ENGAGING THE BOARD
AND OTHER INSTITUTIONAL LEADERS IN ADVANCEMENT

TERRY MUNDAY
Most people pick charitable organizations to have a relationship with because of a relationship with their family or community. (BARB)
BUILD A RELATIONSHIP

Gifts with a relationship......5 to 1
Gifts by referral..................8 to 1
Gifts by cold call.................10 to 1
Knows the stories of the institution
ELEVATOR SPEECH FOR BOARD MEMBERS
KNOW THE STORIES OF THE COLLEGE

What would you say if you had 60 seconds to talk about your organization?

• List items you think are important

3 parts of an elevator speech are:

• Right things to say
• How to say them
• Request for follow-up
Non-Profit executives say the biggest challenge is getting Board Members to help raise money.
BOARD INVOLVEMENT IN FUNDRAISING

• 75% executives say their boards are insufficiently involved in raising money
• 36% of the boards have no fundraising committee
• 17% of the boards have no involvement in fundraising
SHOULD EVERY BOARD MEMBER RAISE MONEY?

• Participation based on his or her ability
TIME VS. MONEY

- Persons who give time are volunteers.
- Persons who give money are donors.
- Board members must be both.
- Board members who give time as their gift are in a great position to ask others for time.
  - However, “Time” does not pay staff, utilities or other expenses.
  - Chairman of HSB-Trust
CONSIDERATION

• Therefore: Put high net worth individuals on your
  1. Board
  2. Advisory Committees
  3. Committees
  4. Focus Groups
  5. Citizen Advisory
  6. Commencement Speakers
  7. Speaker at Event List
COMMON MISTAKES

1. Board members are requested to ask for money, not to build friendships.
2. We should protect Board members from rejection – preserve their self-esteem
3. Too many calls at too low a dollar level. Better use of Board member’s time on larger prospects & fewer calls
4. Crisis Fundraising
5. Lack of Training
   • Send by 2’s
   • Support of the staff or president
WHY ARE BOARD MEMBERS NERVOUS WHEN WE TALK ABOUT FUNDRAISING?
Reasons Board Members are Reluctant to Take Responsibility for Fundraising

1. They don’t understand the importance of taking a leadership role in fundraising
2. They are afraid to ask for money
3. They think it is the staff’s job to fundraise
4. Reciprocal giving-identifying your friends for a gift - friend will ask you for a contribution
5. Fear and Embarrassment - Money is a sensitive subject
6. Don’t know how to raise funds
   • Art of Fundraising
Fundraising is about connecting people to their passion through your organization.
BOARDSMANKSHIP

• Who attracted you to the Board?
• Why did you accept your Board position?
• What do you bring to the table that makes this a better Board?

• Your giving reveals your passion.

Matthew 6:21
FUNDRAISING RESPONSIBILITIES OF BOARD MEMBERS

1. Make a proud personal “stretch” gift - Give according to your capabilities and capacity
   - Lead by example
   - Make a planned gift
   - Top 3 Charities assist in recruitment of board members

2. Understand your organizations fundraising program & strategies
   - Oversee and know direct mail & major gifts program.

3. Help thank donors
   - Great strategy to get repeat gifts is to have Board Members send a note.

4. Communicate with donors the great work that is being done
   - Personal advocates
   - Board needs to know statistics, enrollment, budget, mission, distinctive majors
6. Help cultivate donors
   - Dinners
   - Social parties

7. Sometimes ask for donations
   - Level of comfort with asking

8. Support & encourage fundraising activities
   - Celebrate their successes.
   - Become a cheerleader.
9. Ensure that fundraising has adequate resources
   ➤ Consistent funding = long term success.
10. Attend events & bring prospects.
FUNDRAISING ADVICE FOR THE BOARD

- Are you giving regularly to this organization?
- How many friends have you taken on a tour of campus?
- Who have you introduced to the President or VP for Advancement?
- Are you challenging your friends to give to your organization?
- What have you done lately to encourage staff?
CHARACTERISTICS OF MAJOR DONORS

Chronicle of Philanthropy

• “Most mega-gifts happen close to home.”
• “We give our money where we give our time.”
• 89% of high net worth individuals volunteer their time and talents.
GOOD FUNDRAISING

- People give to people
- People give to people with a cause
- People give to people who ask
Give Me Five
Consider these questions as you review your address file. We are looking for individuals that share the same values with Indiana Wesleyan with whom we can build relationships. These questions are not intended to be exhaustive, but give you some idea of the types of individuals we wish to identify.

Do you know anyone

- at your church
- in your community
- in your business
- in your civic groups

that...

- owns their own business?
- retired early?
- owns a winter home in a sunny climate?
- travels extensively?
- owns commercial property, apartment buildings or farm land?
- is involved in the stock market, trading on a regular basis?
- is known for their charitable giving?
- is retired and has no children?
- has their own foundation or serves on the board of a foundation?
- is an executive officer at a large corporation?
- is on other boards with you?
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2018 – SOURCES OF CHARITABLE GIVING

Majority Charitable Dollars Went to:
1. Religion – 31%
2. Education – 16%
3. Human Services – 12%
4. Foundations – 11%
BE MORE INTENTIONAL IN BOARD APPOINTMENTS

BOARD INVOLVEMENT IN FUNDRAISING

- Thank-A-Thon During Board Meeting
- Give Board Members names of individuals to call as a thank-you
- Give names of prospects
- Make donor calls
  - Not all board members
  - Size of ASK
- Top 3 Charities
RESOLUTION FOR BOARD CONSIDERATION

Vice President of Advancement is authorized to send a notice to Board Members of their annual giving

- Fiscal Giving
- Calendar Year
FUNDRAISING ADVICE FOR THE BOARD

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BOARD MEMBERS MUST TAKE A LEADERSHIP ROLE IN FUNDRAISING

1. They own the organization- responsible for its well-being.
2. Supporters see board members as the people most committed and dedicated to the organization.
3. Approaching Foundations – 100 % giving
4. One or two development people cannot do the fundraising.

Asking for money is a skill that can be learned
COST TO RAISE A DOLLAR

Event: 50 cents

Annual Fund: 25 – 30 cents (Direct Mail)

Major Gifts/Capital Campaign, 5 – 10 Cents

Government – 35 Cents

$7.00 - $8.00 Premium Regulation
VARIABLES THAT PREDICT THE AMOUNT OF THE GIFT

- Income – greatest correlation
- Leaving a legacy
- Age of Donor
- Identification with a project
- Advisory Committee/PACE
- Board participation
  - Women get involved first – then give
DONOR PYRAMID
90/10

10% of Donors
Account for 90% of Dollars Raised

20% of Donors
Account for 5% of Dollars Raised

70% of donors
Account for 5% of Dollars Raised

1. Do not view donors as one group
2. Where do you spend your time?
3. Regular Donor Reports

Major and Planned Donors

Loyal Givers

Small or Occasional Donors

Non Donor Constituency

High Effort-High Cultivation
Personal Visits
Dinners
Telephone Calls
Personal Solicitation
Personal Letters
Personal Phone Calls
First Class Stamp Letters
Bulk Rate Letters
Internet Appeal
Website Requests
Marketing Materials
Newsletters
3 “C” PRINCIPAL

3 “C” Principal includes:

• **See** the people
• **See** the people
• **See** the people

**Personal Solicitation is the best method**

→ Direct Mail – 1-5%
→ Telephone – 25% -40%
→ Personal – 75%-80%
HIERARCHY OF AN ASK

1. Make first ask a non-monetary ask
   • Event on campus
   • Serve as a volunteer-mailings
   • Read your case for support-Jim and Rachel
2. An ask for money
3. Ask them to open their network of friends
4. Ask for an upgrade or recurring gift
5. Ask for a planned gift
6. Ask for Leadership gift for Capital Campaign
WHY PEOPLE DON’T GIVE TO YOUR ORGANIZATION

1. Never asked
   • Number 1 reason people do not give
2. Not educated about your organization
3. Lack a relationship
   • Relationship requires time
     - Donor needs to know you
     - Get their advice and ideas
     - Donor involvement and engagement

Salvation Army – Stanford Study
Proper ask is when the prospect is...

- asked by the **right person**
- asked at the **right time**
- asked for the **right gift**
ERRORS TO AVOID IN PERSONAL SOLICITATION

(The Public Management Institute) Conrad

1. Not asking for the gift
2. Not asking for a large enough gift
3. Not listening – talking too much
4. Not asking questions
5. Talking about the organization and its approach rather than about the benefits to its clients
6. Not being flexible, and not having alternatives to offer the prospect
7. Not knowing enough about the prospect before the solicitation
8. Forgetting to summarize
9. Not having prearranged signals between solicitation team members
10. Asking for the gift too soon.
11. Speaking rather than remaining silent after asking for the gift - Ros
12. Settling on the first offer that a prospect suggests
13. Not cultivating the donor before solicitation
14. Not sending out trained solicitors
THE ASK

• A “NO” -- does not complete the process of an ask

Why did they answer with a “no”?

1. No great feeling or involvement with institution.
2. There is a lack of interest in this specific project.
3. I asked for too much - amount.
4. The timing is a factor.
MAKE THE ASK

• No reason to spend more than 12 months in cultivation
• Worst they can say is “no”
• First gift will not be their largest
  • Think about 2\textsuperscript{nd} and 3\textsuperscript{rd} gifts
THE ASK

1. The donor is asked to **write a check**
2. Ask for a specific amount-*no range*
   - Westerville, Ohio
   - Rule of thumb (10-20 times annual gift)
3. Use staff and president, CEO
4. Use two volunteers
   - One to share vision
   - One to make the ask
   - One who has a relationship
5. After ask (SILENCE)
6. Minimal amounts of materials
THE ASK (How Much??)

1. Donor History
2. Donor Occupations & Lifestyle
3. Organizational Needs

(2 to 10 times) Annual Fund Giving
TIPS DURING AN ASK

- Smile early & often
- Stand or sit tall
- Sit toward the front of your chair, lean into your ASK
- Be physically accessible. Don’t cross your arms.
- Good voice inflection, speak with volume.
- Express gratitude for visit.
- Be curious. What do you see in the room?
- Make intentional small talk – kids, vacation, work projects, hobbies, likes & dislikes.
- Give compliments
Finally, always remember to say....
Thank you, Thank you, Thank you!!!
QUESTIONS

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