Million Dollar Donors

ADRP International Convention
Birmingham, Alabama

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Part I – In Theory

1. Definition

2. Motivation

3. Expectations
Part II -- In Practice

1. Your Goals
2. Creating $M program
   a. Building the Framework
   b. Strategizing and Being Creative
   c. Penning the Plan
3. Break-out Sessions
“Real recognition is not something you do at certain intervals in your relationship with donors, nor is it a momentary thing. It is pervasive. Recognition is between the lines in the newsletters you write, it is in the tone of your voice, it is in the welcoming handshakes of the members of your board. Recognition is inseparable from the people who give it.”

Definition

Major donor

- giving is greater than the organization’s usual range of gifts
- has the potential to have a significant impact on the organization
Definition

- Small gifts are gifts of support.
- Major gifts are gifts of investment.
Motivation

Two groups:

- Donors who are personally touched, inspired or motivated by the organization’s programs and services

- Donors who are influenced and impressed by an organization, but not personally touched
**Motivation**

<table>
<thead>
<tr>
<th>Regular Gifts</th>
<th>Regular and Major Gifts</th>
<th>Regular, Major and Ultimate Gifts</th>
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LOW | Donor Commitment Continuum | HIGH

*Donor’s commitment to organization*

*Advancement Resources LLC*
Motivation

Stewardship

- should help move donors through the commitment continuum.

- is the best form of cultivation for the next gift.
“Ultimate gifts encompass more than just money. They are estate, intellectual, connections, social – the full and complete expression of one’s willingness to contribute.”

(David R. Dunlop)
Top Five Motivators – why people give
1. Vision and mission
2. Helping the needy
3. Giving back
4. Accountability
5. Making a difference

Motivating the MoneyGivers Why do people give?
Myers and Mallabone
Motivators to stop giving
1. Reliability
2. Lack of credibility
3. Mission shift
4. Financial position
5. Donor fatigue

Motivating the MoneyGivers Why do people give?
Myers and Mallabone
Motivation

What makes donors give more

- Finding a new cause about which they feel passionate (93%)
- Increased personal net worth (66%)
- Increased tax incentives (66%)
Motivation

What makes donors give more

- Knowledge that contributions are making a real impact (66%)
- More time to study and think about contributions (46%)
- Better info about tax benefits (22%)

The Mind of the Millionaire: Findings from a National Survey on Wealth with Responsibility
Schervish and Havens
Expectations

1. Greater **access** to people running the organization.
2. Treatment from the organization that singles them out as **special friends**.
3. Greater **accountability** on how money is being used.
4. More **information** on what the organization is doing.

-- Tony Poderis

http://www.raise-funds.com/052803forum.html
Expectations

Donors want to know that

1. The gift was received and you were pleased to get it
2. The gift was set to work as intended
3. The project or program the gift was sent to is having the desired effect

Expectations - The research shows

Recognition in general

- Individual
  - 53 percent said they do not want to be recognized
  - 18 percent are ambivalent
  - 29 percent appreciate being recognized

From Donor Centered Fundraising, Penelope Burk, Cygnus Applied Research, Inc., 2003 www.donorcentered.com
Expectations – The research shows

Recognition in general

- Corporate
  69 percent want to be recognized
  - to encourage staff to give time and money
  - to show customers they are investing in their communities

From Donor Centered Fundraising, Penelope Burk, Cygnus Applied Research, Inc., 2003 www.donorcentered.com
Expectations – the research shows

Plaques and certificates

- **Individual**
  - 76 percent receive them
  - 5 percent display them
  - 73 percent throw them out immediately or store them then throw them out

- **Corporate**
  - 100 percent receive them
  - 72 percent display them

Expectations – the research shows

**Photos**

- **Individual**
  - 65 percent received photos from orgs. they funded
  - 68 percent appreciate this kind of recognition

- **Corporate**
  - 86 percent received photos from orgs. they funded
  - 84 percent appreciate this kind of recognition

From Donor Centered Fundraising, Penelope Burk,
Photos

- Some pointers
  - Take your camera or hire a photographer.
  - Add cutlines or “thanks” on the photo or portfolio.
  - Do it electronically, if possible.
  - Frame it!

Expectations – the research shows

Events

- Individual
  - 81 percent have attended one or more recognition events
  - Prefer not to be singled out

Events

Corporate

- 87 percent have attended one or more
- prefer being singled out
- 24 percent said they don’t have time to attend these
- When possible, they like to include company employees, not just one representative. (Do this at THEIR office)

From Donor Centered Fundraising, Penelope Burk, Cygnus Applied Research, Inc., 2003 www.donorcentered.com
Expectations – the research shows

Events

- Three goals:
  - express genuine appreciation
  - communicate message about gifts at work
  - give them time to network and socialize

- Major complaint is real or perceived cost of event.

From Donor Centered Fundraising, Penelope Burk, Cygnus Applied Research, Inc., 2003 www.donorcentered.com
Food for Thought

While every gift is important and will be recognized in some way, the more significant donors must be recognized for extraordinary leadership and generosity.

Ottawa Women's Health Council,
Shirley E. Greenberg Women's Health Centre
Part II -- In Practice

1. Your Goals
2. Creating $M program
   a. Building the Framework
   b. Strategizing and Being Creative
   c. Penning the Plan
3. Break-out Sessions
Your Goals – It’s about donors

Recognition efforts should:

1. Make donors feel **sincerely thanked** for their generosity and support for your mission.

2. Deepen donor **commitment to** and **understanding of** your mission and organization.

3. Provide donors with the **public recognition** they desire and value.
Your Goals – It’s about you

Recognition efforts should:

4. Inspire donors to **give again** - at higher and higher levels of support.

5. Encourage or challenge other donors or potential donors to **match the giving** of their peers.

6. Set **benchmarks** for giving to your organization.
Your Goals – It’s about the law

Recognition efforts should:

7. Reinforce a culture of philanthropy, rather than setting a tone of quid pro quo.

8. Keep you within your budget limits -- while not compromising the tax deductibility of your donor’s gift.

-- Gayle Gifford

“Essential Elements Of A Donor Recognition Program”

http://www.charitychannel.com/publish/templates/?a=574&z=0
1. **Make friends**
   - **Peer staff** – gift officers, administrative assistants, president, CEO or director’s office staff
   - **Senior staff** – get buy in
   - **Other internal constituencies** - educate about general stewardship and individual stewardship
   - **Programmers** – create report listing all new members to your stewardship group
2. Analyze your donor pool
   • Create a cutoff $ amount for donors
   • Include corporations and foundations?
   • Others?
3. Think like a major gift officer and prioritize your donor pool
   • By dollar amount
   • By priority Top 10/Focus 50
     o Top 10: highest priority
     o Focus 50: others needing specialized action
4. Gather information

- Get copies of proposals submitted so you know stewardship expectations
- Use your organization’s calendar
- Meet with staff assigned
- Research stewardship opportunities
5. Gather specific information

- Area they give to and relationship to institution
- Other philanthropic interests
- Low key vs. high maintenance
- Traditional? Religious and political affiliations?
- Prefer recognition vs. anonymity
- Personal likes/dislikes
- Age? Retired? Married/single/children
- How do they feel about past stewardship?
Setting the Framework

6. Record and document
   - Assign yourself as a stewardship manager for each donor in your group
   - Record “standard” stewardship each donor already receives
   - Begin to insert new stewardship actions into plan
Being Creative

To have a successful program YOU need to be:

• Creative
• Assertive
• Persistent
• Responsible
1. Be creative
   - Think inside the box and out
   - Brainstorm
   - Solicit ideas from staff
   - Draw on whatever you know about the donor
2. Be assertive

- Demonstrate the importance of your program
- Suggest actions
- Take action and ensure follow up
  - Remind staff of the schedule
  - Hold staff accountable
  - If no action from staff, suggest you do it
3. Be persistent
- Be a pest
- Set timelines and stick to them
- Remind staff of pending actions
4. Be responsible

• Take initiative and ownership – promote yourself as the VIP contact

• Personally track donor acknowledgement, recognition and stewardship
  - Record donor feedback
  - Monitor giving before and after inception of program
  - Track and report on progress
Being Creative

Your internal “to do” list:

- Get on departmental mailing lists
- Use foresight
- Major campus events on your calendar
- Partner w/gift officers
- Do the unexpected or out of the ordinary
Being Creative

Your internal “don’t do” list:

✓ Don’t wait – volunteer for tasks
✓ Don’t substitute recognition for information
✓ Don’t over promise
Writing a Plan

A good stewardship plan

- is personalized and tailored to an individual donor’s interests or expectations
- can be adapted to include whatever constituency is appropriate (organizations, trustees, foundations)
- is timely and detail oriented.
Individual stewardship plan is NOT just:

- Mass mailings
- Invitations
- Generic newsletters
- Holiday cards

But can you include these in your plan? YES
Three key components of a plan

- Acknowledgement
- Recognition
- Stewardship (Reporting)
Writing a Plan

1. Set your timeline and determine frequency of actions.
2. Slot in “standard” stewardship.
3. Add embellishments and personalized touches.
4. Assign time schedules and staff responsibility, in meeting and electronic database.
5. Follow up and ensure accountability.
• Call or letter from you explaining your role
• Hand-written note from significant insider
• Press releases, emails or articles about donor interest topics or their fund beneficiaries
• Press release, newsletter/web feature on donor
• Invite to serve as volunteer, but only if there is an actual job
Writing a Plan -- Events

- Meeting with Leader or high level volunteer
- Induction and initial membership gift
- Event for gift or recognition event
- Invite to guest lecture, guest conduct
- Invite to host an event
- Arrange meeting with beneficiary
- Invitations for interest topic events, concerts, exhibitions
Writing a Plan -- Events

Considerations for Events

• Small vs. large, Individual vs. group
• Template vs. unique
• At your organization or their hometown
• Couple with existing event
• Suggestions from donor
Writing a Plan -- Reports

- Annual report
  - Funds spent annually, accurately
  - Sent annually and timely
  - Consolidate reports if donor receives more than one annually
- Beneficiaries report
- Endowment reports vs. gift impact reports (together or separate)
Writing a Plan – Misc.

- Nominate for philanthropic award
- Book or catalog collection
- Other
Sample Plan

- **July** -
- **August** -
- **September** - EOY report for scholarship and internship endowments, VP to present
- **October** - flowers for Rosh Hashanah from President, meeting with VP about addition to internship endowment
- **November** - present gift agreement, Highlands Circle induction
- **December** - Gift acknowledgement from the President for EOY gift
- **January** - quarterly report for endowed fund, notice to all Highlands Circle members naming donor as a new member to the society, send student thank you notes
- **February** - recognition event during BOT mtg. (recognize individual donor)
- **March** -
- **April** - quarterly report for endowed fund
- **May** -
- **June** - meet with student interns while in DC