Annual Fund
(Renewable Gifts)

“IT IS THE BUILDING BLOCK OF ALL FUNDRAISING”  HANK ROSSO

Building Your Annual Fund

Terry Munday
“The almighty dollar bequeathed to a child is an almighty curse. No man has the right to handicap his son with such a burden as great wealth. Will my fortune be safe with my boy and will my boy be safe with my fortune.”

Carnegie

“Inherited wealth is a certain death to ambition as cocaine is to morality.”

Vanderbilt
Fundraising is a Contact Sport - Relationship requires time

12-18 TOUCHES (MORE CONTACTS=BETTER RESULTS)
HARVEY MACKAY

“DIG YOUR WELL BEFORE YOU’RE THIRSTY”
ART HODSON

LARGER GIFTS REQUIRE MORE TIME IN
CULTIVATION AND TRUST BUILDING
Acquisition of donors

IT’S A MARATHON, NOT A SPRINT.

STARBUCKS ESTIMATES THE AVERAGE LIFETIME VALUE OF THEIR CUSTOMER IS $14,000.

• BROOKS FORTUNE-ST ELMO’S-$100 MEALS
• LIFETIME VALUE-$700,000

TIME VALUE

• FRED SCRIPTURE
• LIFETIME VALUE-$6.4 MILLION
THE MOST IMPORTANT METRIC IN ACHIEVING SUCCESS IN FUNDRAISING...

“asks made”
MONEY AND DONATIONS COME FROM 4 AREAS

- Major/Planned Gifts: 70%
- Annual Fund: 20%
- Foundation: 10%

Legend:
- Annual Fund
- Foundation
- Major/Planned Gifts
The basic objective of an annual fund

1. To solicit and secure a new gift, repeat the gift, and upgrade the gift.
2. To build and develop a base of donors
3. To establish habits & patterns of giving by regular solicitation
4. Expanding the Donor Base

- Every person added to your mailing list is a potential donor
- “Give me 5”
- Business cards at seminar (Maxwell)
- CAC
- Parents - Grandparents
Kim Klein – “You already know all the people you need to know to raise all the money you need to raise.”
Consider these questions as you review your address file. We are looking for individuals that share the same values with your organization with whom we can build relationships. These questions are not intended to be exclusive, 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?
<table>
<thead>
<tr>
<th>Prospect</th>
<th>Amount of Ask</th>
<th>Relationship</th>
<th>Assist With Ask</th>
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<tbody>
<tr>
<td>1</td>
<td>John</td>
<td>$5,000</td>
<td>Neighbor</td>
</tr>
<tr>
<td>2</td>
<td>Mary</td>
<td>$10,000</td>
<td>Bus Associate</td>
</tr>
<tr>
<td>3</td>
<td>Sue</td>
<td>$25,000</td>
<td>Banker</td>
</tr>
<tr>
<td>4</td>
<td>Bob</td>
<td>$50,000</td>
<td>Uncle</td>
</tr>
<tr>
<td>5</td>
<td>Ken</td>
<td>$100,000</td>
<td>Grandpa</td>
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</tbody>
</table>
2021 – Sources of Charitable Giving

Majority Charitable Dollars Went to:
1. Religion – 31%
2. Education – 16%
3. Human Services – 12%
4. Foundations – 11%

U.S. Total Donated $484 Billion
Annual Fund (Renewable Gifts)

5. Provide a linkage to the organization
   - Invite community to functions

6. To raise both restricted & unrestricted money

7. To use donor base as a source of information to identify potential large donors

A. Consistent donors

B. Amount given each year
8. To encourage capital & planned gifts

The gift range chart can be used for annual fund:

- Top 10% = 60% of the money
- Next 20% = 20% of the money
- Bottom 70% = 20% of the money

- Top 2 gifts on annual fund should equal 5% each
  - For example - $500,000 Annual fund – 2 gifts at $25,000 each = $50,000

- Use of gift clubs
- Show givers at each level – Trustee - Presidents - Dean - Business Club
  - Identify the money expected from each activity
Annual Fund (Renewable Gifts)

Three Components of Annual Fund

1. Direct Mail
   - Nov. 15 – Dec 31 (Primetime)
   - Mailings per year

2. Special Events

3. Personal Solicitation
   - People give to people
   - People give to people with a cause
   - People give to people who ask
Cost To Raise A Dollar

- Event: 50 cents
- Annual Fund: 25 – 30 cents (Direct Mail)
- Major Gifts/Capital Campaign, 5 – 10 Cents

$10.00 Premium Regulation
Annual Fund (Renewable Gifts)

1. Essential mailings - Fiscal and calendar
2. Most readers are skimmers
3. Ask 3 times in a 2 page letter
   A. Send your gift now
   B. Your gift today will....
November 19, 2003

Mr. & Mrs.

Dear

He was a man of God's Word.

But that alone is not sufficient reason to rename the old administration building on campus in his memory.

He traveled extensively on horseback—more than 250,000 miles during his lifetime—while stopping to preach four or more times a day. Yet he found time to author a number of books and Bible commentaries.

And almost everyone is aware of his legendary personal discipline.

Up every morning by 4:00 am, his regimen included physical exercise and an hour of Bible reading, meditation, and prayer. Yet he could be found preaching at the mines by 6:00 am.

And he was a scholar as well.

He had a master's degree from Oxford and was proficient in Latin, Greek, and Hebrew, as well as French and German.

Since 1920 thousands of students—now alumni of Indiana Wesleyan University—have made their way through the "old administration building".

It only seems fitting that in remaining true to the mission of our founders, nearly eighty-five years ago, the University would rename the recently renovated administration building in memory of John Wesley as we celebrate his 300th birthday.

So it is with a wonderful sense of God's graciousness to the University, that we celebrate our Wesleyan heritage by naming the John Wesley Administration Building. In addition, a seven-foot bronze sculpture of John Wesley has been permanently located on campus and serves as a constant reminder of our commitment to our Wesleyan holiness heritage.
Please read before December 31st

STRETCH YOUR DOLLARS

Indiana Wesleyan University
4201 S. Washington Street
Marion, Indiana 46953

BREAKING NEWS!
Often college and university students attend college as a step to fame and fortune. For many, the focus is on success—not service.

But, at IWU professors and staff exemplify the importance of leading through their service.

And, because of that ongoing commitment, I’m especially grateful during this Thanksgiving season.

Yet, to continue to provide a Christ-centered and biblically based commitment to higher education, I need your help.

Will you consider a generous gift of $25, $50, $100 or more to help ensure that IWU students receive the highest quality Christian higher education experience possible?

During the next few months the Lilly Endowment will match all gifts—$1.50 for each $1.00. Your gift today is a wonderful way to more than double your contribution to the University. The Endowment will also match the contributions coming from the corporate matching gift program.

Because you are an important member of the IWU family, I want you to join us in a yearlong celebration of reading through the Bible. The University—with the help of Tyndale Publishers—has secured The One Year Bible for our faculty, students, and staff at IWU, and we would like you to join us in this effort.

I know this will be a growing year for both of us as we commit to reading completely through the Bible during 2006.

Thank you for sending your gift today, and may this Thanksgiving season be a wonderful time of expressing our thanks to God for His incredible blessings.

With joy and thanksgiving,

Jim

As an expression of my appreciation for your generous gift of $25 or more to the Deuel Annual Fund, I am pleased to send you a copy of the One Year Bible. I invite you to join me in reading through the Bible in 2006 and sharing the pictures of His Word.
Annual Fund (Renewable Gifts)

Segmenting is Important

1. Major - Nursing, Music, P.E., Art, Pre-Med

2. Age (55 and older)

   A. Grad Year

   B. Recruitment of Alumni Children

   - Coloring Book
   - Baby Bib
   - Logo T Shirt
3. Traditional alumni vs non-traditional

4. Donor vs non-donor

A. Level of Donorship
   - > $100 up
   - < $25 - $100
Annual Fund (Renewable Gifts)

**Special Events**

1. Banquets
   A. Table Sponsors – 10 (Matching Gift)
   B. Founders Day
   C. Alumni
   D. Celebrity
      - Maxwell - Dungy - Noted Alumni
      - Musician
   E. MADRIGAL DINNER
Annual Fund (Renewable Gifts)

- 2. Auction/Telesale
- 3. Chapperal (Seniors)
- 4. Grandparent’s Day
- 5. Scholarship Day
- 6. Golf Outings
- 7. Gap Calls
Annual Fund (Renewable Gifts)

Phonathan

A. Caller is key

B. Script

C. Year round vs concentrated time period

Alumni Directory
Knows Key Times for Giving

• 24% given between Thanksgiving and the end of the year
• 34% given during the last 3 months
• 74% of people will give during the holidays
• 60% of people plan to give $100 or more

Gap Calls- Gurley

Why people give at these times:
• Tax benefit
• Spirit of the season
• Charities are making appeals
Phone CALLS – Gap Calls

- Calendar year end – solicitation calls
- Sample calling form

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<th>2019</th>
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Dan Bowen Ford
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

Major and Planned Donors

Loyal Givers

Small or Occasional Donors

Non Donor Constituency

(Acquisition of Donors)

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

• Do not view donors as one group
• Where do you spend your time?
• Regular Donor Reports

IMPORTANCE OF DATABASE
How to have fundraising success

Rotated Pyramid

90/10 Donor Pyramid

90%
5%
5%

Time and Resources

75%
25%

• More Fun to Ask for Larger Gifts
• Relationship Building
  • Jim Sutter
Peer Pressure in Giving

77% make donations to nonprofits because they are aspired by someone they know well.
MAJOR GIFT DEFINED

Is the donor making the gift from:
- INCOME (9%)
- ASSETS (91%)

Income = Entry Level = Low Emotion
Asset = More Mature Level = High Emotions
INDICATORS TO DETERMINE WHAT AMOUNT TO ASK FOR
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
Never reason to spend more than 12 months in conversation.
Worst they can say is “no.”
First gift will not be their largest.
Think about 2nd and 3rd gifts.
Hardest part of making the ask is getting the appointment

The process is 85% complete when you are sitting in their living room.
The Ask

1. The donor is asked to write a check
2. Ask for a specific amount—no range
   - Westerville, Ohio
   - Rule of thumb (2-10 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
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
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.
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

Terry Munday

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