

Making It Happen



Mike Gaudette
President
Lighthouse Consulting, Inc.

lighthouseconsulting@msn.com
541-267-2632 (voice)
541-269-7516 (fax)

Make A Plan



- ◆ It takes a big vision to raise big money
- ◆ It takes a comprehensive plan to implement a big vision
- ◆ It takes effective leadership and qualified staff to develop and implement a comprehensive plan

Elements of an Effective and Comprehensive Fundraising Plan



- ◆ Appropriate Policies and Procedures
- ◆ Committed and trained Foundation Board
- ◆ Committed and trained College President
- ◆ Identification
- ◆ Cultivation
- ◆ Solicitation
- ◆ Recognition

Identification of Prospects



- ◆ Prospect Research can be formal or informal, depending on time and staff
 - Personal observation
 - Lifestyle
 - Other charitable giving
 - Keeping your ears open
 - Allied professional referrals
 - Prior giving to your college
 - Board member referrals

Identification of Prospects



- ◆ Prospect Research can be formal or informal, depending on time and staff
 - Review of public records
 - Wealth screening services
 - Formal prospect research

Cultivation of Prospects



- ◆ Develop a process to systematically cultivate prospects
- ◆ Involve the college president and Foundation board members as appropriate
- ◆ Move prospects toward greater engagement over time
- ◆ Cultivation is never finished
- ◆ Cultivation should be multi-generational when appropriate

Segmenting Prospects



- ◆ Start with current donors because it often yields a pool as large as current staff can manage
- ◆ Segment based on cumulative gifts
- ◆ Four possible categories:
 - “A” list Cumulative gifts over \$250,000
 - “B” list Cumulative gifts over \$100,000
 - “C” list Cumulative gifts over \$10,000
 - “D” list All other donors

Segmenting Prospects



- ◆ “A” list
 - Three personalized greeting cards annually (Thanksgiving, Christmas, Valentine’s Day)
 - One additional contact per month
 - personal visit (once at least every 6 months)
 - phone call
 - email
 - personalized card
 - personalized invitation to College/Foundation function

Segmenting Prospects



- ◆ “B” list
 - Three personalized greeting cards annually (Thanksgiving, Christmas, Valentine’s Day)
 - One additional contact every six months
 - personal visit (once a year)
 - phone call
 - email
 - personalized card
 - personalized invitation to College/Foundation function

Segmenting Prospects



- ◆ “C” list
 - Three personalized greeting cards annually (Thanksgiving, Christmas, Valentine’s Day)
 - One additional contact annually
 - personal visit (once every other year)
 - phone call
 - email
 - personalized card
 - personalized invitation to College/Foundation function

Segmenting Prospects



- ◆ “D” list
 - Three greeting cards annually (Thanksgiving, Christmas, Valentine’s Day); not personalized
- ◆ Segmentation may start by size of individual gift rather than cumulative giving if there are no large cumulative donors
- ◆ Contacts are made by appropriate staff and volunteers

Solicitation



- ◆ Ask for gifts that match the priorities of the donor and the College/Foundation
- ◆ Ask for the right amount
- ◆ Ask at the right time
- ◆ Ask with the right person

Recognition



- ◆ Develop and implement a process that provides consistent recognition for donors
- ◆ Recognition should be based on the size of gift OR cumulative giving
 - Standard thank you letters
 - Phone calls
 - Emails
 - Personal visits
 - Personalized notes
 - Donor walls
 - Naming opportunities
 - Inclusion in publications

Elements of a Comprehensive Fundraising Plan



- ◆ Annual Campaign
- ◆ Internal Employee Campaign
- ◆ Major Gifts
- ◆ Planned Giving
- ◆ Capital Campaigns
- ◆ Corporate/Business Giving
- ◆ Endowments
- ◆ Alumni
- ◆ Grants

Annual Campaigns



- ◆ Necessary for donor acquisition to build the base of the giving pyramid
- ◆ Often best source of unrestricted giving
- ◆ Typically requires follow-up of lapsed donors to recover initial donor acquisition cost
- ◆ Add additional stakeholders to database each year
- ◆ Purge database periodically for efficiency

Internal Employee Campaign



- ◆ Successful internal campaigns
 - Focus on creating high levels of participation rather than dollars raised
 - Make giving between departments competitive (based on participation level) and fun
 - Provide rewards for participation
 - Provide feedback throughout the campaign to keep departments apprised of their status

Major Gifts



- ◆ Cultivation and solicitation of past large donors and prospects is assigned to a major gifts officer
- ◆ May be an element of the annual campaign
- ◆ May be targeted to specific needs identified in the strategic plan or may be unrestricted

Planned Giving



- ◆ Focus initially on current donors who are already highly engaged
- ◆ Focus on those who have accumulated assets because planned gifts are typically made from assets, not income
- ◆ Start by promoting bequests
- ◆ Develop allied professional partners
- ◆ Marketing expertise is more valuable than technical expertise

Planned Giving



- ◆ Match gift features with donor priorities and needs
- ◆ Follow-up on every lead until it becomes a gift or a dead end
- ◆ May take 3-5 years to secure a gift and then may take 20-30 years for it to mature
- ◆ Start with the President, Executive Director and each Foundation Board member making a planned gift (no cash required)

Capital Campaigns



- ◆ Requires an appropriate project
- ◆ DO NOT attempt a capital campaign without a feasibility study
- ◆ Test the project, leadership and capacity
- ◆ Identify naming opportunities
- ◆ Identify and qualify prospects for the campaign total
- ◆ Engage the President and Foundation Board
- ◆ Solicit prospects and recognize donors

Corporate/Business Giving



- ◆ May be combined with Major Gifts
- ◆ May be part of the Annual Campaign
- ◆ May be part of grants focus (when competitive proposals are required)
- ◆ May be focused on cash or in-kind donations
- ◆ May be focused on partnership development rather than cash or in-kind
- ◆ May be through the company or an affiliated foundation

Endowments



- ◆ Use endowments to promote legacy giving
- ◆ Have flexible agreements and policies in place that may be changed from time to time
- ◆ Have a fee structure in place that will move the Foundation toward greater fiscal independence
- ◆ Do not chase income with endowment investments

Alumni



- ◆ Alumni have not traditionally been the largest source of community college donations (in contrast to universities)
- ◆ Alumni programs should be focused on increasing engagement with the college
- ◆ Most successful alumni giving is associated with affinity groups (e.g. nursing program graduates)
- ◆ Alumni programs are still in their infancy in most community colleges

Grants



- ◆ An integrated resource development office uses the grants capacity to support the development of proposals from all funding sources
 - Federal government
 - State and local governments
 - Corporate
 - Private Foundations
 - Case statements for private solicitations
 - Case statements for earmarks and lobbying

Grants



- ◆ Grants staff should be “at the table” with other development staff to effectively integrate resource development efforts
- ◆ Increase grant capacity by focusing grant staff on supporting grant development by others rather than doing all the writing
- ◆ However, use grant staff to facilitate the planning and synthesis process
- ◆ Use grant staff to assure compliance through regular training of grant managers and oversight

Establish Priorities



- ◆ The tyranny of the urgent will always crowd out the important
- ◆ Decide what is important and get it done regardless of other distractions
- ◆ Donors and prospects won’t call and ask you to please come and visit them so you can successfully solicit them in the future

Establish Priorities



- ◆ In the next six months:
 - Develop or modify policies and procedures for both grants and private giving
 - Identify and recruit additional Foundation Board members
 - Develop an effective orientation program for Foundation Board members
 - Develop grant capacity through training likely grant writers
 - Develop or update the strategic plan with specific needs and timelines

Establish Priorities



- ◆ In the next twelve months:
 - Develop an orientation program and effective stewardship training for grant managers
 - Segment the donor database
 - Qualify the prospect database
 - Implement or increase the number of annual campaign mailings
 - Implement or improve the employee campaign
 - Begin promoting bequests in all publications

Establish Priorities



- Identify, match priorities to needs and solicit major gift prospects
- Plan grant applications based on identified institutional priorities
- Improve stewardship of grants through centralized oversight
- Develop an Institutional Review Board for grants (federal human subjects research)
- Identify a project that is appropriate for an earmark request
- Use Foundation Board members for solicitation

Establish Priorities



- ◆ In the next eighteen months:
 - Develop a planned giving advisory committee
 - Begin marketing planned gifts in web and print publications
 - Develop endowment marketing materials
 - Develop a case for a capital campaign
 - Form an alumni advisory committee
 - Submit an earmark request for a project

Establish Priorities



- ◆ In the next 24 months:
 - Conduct feasibility study for a capital campaign
 - Conduct alumni engagement activities
 - 100% of Foundation Board members and college President become planned givers
