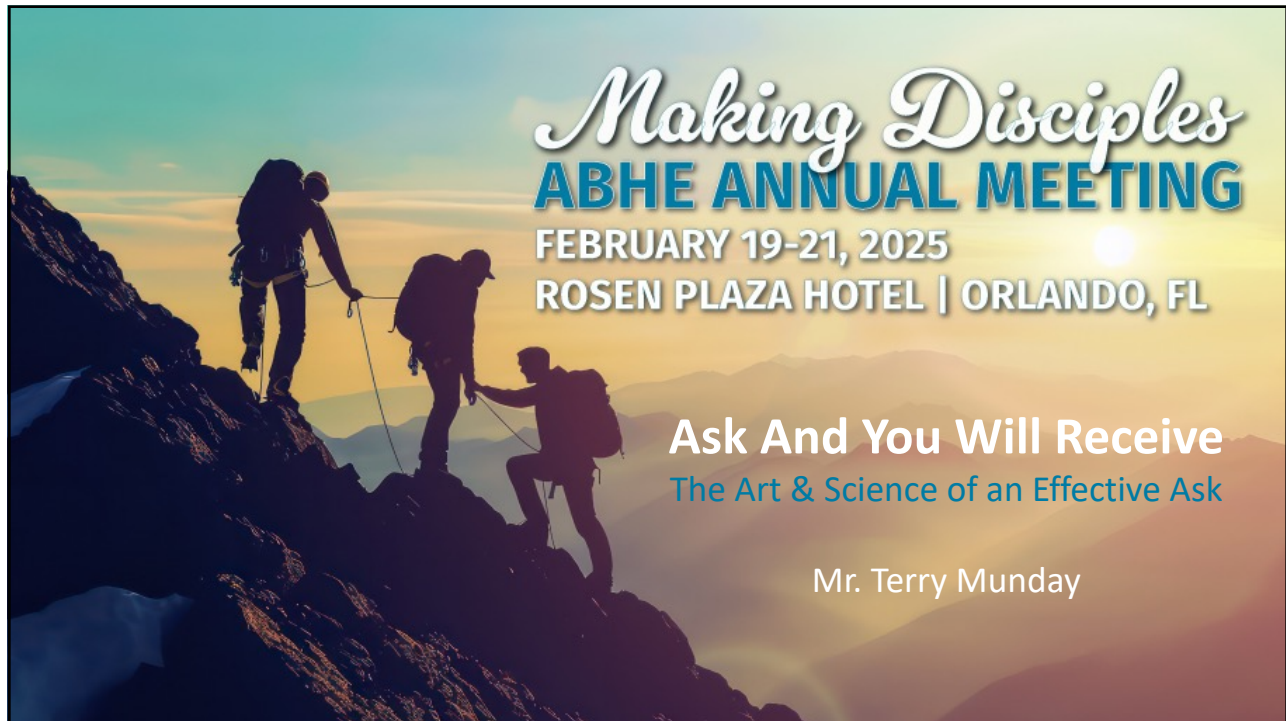




1

“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

2



Important Actions

- If you want money, ask for it
- Be quick to thank people for their gifts
- Donors require maintenance

3



The ask is something we

- Study
- Make preparation for
- Script
- Love
- Sometimes Avoid

4

Key Secrets to Fundraising: 3 “C” Principal



See the people

See the people

See the people

Personal Solicitation is the best method

→ Direct Mail – 1-5%

→ Telephone – 25% -40%

→ Personal – 75%-85%

“If we wait until everything is perfect before making the ask, we have the prescription for never asking.” -Tom

5



DIRECT MAIL

- 90% of direct mail gets opened compared to 20-30% of emails
- 3 times more likely to respond to direct mail versus email
- Direct mail 1-9% response rate
- Email .6-1% response rate

6



Know the stories of the organization

7



relationships

- Gifts with a relationship.....5 to 1
- Gifts by referral.....8 to 1
- Gifts by cold call.....10 to 1

8



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

9



Good Fundraising

People give to people

People give to people with a cause

People give to people who ask

MFI

10



People don't give because they have money.

- They give because they are committed to your mission.

Jack Holmes—Business Ethics

- Donor wants to give to something that will be successful.
- Some wait to make the gift that will complete the project.



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Qualities of an Effective Asker

1. Passion for the cause
2. Persistence
3. Ability to listen

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Successful Fundraising Costs Money



Research in Giving

Most major giving and planned giving began as alumni givers

An alumni making a gift of \$1 million will make their first gift 20 years earlier

“Shows persistence not rapid persuasion”

78% of planned giving donors gave 15 or more gifts during their lifetime to the organization named to their will

Good Advice

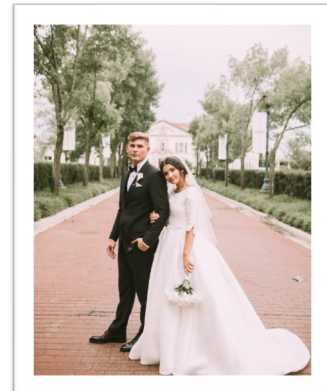
“The donors who are already supporting your organization are your best source for your next gifts”

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Donors require cultivation

- Don't ask on the first visit
“Like asking someone to marry you after the first date”
- Caution—Don't wait for a year to make the first ask.
First gift will not be the largest.



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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

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Hierarchy of an Ask



1. Make the 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

16

Why People Don't Give to your Organization



- ❖ Never asked
 - Number 1 reason people do not give
 - ❖ Not educated about your organization
 - Potential donor + Organizational Knowledge=
 - ❖ A Potential Ask
 - Potential donor + Organizational Knowledge+ Involvement with Organization+ Good Relationships= Larger Capacity Donor
- Salvation Army – Stanford Study

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Why People Don't Give to your Organization (Cont.)



- ❖ Lack a relationship
 - Relationship requires time
 - Donor needs to know you
 - Get their advice and ideas
 - Donor involvement and engagement
 - Brooks Fortune-Foundation Proposal
 - Drive from Indy
 - Gaither concert
 - Dinner
 - Visits to home in Indy and Florida
 - Son speaks at commencement

18



The most important metric in achieving
success in fundraising...

“asks made”

19



The Ask

Hardest part of making the ask is
getting to the appointment

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

20



A Good Ask

It is an actual question

Invite a person to take a step on behalf of your cause
Asking for a specific amount

21



Donors need to have:

- CAPACITY
 - Gift rate chart
- STRONG LEVEL OF INTEREST
 - Hot button
 - Interest & Passion
- OPTIONS
 - \$10,000 you can purchase books for 10 students
 - \$25,000 you can start a scholarship for 2 students
 - \$100,000 you can purchase 2 ultrasound machines for the pregnancy clinic
 - \$1,000,000 you can make a lead gift our for \$10,000,000 capital campaign

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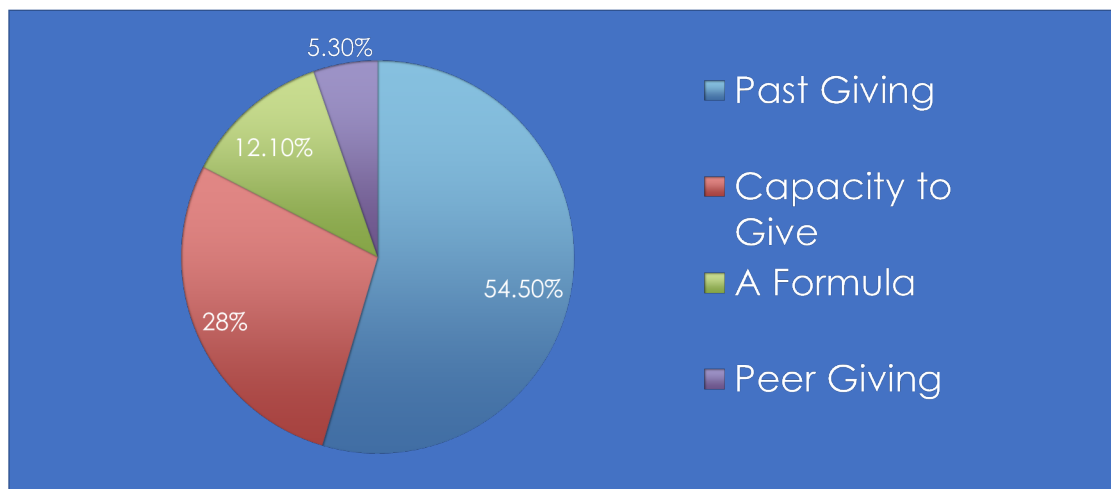


A successful ask

- 55% based on appearance
- 38% based on elevated voice
- Present an opportunity
- Volunteer shares what they are giving

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INDICATORS TO DETERMINE WHAT AMOUNT TO ASK FOR



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Variables that predict the amount of the gift

- Annual gifts during the last 5 years
- Total lifetime giving (cumulative giving)
- Largest gift amount.
- Wealth capacity (if available)
- Giving capacity (if available)
- Largest gift made elsewhere (if available)

2 to 10 times their largest gift-Kansas City Christian College
1% of asset base

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The Ask-When you Get A “NO”

Why did they answer with a “no”?

1. Timing
2. Interest in the specific project-hot button
3. Ask for too much

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

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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

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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

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Rules to Observe When Asking

Make your own gift first

Know your prospect

Listen to what the prospect says

Emphasize the prospect's interest

Ask for a specific gift

Remain positive and focused

Counter objections with facts

Manage the follow up

✓ Pledge Card ✓ Next Appointment ✓ Report Results

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8 Gift Asking Blunders

1. Failure to ask face to face
Interaction
Body Language
2. Failure to find the donors interests
3. Failure to ask for a specific amount and for a specific purpose
4. Failure to get to ask, cutting to the chase

30



8 Gift Asking Blunders

5. Failure to remain silent after the ask
17 Seconds people begin to feel uncomfortable
6. Failure to get the right people in the room
Friend of donor
Someone the donor trusts
Use of board members
7. Failure to have an exit plan
When will you get back with them
8. Failure to have immediate follow-up

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#1 Reason donors stop giving

“They don’t know how their gift is being used or the impact of their gift”

18% poor communication

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What do you share?

1. Fiscal integrity of the organization
2. Stable Leadership
3. Their Passion- "make them cry"
-Appeal to the heart not the head

"Everyday we have students either drop out or cannot get a Christian education because of a lack of funds"

Story of Elliott Miller

33



Make the Ask

- No 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

34



Challenge Gift

1 - 1, 2 - 1, 3 - 1
Challenge gift will
increase the
probability that the
donor will give.

Announcing a
match will increase
revenue per
solicitation by 19%.

Andrew Carnegie
Larry

35

Engagement Metric Score (EMS)



Criteria	Possible Points	Score
Alumnus with Degree	0/3	3
Alumnus(Attended but never graduated)	0/1	0
Parent(N/A, Past, Current)	0/1/2	2
Married to Alumnus	0/1	1
Served on a College Committee	0/3	1
Served as a College Bd Member Past/Current	0/5/10	5
Staff/Faculty/Retiree	2/4/6	6
Involved in Athletics/ Music/Extras Curricular)	0/2/4	2
Purchased Alumni Directory	0/1	1
Total	31 points	21 points

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Engagement Metric Score (EMS)

Giving	Possible Points	Score
Cumulative Giving 0/0-\$4,999/\$5,000/\$50,000/ \$50,000-\$100K/\$1 Million	0/1/2/3/4/5/7/9	5
Annual Total Giving in Last 2 years 0/\$1-499/\$500/\$999/ \$1,000-\$2,499/\$2,500-\$4,999/\$5,000-\$10,000/ Above \$10,000	0/1/2/3/4/5/6	4
Consecutive Giving 0/3 years/5 years/10 years	3/5/10	5
Years with Increased Giving 0-2 years-3 years-5 years	0/3/5	5
First Time Donor	0/2	2
Restricted Gift (Scholarship, Music, Nursing, Athletics)	0/2	2
	34 Points	EMS Total <u>23</u>

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Engagement Metric Score (EMS)



0-10	Continue Direct Mail
11-20	Visit from Pastor
21-30	Visit from Advancement Office
31-40	Receive Invitation to Special Banquet
41-65	Visit from Founder or Board Member

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90% of the GIFTS
come from
10% of the PEOPLE

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Cost To Raise A Dollar



Event: 50 cents

Annual Fund: 25 – 30 cents (Direct Mail)

Major Gifts/Capital Campaign, 5 – 10 Cents

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Millennials

- Millennials will peak in number in 2036 at 76.2 million.
- Gen X peaked in number in 2018 at 65.8 million.
- Baby Boomers reached their peak in 1999 at 78.8 million.

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OLDER DONOR CHARACTERISTICS

- ▶ Higher average donation
- ▶ Higher second gift rate
- ▶ Higher retention (especially in monthly giving)
- ▶ Higher amounts raised (in events)
- ▶ Higher chance of supporting an event again
- ▶ Higher lifetime value
- ▶ Higher chance of putting you in their will... and a higher chance of realizing that sooner
- ▶ Higher chance of becoming a major donor
- ▶ Higher chance of responding to most of your communications

42



Study: Reasons given for not passing money on to their children.

- 24% of children would become lazy
- 20% of children would make poor decisions
- 20% would squander money
- 13% would be taken advantage of by other people

43



Planned Giving Bequests

1. Ties a donor closer to charity
2. Opens the way for more lifetime giving
3. Leads to wiser charitable planning
4. Bequests that are larger than initially planned

Ken and Marceil Bostic
Jett Sisters

44



Once a Donor Names a Charity in Their Will

97% Never Revoked
75% Never Changed

45



Predictors of a Planned Gift

1. Loyal to nonprofit
2. Age of prospect
3. Frequency of gift
4. Annual fund donors
5. Educational attainment

46



65+ Populations

- Florida has the highest percentage of population 65+ (19.1%)
- Maine (18.3%)
- Alaska is the lowest percentage of population 65 + (9.4%)
- Utah (10%)
- 2030-Predict 46 states will have 17% of citizens over the age of 65

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Older Donor Characteristics

- Higher average donation
- Higher second gift rate
- Higher retention (especially in monthly giving)
- Higher amounts raised (in events)
- Higher chance of supporting an event again
- Higher lifetime value
- Higher chance of putting you in their will... and a higher chance of realizing that sooner
- Higher chance of becoming a major donor
- Higher chance of responding to most of your communications

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3 ways to connect with large donors

- One-on-One meeting.
 - “Want money ask for advice”
 - “Want advice ask for money”
- Small group meetings—Hobe Sound
- Insider Treatment Updates

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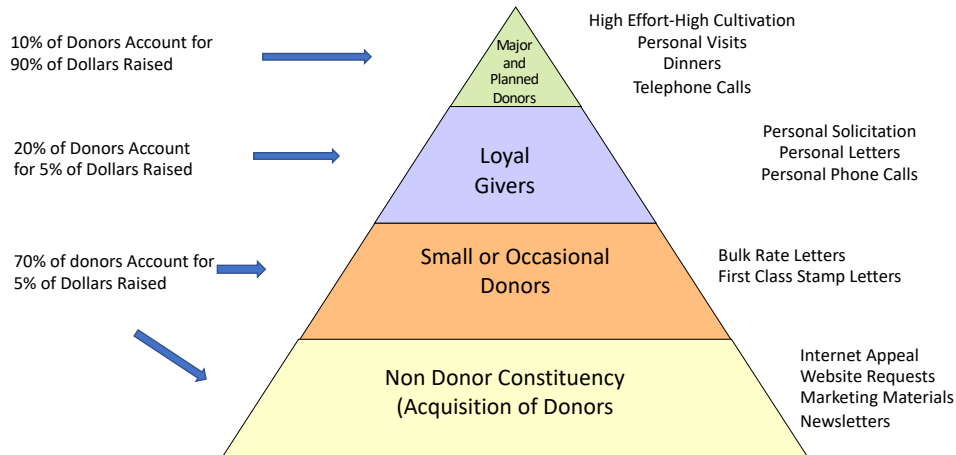
Research by Gates Foundation

- People with (\$25 million) are fearful and worried by the pressure and challenges of their fortunes.
- Study reported that many wealthy people experience happiness when they begin to give away large chunks of their wealth!

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Donor Pyramid: 90/10



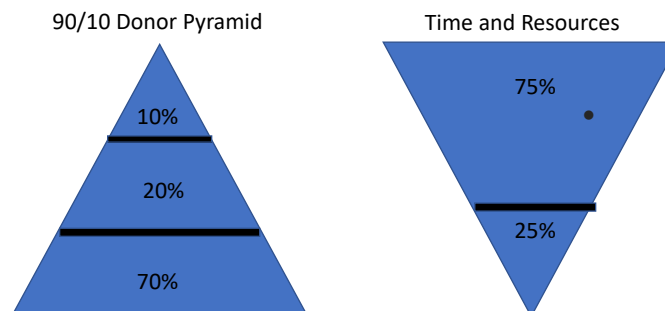
Do not view donors as one group. • Where do you spend your time? • Regular Donor Reports

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How to have fundraising success

Rotated Pyramid



- **More Fun to Ask for Larger Gifts**
- **Relationship Building**
 - Jim Sutter

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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

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PHONE CALLS – GAP CALLS

- Calendar year end – solicitation calls
- Sample calling form

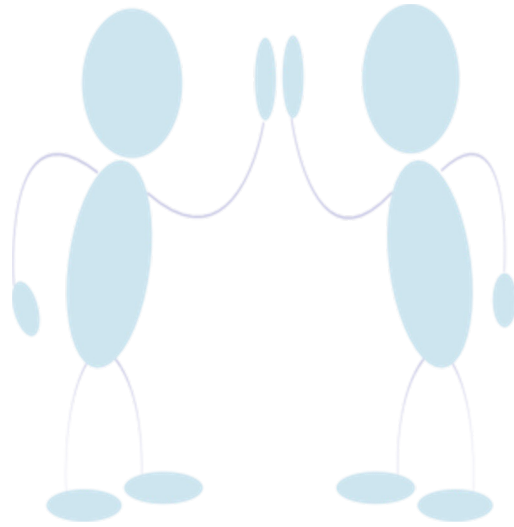
Name	2018	2019	2020	2021	ASK
John Doe	\$300	\$500	\$1,000	\$200	\$1,000
Mary Smith	\$1,000	\$500	\$500	\$100	\$1,000
Sue Jones	\$100	\$200	\$400	\$0	\$400
Van Gurley	\$5,000	\$5,000	\$5,000	\$0	\$5,000

54



Give Me Five

Increase your database



Kim Klein – “You already know all the people you need to know to raise all the money you need to raise.”

55



	Prospect	Amount of Ask	Relationship	Assist With Ask
1	John	\$5,000	Neighbor	Y
2	Mary	\$10,000	Bus Associate	N
3	Sue	\$25,000	Banker	N
4	Bob	\$50,000	Uncle	Y
5	Charles	\$100,000	Grandfather	Y

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QUESTIONS

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