



NAYDO Webinar
Sponsored by Blackbaud

BUILDING A MAJOR GIFTS PROGRAM

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Executive Vice President
Development & Communications

WHAT WE WILL LEARN

- 1 Purpose and importance of a major gifts program for your Association
- 2 Process involved in developing and implementing a major gifts program
- 3 Elements and methods for your approach

KEY FOUNDATIONS

Attitude

Strategy

Stakeholders

Structure

ATTITUDE

FEAR

Asking

Failing

Not getting it right

> Opportunity

> Understanding No

> Listen

LACK OF PROSPECTS/WEALTH

No wealth in
my community

> Start where you are

Don't know wealthy
individuals

> Habits of giving



BUDGET

- > Development Director
- > Infrastructure

TIME

- >Support Campaign
- >Events
- >Year-Round Attention

“They never asked me what
I was interested in.”

— Glorya

“I’m so glad we had this
conversation. I’ve been waiting for
someone to ask me to do
something important.”

— Amy

STRATEGY



THREE YEAR PLAN

- Timeline
- Structure
- Investment
- Performance Measurements
- ROI

YOUR TEAM

- President/Executive Director
- Key Executive Staff
- Board Leadership

These are your solicitors. Make the plan theirs.

EVALUATION AND MEASUREMENT TOOLS

Development staff AND branch director
performance measurements

Goals: Activity AND revenue

Reports: Activity, gift and pledge

Cost of fundraising

PERFORMANCE MEASUREMENTS

BRANCH DIRECTORS

Fundraising

Board Development

Community Outreach

FUNDRAISING PERFORMANCE METRICS

85% of all contributed revenue from gifts \$1,000 and above

Personal board giving 25% of total

Influenced board giving 20% of total

Donor retention 70%

Contributed revenue 15% of operating budget

CONTACT REPORT TRACKING

MAR 2009 – FEB 2010

| Branch | | Director | | Visit-Progress to Goal | | | Solicitation Ask Progress to Goal | | | Purpose | | | | | | Type | | | | | | Totals |
|----------------|-----------------------------|----------|-------------|------------------------|-----|-------------|-----------------------------------|---------------|------------------|-------------|--------------|-------------|------------------|--------------|-------|-------|--------|-------|----------|--|--|--------|
| | | YTD | 100% Target | % of Target | YTD | 100% Target | % of Target | Qualification | Disqualification | Cultivation | Solicitation | Stewardship | Purpose Subtotal | Face-to-Face | Phone | Email | Events | Other | Contacts | | | |
| Ketchum | Debra King | | | | | | | | | | | | | | | | | | | | | |
| | Total | 139 | 100 | 139% | 15 | 20 | 75% | 13 | 2 | 90 | 15 | 19 | 14 | 94 | 39 | 6 | 0 | 0 | 139 | | | |
| Hollywood | Kitty Gordillo | | | | | | | | | | | | | | | | | | | | | |
| | Total | 160 | 100 | 160% | 21 | 20 | 105% | 32 | 4 | 89 | 21 | 14 | 21 | 124 | 25 | 2 | 8 | 1 | 160 | | | |
| North Valley | Mike Shelton | | | | | | | | | | | | | | | | | | | | | |
| | Start date: March 2nd Total | 136 | 100 | 136% | 31 | 20 | 155% | 5 | 4 | 86 | 31 | 10 | 133 | 30 | 51 | 4 | 1 | 0 | 136 | | | |
| Palisades | Kerry Tooton | | | | | | | | | | | | | | | | | | | | | |
| | Start date: March 4th Total | 114 | 100 | 114% | 27 | 20 | 135% | 8 | 2 | 67 | 27 | 10 | 104 | 33 | 13 | 3 | 12 | 3 | 114 | | | |
| San Pedro | Betsy Cheek | | | | | | | | | | | | | | | | | | | | | |
| | Total | 101 | 100 | 101% | 27 | 20 | 135% | 5 | 1 | 22 | 27 | 46 | 21 | 38 | 11 | 0 | 2 | 0 | 101 | | | |
| Santa Clarita | Christopher Clark | | | | | | | | | | | | | | | | | | | | | |
| | Total | 121 | 100 | 121% | 9 | 20 | 45% | 8 | 1 | 57 | 9 | 46 | 33 | 31 | 19 | 5 | 16 | 0 | 121 | | | |
| South Pasadena | Nick Linkin | | | | | | | | | | | | | | | | | | | | | |
| | Start Date: April 1st Total | 126 | 100 | 126% | 56 | 20 | 280% | 4 | 9 | 42 | 56 | 15 | 131 | 31 | 32 | 5 | 0 | 8 | 126 | | | |
| Torrance | Lisa Van Ingen Pope | | | | | | | | | | | | | | | | | | | | | |
| | Start date: Sept 14th Total | 60 | 100 | 60% | 14 | 20 | 70% | 26 | 0 | 14 | 14 | 6 | 45 | 44 | 2 | 5 | 6 | 3 | 60 | | | |
| | Elizabeth Hoig: Total | 170 | 100 | 170% | 29 | 20 | 145% | 27 | 0 | 53 | 29 | 61 | 115 | 91 | 33 | 10 | 15 | 21 | 170 | | | |
| Westchester | Kimberly Hoffman | | | | | | | | | | | | | | | | | | | | | |
| | Start date: May 11th Total | 101 | 100 | 101% | 30 | 20 | 150% | 3 | 0 | 28 | 30 | 35 | 101 | 50 | 28 | 10 | 5 | 8 | 101 | | | |
| West Valley | Debra Cook | | | | | | | | | | | | | | | | | | | | | |
| | Start date: Sept 21st Total | 43 | 100 | 43% | 12 | 20 | 60% | 1 | 1 | 16 | 12 | 13 | 42 | 29 | 7 | 5 | 1 | 1 | 43 | | | |
| Westside | Linda Azorano | | | | | | | | | | | | | | | | | | | | | |
| | Total | 116 | 100 | 116% | 40 | 20 | 200% | 17 | 0 | 28 | 40 | 31 | 105 | 91 | 14 | 10 | 1 | 0 | 116 | | | |

STAKEHOLDERS

INTERNAL

- Executive Director
- Chief Operating Officer
- Chief Financial Officer
- Chief Human Resources Officer
- Branch Directors
- Communications & Marketing Staff
- Program Directors

EXTERNAL

- Board Leadership
- Donor Leadership
- Community Leadership: *philanthropic, civic, business, social*

STRUCTURE

- > Understand your purpose
- > Prepare your infrastructure
- > Work the plan

WHAT IS A MAJOR GIFTS STRATEGY?

The intentional process of identifying your most capable, ready prospects and determining the best approach to:

- Ensure chance of success
- Secure largest gift possible
- Open door to next request

HOW IS THE MAJOR GIFT CONVERSATION DIFFERENT FROM THE ANNUAL GIFT ASK?

The Major Gifts request is appropriate but *challenging*;

The discussion focuses on a *restricted purpose*;

The donor helps to shape the proposal;

The time frame for strategy and engagement is extended—
a typical major gifts cycle involves *eight to ten*
conversations.

ELEMENTS AND METHODOLOGY

WHAT ARE THE STRATEGIC MISTAKES?

- Inadequate research
- Random timing
- Wrong solicitation team
- Lack of focus/purpose
- Weak case
- No briefing or debriefing meetings

PROGRAM ELEMENTS

- Research
- Database management & report writing
- Writing: Letter, stewardship, proposal
- Communications: Messages and materials
- Policy: Gift acceptance, gift agreements
- Volunteer training
- Recognition
- Stewardship

METHODOLOGY

PORTFOLIO MANAGEMENT

- Focuses limited staff resources
- Connects research to action
- Segments best prospects
- Prioritizes based upon readiness

RESEARCH

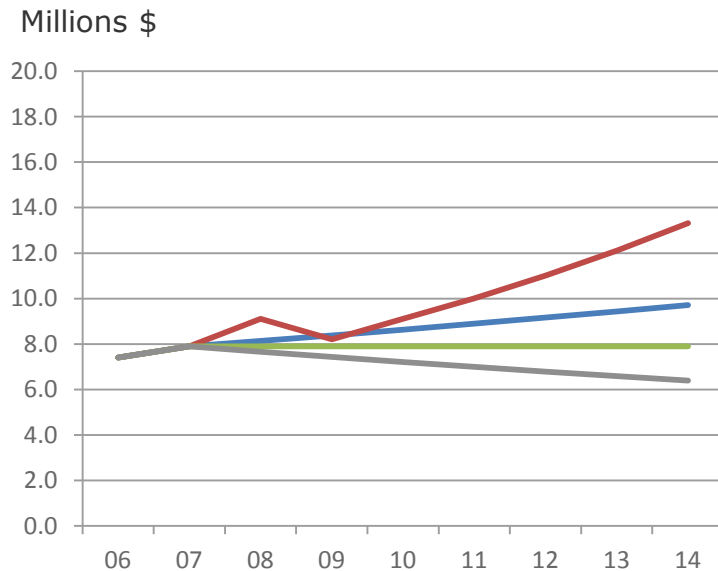
- Donor files
- Staff & prospect peers
- Financial & real estate wealth indicators
- Charitable and political gift history
- Donor conversation

RESEARCH TOOLS

- Donor Gift History
- Google
- Wealth Engine
- Marketwatch
- Guidestar&Nozo (charitable giving)
- Tray.com (political giving)

RETURN ON INVESTMENT

Branch Fundraising



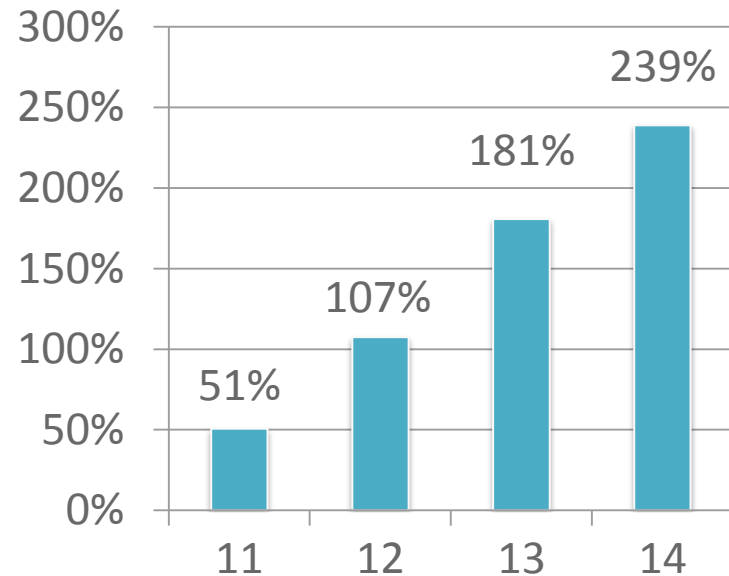
Preexisting level: 3% increase

Preexisting level: Flat

Current & projected level

Preexisting level: 3% decrease

Branch Return Fundraising on Investment





RECOGNITION

- Thank six ways
- Consider term as well as perpetuity naming opportunities
- Involve donor and family
- Offer honoring gestures from leadership

STEWARDSHIP

- Don't wait to be asked
- Individuals as well as foundations
- Include stories
- Be transparent — articulate changes
- Position for the next request

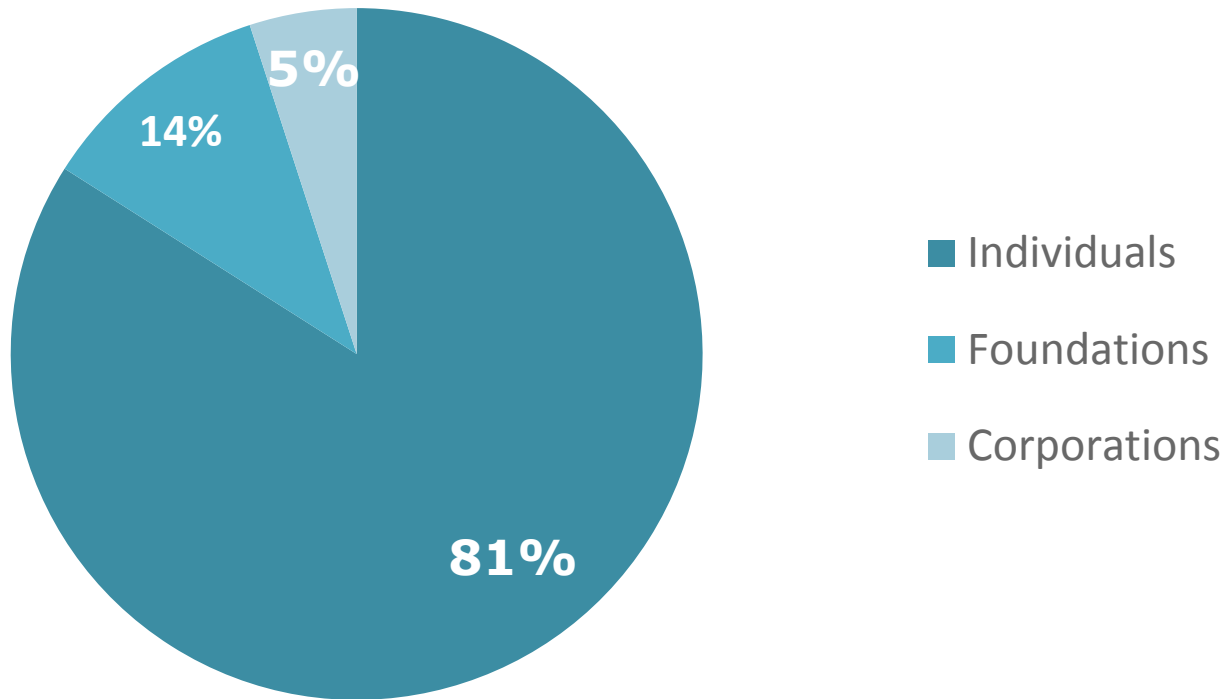
NON-PROFIT SECTOR VIEW

GIVING USA 2011

TOTAL \$290.89

| | | |
|--------------|----------|-----|
| Individuals | \$211.77 | 73% |
| Bequests | \$ 22.83 | 8% |
| Foundations | \$ 41 | 14% |
| Corporations | \$ 15.29 | 5% |

GIVING USA 2011



STATISTICS CANADA 2009

- Canadian taxfilers claimed \$7.8 billion in charitable donations in 2009;
- 23.1% of all taxfilers claimed a charitable deduction, for a total of 5.6 million Canadians;
- If amounts involved in tax shelters are excluded, Canadian charitable giving remained flat between 2007 and 2008, and dropped only 3.4% in 2009.

GREATEST CONCERN FOR CANADA

- Decline in number of donors:
 - Size of drop 180,000 (1%) donors
 - Although part of a long-term trend, the 2009 decrease marks the largest year to year drop recorded since 1997

If economic trends continue, Canadians may “fall out of the habit” of giving.

David Lasby
Senior Research Assoc.
Imagine Canada

GIVING DURING RECESSIONS

Recession years

Average drop 1%

Total 40-year

Average increase 2.8%

Years without recession

Average increase 4.3%

TRENDS IN PHILANTHROPY

- Local > Global
- Short term & responsive > Long term & systemic
- Inheritance, oil > Finance, technology

DONORS

From Center of Philanthropy Panel Study

(COPPS, data 2001, 2003, 2005, 2007, 2009, 2011)

On average persistent donors are more likely than others to be:

- > Women
- > Married
- > Have college education
- > Affiliated with a religion
- > Report being in good or excellent health

NOAH'S PRINCIPLE

No more credit for predicting rain.

Credit only for building arcs.



SUMMARY

- Bring commitment, confidence and a problem-solving intent to your program building
- Create a plan with a long horizon, evaluation tools and a good ROI
- Engage your stakeholders

INFRASTRUCTURE

- > Research
- > Data & reports
- > Writing & communications
- > Dedicated staff
- > Gift policy
- > Volunteer training
- > Recognition
- > Stewardship



REMEMBER THE KEY FOUNDATIONS

- > Attitude
- > Strategy
- > Stakeholders
- > Structure

“I once asked my grandfather

‘Are you a millionaire?’

He said, ‘No, I’m not Bill, but I could have been. I just enjoyed giving away money more than I enjoyed adding it up.’

He told me that more than 60 years ago and I’ve never forgotten. I’ve followed his path.”

