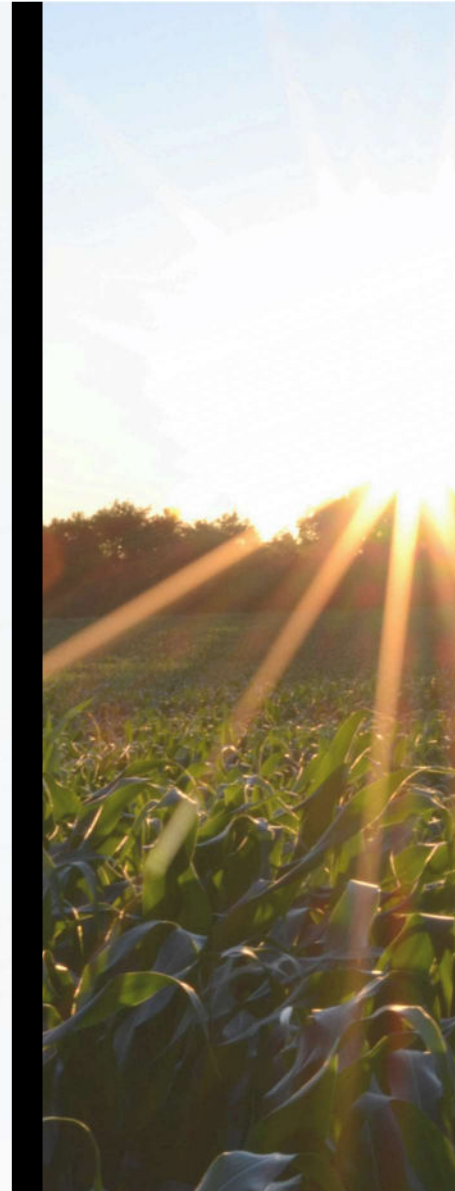
Earned Revenue made up
73.1%
of nonprofits' funding mix.



Days of Relying Solely on Grants Are Over!!!



Earned Revenue is income generated from selling goods or services, or performing work that is aligned with the organization's mission.



Common Earned Revenue Sources

- a. Program Revenue
- b. Service Revenue
- c. Membership Fees/Dues
- d. Sell of Products



**Program Revenue =
Charging a fee for your
programs to the community
you serve.**



Nonprofit DOES NOT MEAN FREE!!!



**Service Revenue =
Charging a fee to the public
for a service (expanding
outside of the service
community).**



**Membership Fees/Dues-Fees
charged to gain access to
resources.**

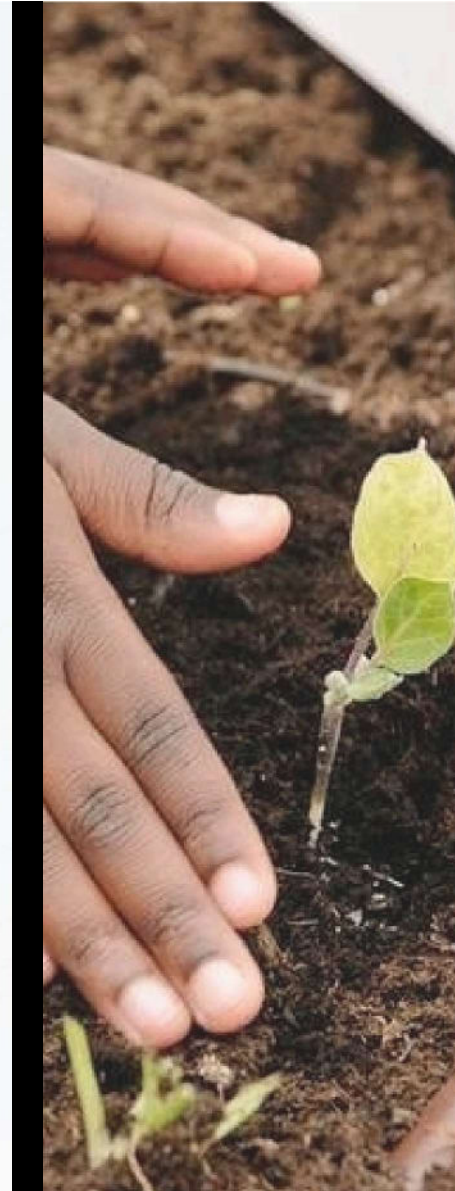
a. Target Community

b. Community Partners

c. General Public



**Sell of Products =
charging for products
created by the nonprofit**



A group of seven people, four men and three women, are standing in a garden. They are dressed in casual attire, including t-shirts, blouses, and jackets. Some are holding green watering cans. In the foreground, there are several bags of 'RAISED BED & POTTING MIX' and 'Organic Plus' potting mix. The background shows raised garden beds and a trellis structure. The entire image has a dark green overlay.

How?

Idea

- a. Align with Organization's Mission (No Unrelated Business Income Tax)
- b. Realistic for the Organization



Target Market

a. Who is the customer?

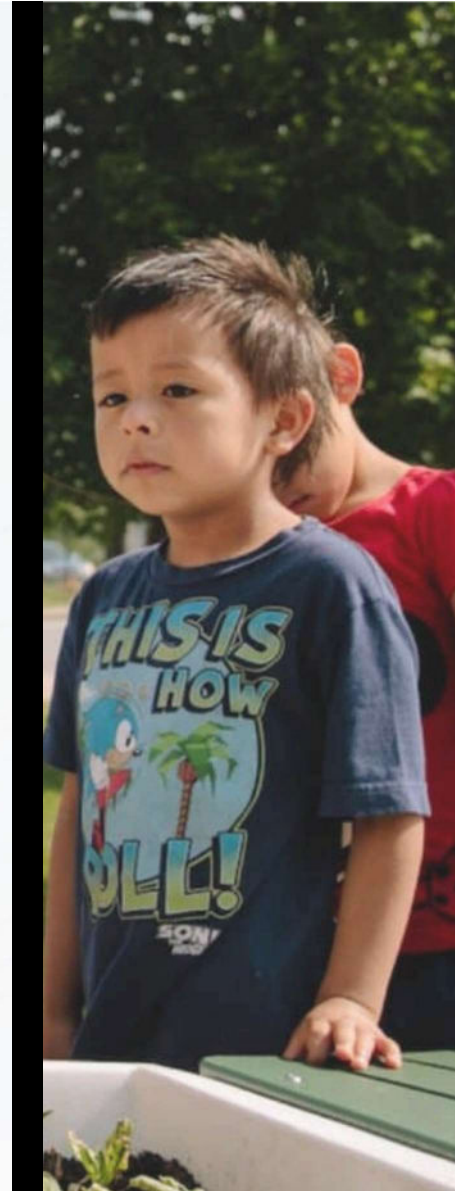
b. Why would they buy?



Market Research

a. Who would be your competitors?

b. What makes your product/service different?



Pricing Strategy

a. How much will you charge?

b. How much does it cost to make/produce?



Revenue Projections

a. How much could you make in revenue?

b. What is the revenue goal?



Resources and Cost

a. What all do we need to make the product?

b. How much does it cost?



Marketing Plan

a. How will you promote or advertise?

b. What will be your messaging?



Implementation Timeline

- a. What are the key deadlines during the process?
- b. Who will be responsible?



Potential Challenges

a. What are potential obstacles or threats?

b. How will you overcome them?



Impact Measurement

a. How will you measure success?

b. How will you improve over time?





THINK TANK!!!