ERIN PESHOFF · FIELD RESEARCH · NOVEMBER 2026

# Charge for What You Know.

*And stop throwing it in for free.*



What fundraising contracts and IRS filings show about how consultants get paid.

# Contents


| | | |
|---|---|---|
| BEFORE YOU START | You Already Built the Hard Part | 3 |
| THE MARKET | Two Ends and a Middle | 4 |
| MOVE 1 | Stop the Free Extras | 5 |
| MOVE 2 | Keep Your Method | 6 |
| MOVE 3 | Plan the Handoff | 7 |
| MOVE 4 | Charge for the Strategy | 8 |
| MOVE 5 | Sell What AI Cannot Do | 9 |
| MOVE 6 | Check Your Registration | 10 |
| MOVE 7 | Make Your Record Work for You | 11 |
| WORKSHEET | Edit Your Agreement Before You Renew | 12 |
| METHODOLOGY | Read With Care and Sources | 13 |

# You Already Built the Hard Part

When 86 independent consultants told us how their practices run for the 2026 Consulting Almanac, most were working solo or in small teams after years in the field. Asked for the one problem they most wanted solved, they kept landing on more clients.

But if we are already at capacity and still getting pushback on price, more clients will not fix it. Charging for the strategy we already do and never bill for might.

We do not talk about money enough to know where we fall, so this report looks at the public record instead. In many states the firms that raise money for nonprofits file their contracts and the IRS shows which outside firms each nonprofit paid every year. We read six of those contracts and twelve years of filings for 22 national nonprofits.

*The firms that last put their strategy in writing and charge for it and we can do the same with the teams we have today.*

## What the Filings Show

**452**

nonprofit and firm relationships across twelve years of IRS filings

**2 yrs**

how long the typical firm stayed with a nonprofit

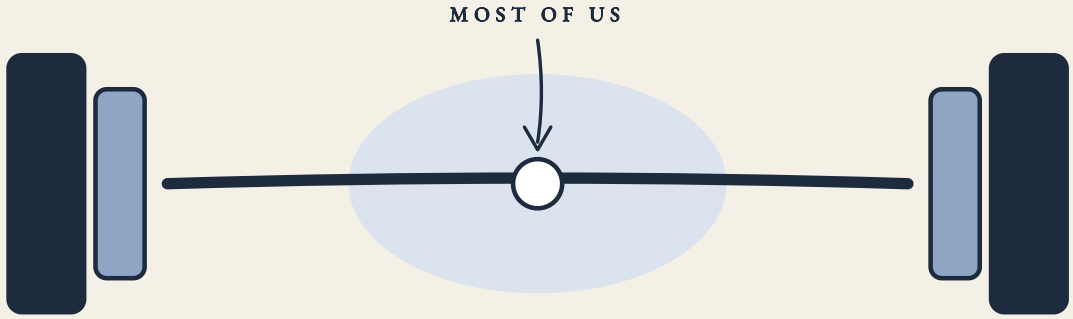
**15 of 22**

national nonprofits kept one firm nine years or more

**26**

states that ask fundraising counsel to register

# Two Ends and a Middle




Picture a barbell with established firms on retainer at one end and shops paid by the piece or the hour at the other.

Most solo and small-firm consultants live somewhere on the bar, where we bring the strategy and then price it like the piece.

| | PAID FOR THE STRATEGY | PAID BY THE PIECE |
|---|---|---|
| WHAT THEY HOLD | The plan and the call | The deliverables that come out of the plan |
| HOW THEY ARE PRICED | A retainer for the role | Per call, per contact or per hour |

*Those firms do not have better judgment than we do. They just wrote theirs down and put a price next to it.*

WHERE DO YOU SIT?

Mark where your firm sits today and where you want it a year from now.



MOVE 1 OF 7

# Stop the Free Extras

*Scope creep starts with a small yes we never priced.*

The firms that last hold the line on paper before the work starts and their contracts spell out four things many of us leave to a good feeling.

- Strategies included each year
- What starts extra work
- Rounds of revisions
- What happens if a project stops

California's model contract puts the schedule in writing and lets it change only when both sides agree. With that on paper, we can say "I can do this and not that" and mean it kindly.

### BEFORE WE SAY YES

- Is it in the scope we wrote down?
- Does it fit the schedule?
- Is the fee clear?
- Have we both approved it in writing?

### FROM THE FILINGS

The filed contracts set a number of strategies each year and put a charge on revision rounds past the ones included.

### SAY IT LIKE THIS

*Work outside this scope begins only after we both approve a short written change that names the work and any added fee.*

### YOUR TURN

*When was the last time you said yes to something you never priced?*



# Keep Your Method

*What we build for a client is theirs. How we build it is ours and we carry it to every client after this one.*

One filed contract keeps the firm's creative concepts as its own, while another keeps every script the firm writes and licenses it back to the nonprofit.

### HOW A LAW SCHOOL'S SAMPLE AGREEMENT DRAWS THE LINE



#### The client keeps

- Everything made for them
- What they shared, kept confidential



#### We keep

- The tools we brought
- The methods we brought

Once our method is named in the agreement, we can stop giving away the way we work just to keep a client happy.

### FROM THE FILINGS

Across twelve years of filings, the typical national nonprofit listed about 20 different firms and our method is what we carry from one to the next.

### SAY IT LIKE THIS

*The client owns the work product made for this engagement. We keep the methods we brought in and lend them for this work.*

### YOUR TURN

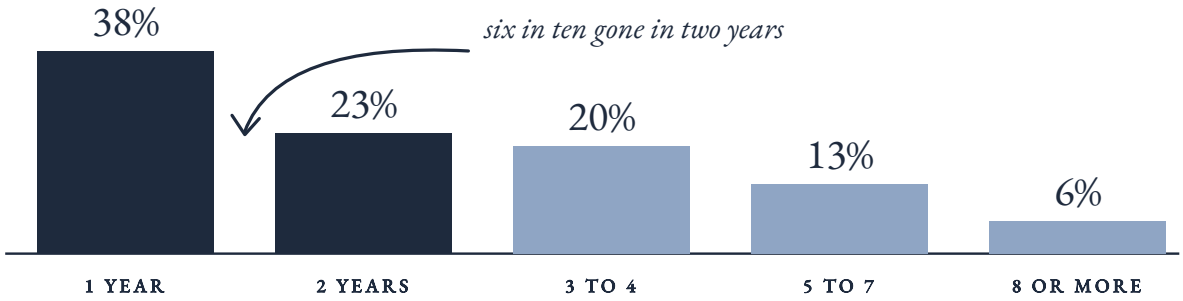
*Could you describe your method in one sentence?*

# Plan the Handoff

*Every client gets handed to someone else one day, usually sooner than we expect.*

Across 22 national nonprofits and twelve years, the typical firm stayed about two years, which is why good contracts plan the ending from the start.

HOW LONG EACH NONPROFIT AND FIRM RELATIONSHIP LASTED




Share of 452 relationships by the number of years a firm shows up on a nonprofit's IRS filings, 2013 to 2024. See every nonprofit in the churn chart on erinpeshoff.com.

California's model contract builds in ten days to cancel and then thirty days' notice. When we hand off cleanly, the client is better than we found them and that becomes our best referral.

WHAT THE NEXT PERSON NEEDS

- The current plan
- Every document we made
- Where everything lives
- Who to call about what

YOUR TURN

*If you moved on tomorrow, what would your client be holding?*




# Charge for the Strategy

*In 15 of the 22 nonprofits, one firm stayed nine years or more, usually because it ran a whole program year after year.*

Production work gets priced by the unit. When Massachusetts looked at its solicitor contracts, far more charged per call, per contact or per hour than a share of what was raised.

The work that stays is the work a nonprofit cannot easily hand off, like the yearly program and the thinking behind it. On a capital campaign, the firm that runs the feasibility study tends to run the campaign too.

THE FIRM THAT STAYS




EACH BAR IS ONE NATIONAL NONPROFIT · LONGEST-SERVING FIRM IN YEARS

*If we do the strategy and our agreement only counts the deliverables, the strategy is going in for free.*

FROM THE FILINGS

One telemarketing firm shows up at 13 of the 22 nonprofits. Production work travels easily, but the thinking behind it is what makes us hard to replace.

SAY IT LIKE THIS

*Our role is to set the strategy and advise on decisions. The deliverables we produce support that role and are only part of the work.*

YOUR TURN

*What does your client think they are paying you for?*

MOVE 5 OF 7



# Sell What AI Cannot Do

*Anything priced by the deliverable is the first thing AI is going to make cheaper.*

Drafts cost less every month and clients are starting to ask which tools we use. AI is an overeager intern that drafts fast and remembers nothing about our clients, so what we know about their history is the value we bring and it belongs in our agreements.

### WHAT AI MAKES CHEAPER

- Drafts and first passes
- Versions and formatting
- Research summaries
- Anything priced by the piece

### WHAT AI CANNOT DO

- Know the donor file's history
- Know who sees the plan first
- Hold the relationship
- Make the call

*The part a client cannot get anywhere else is the part worth charging for.*

### FROM THE FILINGS

A national nonprofit's fundraising leader told The Chronicle of Philanthropy that AI has not cut her direct mail costs yet.

### SAY IT LIKE THIS

*We bring our knowledge of your history and donors to every recommendation. That knowledge is part of the scope.*

YOUR TURN

*What do you know about your clients that nobody could look up?*

MOVE 6 OF 7

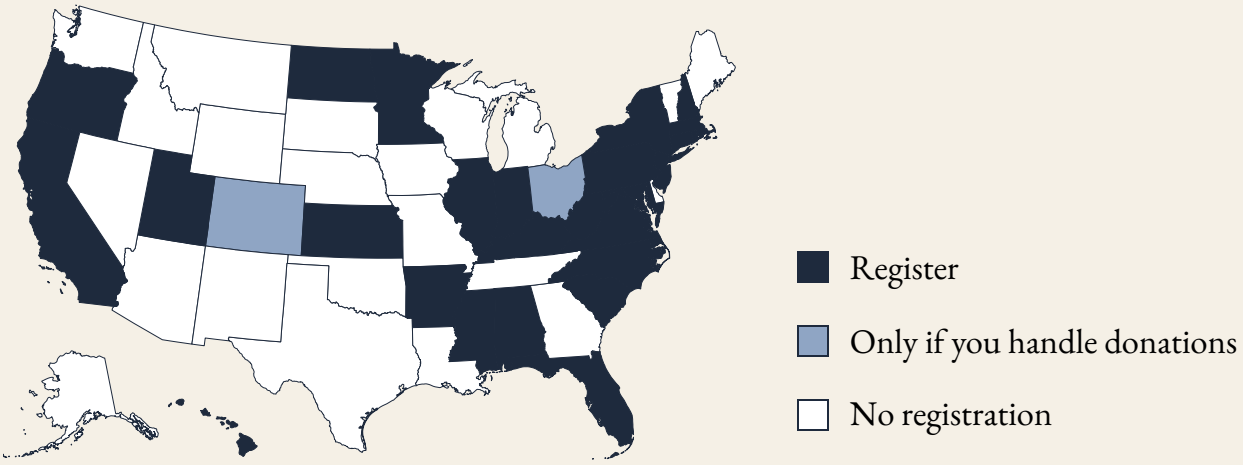
# Check Your Registration

*Check this before your next contract.*

Twenty-six states ask fundraising counsel to register and the definitions are wider than we might think. A compliance law firm's examples include anyone hired to develop a major gift or capital campaign strategy, which could easily be us.

The upside is that the states are treating strategy as real work, real enough to regulate.

THE 26 STATES THAT ASK FUNDRAISING COUNSEL TO REGISTER




| STATE | A RULE THAT SURPRISES PEOPLE |
|---|---|
| California | Register before advising. Counsel below a set level of yearly pay fall outside the definition. |
| Massachusetts | File a copy of each contract within ten days of signing. |

YOUR TURN

*Do you know every state your clients raise money in?*

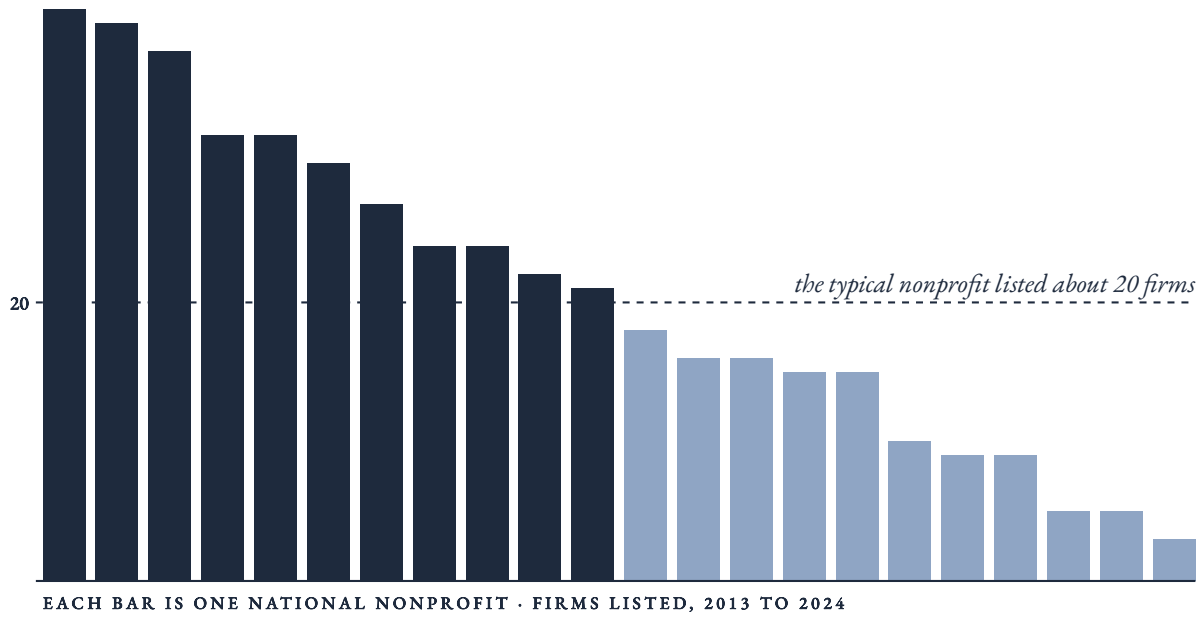
# Make Your Record Work for You

*Everything in this report came from public records, which means our work is public too.*

Which firms a nonprofit hired and how long they stayed is a quick search away and that works in our favor because good work is just as easy to find.

Our field has already drawn some lines for us. AFP members do not work for a percentage of what is raised. The Giving Institute, the trade group for fundraising counsel, offers a dues discount to firms with three or fewer full-time staff, so there is a seat at the table for small firms.

HOW MANY FIRMS EACH NONPROFIT LISTED




EACH BAR IS ONE NATIONAL NONPROFIT · FIRMS LISTED, 2013 TO 2024

YOUR TURN

*What would your last client say if someone asked about you?*

WORKSHEET

# Edit Your Agreement Before You Renew

*Grab your agreement and a pen. The first question matters most. The interactive version lives at erinpeshoff.com.*

| | | | |
|---|---|---|---|
| 1 | Does it pay you for the strategy you actually do? | ☐ YES | ☐ NOT YET |
| 2 | Does it say how many projects or revisions are included? | ☐ YES | ☐ NOT YET |
| 3 | Does it say what happens before extra work begins? | ☐ YES | ☐ NOT YET |
| 4 | Does it name your method as yours? | ☐ YES | ☐ NOT YET |
| 5 | Does it say what happens if the client stops a project midway? | ☐ YES | ☐ NOT YET |
| 6 | Does it say what the client gets at the close? | ☐ YES | ☐ NOT YET |
| 7 | Do you know if this work needs registration in your client's state? | ☐ YES | ☐ NOT YET |

LOOK YOURSELF UP

1. Find your client on ProPublica Nonprofit Explorer
2. Open Schedule G on a recent 990
3. Check the state registry for filed contracts

METHODOLOGY

# Read With Care

- Six filed contracts is a first look, not a census. All six come from North Carolina, so they show only firms that file there.
- The IRS form lists only the ten highest-paid outside firms above a small threshold, so smaller vendors do not show up.
- A relationship is one firm listed by one nonprofit, counted by the years it shows up. A firm that was bought or renamed counts as new and twelve years of filings caps how long any relationship can look.
- No fee figures are used. This is research, not legal advice and registration rules change often.

## Where the Numbers Come From


IRS Form 990 Schedule G for 22 national nonprofits, 2013 to 2024, via ProPublica and the GivingTuesday 990 data lake.

North Carolina Secretary of State, Charitable Solicitation Licensing, filed counsel and solicitor contracts, 2025 to 2026.

California Attorney General, Model Contract for fundraising representation and Fundraising Counsels for Charitable Purposes.

Stanford Law School, Sample Fundraising Counsel Agreement (2018).

Perlman & Perlman, counsel registration article and filing requirements chart (2025).

Massachusetts Attorney General, Professional Fundraiser Guide and 2012 solicitations report.

Association of Fundraising Professionals, Code of Ethical Standards. The Giving Institute, membership requirements.

NonProfit PRO, 8 Questions Fundraising Counsel Shouldn't Be Afraid to Answer. The Chronicle of Philanthropy, Why Direct Mail Still Delivers in the Age of AI. Digiday, AI Is Changing Agency Economics Faster Than Contracts Can Keep Up (2026).



ABOUT THE AUTHOR

Erin Peshoff is the Founder of Vivid Operational Advisors. She spent nearly three decades in advancement and has raised more than $100 million. She is writing *There Is Always a Solution: Editing Your Practice to Scale*, a book for practitioners who became consultants.