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The Major Gifts Report

MONTHLY IDEAS TO UNLOCK YOUR MAJOR GIFTS POTENTIAL

A Stevenson, Inc. Publication

Some of What's Inside...

Offer A-to-Z gift choices.......................p. 2
Research source of wealth ....p. 3
Help employees pursue grants..............p. 4
Board affirmation agreements..............p. 5
Challenge gift funds endowed chairs...p. 6
Giving club revamp................................p. 7
Craft a board member profile...............p. 8

Two-meeting System Helps Keep Eyes on the Prize

Development staff at Harvard Medical School (Boston, MA) have a two-meeting system for staying focused on major giving.

The bimonthly meetings focus alternately on prospect strategy and prospect review, says Shaké Sulikyan, director of annual giving. Strategy meetings let staff brainstorm ways to reach and engage donors, while prospect review meetings hold them accountable, Sullivan says. "They're the yang to the collaborative environment created by prospect strategy meetings. We go through all major donors who are supposed to be solicited in the current fiscal year, one at a time, and give a quick update about where they are in the solicitation pipeline."

A Microsoft Excel spreadsheet tracks donors, target ask amount, expected gift amount, the quarter in which they will be solicited, solicitor name, prospect manager's name and any additional notes.

Sulikyan says she hasn't felt pressured at the meetings because, generally, gifts of over $100,000 are considered major gifts and are out of her hands, though she did recently land a $100,000 gift, thanks in part to the two-meeting system. She plans to implement the same system to track top prospects with her annual giving staff.

Source: Shaké Sulikyan, Director of Annual Giving, Harvard Medical School, Boston, MA. Phone (617) 384-8454. E-mail: ssulikyan@hotmail.com

Success Stories

Anatomy of a Lucrative Capital Campaign

In October 2008, officials with Connecticut College (New London, CT) publicly launched a $200 million comprehensive campaign that will run through 2013. The campaign calls to raise $100 million for campaign endowment (supporting professorships, study-away programs, financial aid, and interdisciplinary academic centers), $50 million for capital projects and facilities and $50 million for annual giving/annual fund.

As of March 2010, efforts have brought in $126 million.

Claire Gadrow, assistant vice president for advancement, shares key elements that are combining to build campaign success:

Timing — The campaign reached the $100 million mark in June 2009, but was not announced until autumn, during a combined trustee weekend/welcome-back event.

Message — Efforts focus on the school's history, what the school has achieved with funds throughout history, and who helped it to happen.

Staff — Advancement department of 40 staff, divided into alumni relations, annual funds, major gifts, planned giving, advancement services, research, stewardship, corporate foundation and government relations. Major gifts team includes director, three officers, director of leadership giving, assistant vice president, vice president and college president. Each major gift officer has a portfolio of about 300 prospects.

Structure — All gifts (major gifts, annual gifts, planned gifts, reunion giving) count toward the campaign. All gifts to annual fund go directly into the college's operating budget. All bequests for less than $250,000 go to the annual fund; above $250,000 go towards campaign endowment, allowing the annual fund to be more nimble.

Strategies:

- ✓ Set benchmark goals — short-term, high-profile fundraising priorities for specified projects. The recent goal of $8 million for a fitness facility was met by six donors; another, $5 million for dorm renovation, was paid for by 10 donors.
- ✓ Consider every ask a triple ask — an annual fund ask, bequest discussion and campaign gift ask. A $25,000 annual fund donor may not be ready to talk about a $500,000 major gift, but if you focus on the immediate need for income, the donor will be receptive. If the donor can't give directly, ask for step gift or charitable gift annuity, and 18 months later, have the outright gift conversation.
- ✓ Don't put off talking about planned giving. Planned giving currently makes up 25 percent of the Connecticut College campaign.
- ✓ Publicly make it about the bottom line.
- ✓ Make phone appeals and e-mail appeals rather than press appeals, and explain to prospects how you are saving money.
- ✓ Have donors sponsor necessary events, and advertise your financial diligence therein, it builds community. At the beginning of the economic slump, alumni attendance at Connecticut College was up 50 percent.
- ✓ Don't scale back travel — it is too important to maintain those relationships.

Source: Claire Gadrow, Assistant Vice President for Advancement, Connecticut College, New London, CT. Phone (860) 439-2439. E-mail: Claire.gadrow@conncoll.edu. Website: www.conncoll.edu/giving/

Research Source of Wealth When Measuring Giving Capacity

Giving capacity is arguably the most important factor in prospect identification. But closely linked to giving capacity is another important and often-overlooked aspect of donor research — the source of a donor's wealth.

Gleaning whether prospects have the funds they have promised, and that those funds are not ill-gotten, is a critical step in prospect identification.

The system of vetting potential donors is not elaborate; it is just an extension of the prospect research system which your organization should already have in place, says David Lamb, senior consultant, Target Analytics (Parker, CO). "When you think about giving capacity," Lamb says, "you are already thinking about the source of the wealth."

Poonam Prasad, founder and president, Prasad Consulting & Research (New York, NY) calls this process due diligence. "Your research and donor relation teams should already know about prospects before ever speaking with them," Prasad says, "what their interests are, their business history, financial history, giving history. This is the same thing."

But Prasad warns that excitement for a large donation can often trump due diligence. She cites a case of a major state university that announced a $1 million gift, which later proved to be an empty promise.

In other cases, Lamb says, "Organizations learn that a donor obtained funds in a way that was antithetical to their values. It can cause a great deal of embarrassment."

In such cases, the problem lies largely in a communication disconnect. The research team may notice something amiss and not inform the donor relations team; the donor relations team may enter into a conversation with a potential donor without first asking the research team to vet them. For this reason, it is essential to keep all development team members aware of each other's actions.

Lamb suggests pre-empting the issue of gift source by writing gift policies: to decide ahead of time what kind of gifts the institution is willing to accept and which it is not. It is also important to make these policies well known throughout the organization.

In the same vein, be sure to share any discrepancies in a donor's history among departments. "If a donor has been giving at the $1,000 level and then suddenly gives $2 million, you may want to ask why," says Prasad. Donors should have transparent financial histories, with visible patterns. If something doesn't add up, speak up.

Sources: David Lamb, Senior Consultant, Target Analytics: A Blackbaud Company, Parker, CO. Phone (843) 216-6200. E-mail: david.lamb@blackbaud.com. Website: www.blackbaud.com/targetanalytics/overview.aspx
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Create a Topics List For Your Insiders Newsletter

Here's a sample checklist of standard insider topics you may wish to use as a template for developing your own:

- ❑ Donors contributing at a certain level since you distributed the last newsletter.
- ❑ Board members.
- ❑ Campaign steering committee.
- ❑ Your mission statement.
- ❑ Portions of your case statement.
- ❑ Feasibility study summary.
- ❑ Survey response form for answers to key questions.
- ❑ Capital campaign progress reports.
- ❑ Updates on renovation projects.
- ❑ New volunteer appointments.
- ❑ Benefits available to donors who contribute at various levels.
- ❑ Announcement of significant gifts: who gave them and how they'll be used.
- ❑ Individual profiles of donors and board members.
- ❑ Illustrations of types of major gifts that could be made (e.g., property, annuities, stock, etc.).
- ❑ Common questions and answers about particular topics (e.g., your campaign, ways to make a gift).
- ❑ Profiles of named endowments that have been established.
- ❑ Specific articles about your endowment — how your fund is invested, who manages it, how your annual rate of return is determined, etc.

PRODUCTS AND SERVICES

Profile Screening Option Adds Enhanced Donor Intelligence

Officials with ZoomInfo (Waltham, MA) and DonorTrends recently introduced TrueGivers™ Profile Screening, a tool to improve nonprofit fundraising through enhanced donor intelligence, database improvement and prioritized prospecting.

The profile screening tool enables nonprofits to:

- **Improve donor database accuracy** — Match and append current and lapsed donor records with fresh intelligence from ZoomInfo on more than 20 characteristics. This means charitable organizations limited by donor lists with only basic contact information can now identify high profile leaders, business executives and owners who have the capacity to make higher annual, major and planned gifts.
- **Identify donor connections** — Organizations identify donor social networks by finding who works together or is professionally associated. This information can also be used to increase corporate giving.
- **Prioritize prospecting** — Use the wealth of information to qualify and prioritize fundraising efforts and to guide cultivation and solicitation strategies.

About DonorTrends, Inc. — An independent donor research service focused exclusively on actionable fundraising intelligence developed entirely by fundraisers for the nonprofit sector, DonorTrends product suite ranges from screening and modeling to analytics and market research. Through DonorTrends TrueGivers™ Profile Screening. fundraisers learn details about prospects' charitable giving, other organizations and causes they give to, gift size and type.

About ZoomInfo — A comprehensive source of business information on people and companies, ZoomInfo offers a semantic search engine that gathers publicly available information from the Business Web — millions of company websites, news feeds and other online sources — then automatically compiles it into easy-to-search, easy-to-read profiles. ZoomInfo has profiles on 45 million-plus people and 5.5 million companies.