

Big Gifts A – Putting the Puzzle Together

The Importance of Annual Giving and Special Events in Any Major Gift Program

Big Gifts A – Putting the Puzzle Together

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Objectives & Outcomes

- Your expectations
 - Relationship of annual giving, events and major gifts
 - Donor-centred approach
 - Defining major gifts
 - Building major gift relationships through the donor cycle
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Format

- Big Gifts A – 9-10:30
 - Presentation, examples, dialogue
 - Parking lot – points for Big Gifts B
 - Big Gifts B – 11-12:30
 - 4 groups, presented twice (choose 2)
 - Integration/Management – Susan
 - Events – Denny
 - Annual Giving - Anthony
 - Major Gifts - Kathy
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Participant Question:

- ❑ How do you define a major gift?
- ❑ Answer: A major gift is a significant donation to a not-for-profit organization, the amount required to qualify as a major gift being determined by the organization.

Source: *The AFP Fundraising Dictionary Online*

Defining a major gift?

Factors to consider:

- Size
 - Mode of solicitation
 - Capital vs Annual gifts
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Defining a major gift?

□ Size

- Major gift size is in rough proportion to an organization's size
 - Major gift size can be determined through a **gift range table/chart of standards**, a projection of the number of gifts by size that are required to achieve a particular fundraising goal
 - Relatedly, 80/20 rule is increasingly becoming 90/10 rule
 - Major giving is the most cost-effective fundraising strategy, costing \$0.02 to \$0.15 per \$ raised
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Defining a major gift?

□ Size

- A **gift range table/chart of standards** for a small, young organization may look like this:

	<i>Number of gifts [A]</i>	<i>Discrete gift amount [B]</i>	<i>Total amount to be obtained [A] x [B]</i>
	1	\$150,000	\$150,000
	2	\$75,000	\$150,000
	3	\$50,000	\$150,000
	6	\$25,000	\$150,000
	10	\$10,000	\$100,000
	18	\$5,000	\$90,000
	30	\$2,500	\$75,000
	60	\$1,000	\$60,000
	200	\$375	\$75,000
Total	≈330		\$1,000,000

Defining a major gift?

Mode of solicitation

- Personal solicitation is most effective form (face-to-face asks)
 - Usually *not* received through direct mail program
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Defining a major gift?

- Mode of solicitation
 - Sponsorships
 - Special (non-recurring) project gifts
 - Recurring major operational gifts
 - Capital gifts
 - Endowment gifts
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Defining a major gift?

□ Capital vs Annual gifts

- Capital gift: particular major gift in a particular timeframe for a unique, extraordinary purpose
 - Annual gift: general gift made annually for operational (usual) purpose, usually without restriction
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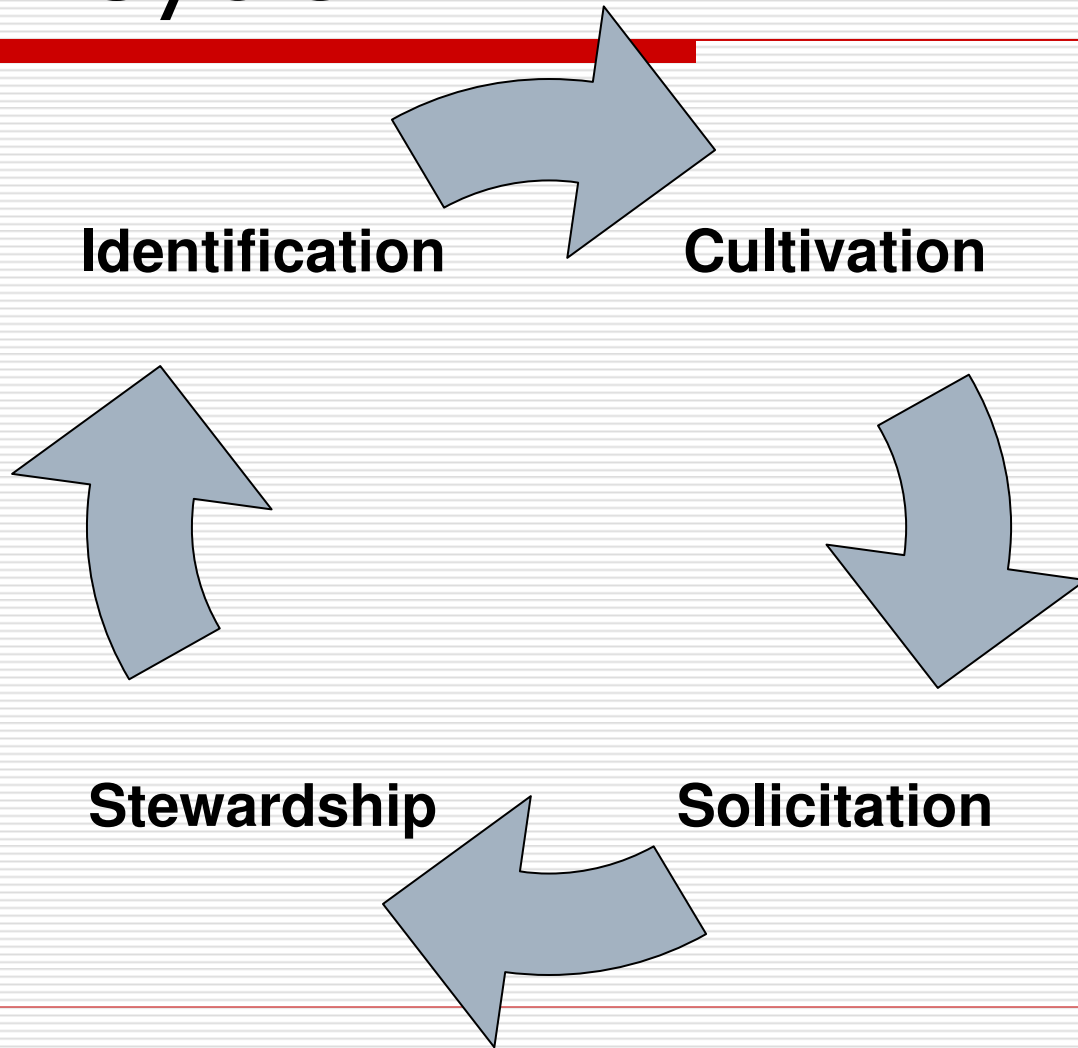
Donor Cycle

Identification

Cultivation

Stewardship

Solicitation



The integrated approach ...

Successful fundraising is

the right person asking –
the right prospect for –
the right amount for –
the right project at –
the right time in –
the right way.

Identification

- Through annual giving programs
 - Giving clubs
 - Tribute (commemorative) program
 - Surveys with mailings
 - Exceptional annual gifts
 - Private bank cheque
 - Long-term donors
 - Monthly donors
 - Natural constituencies
 - Research
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Identification

- Through events
 - Tours
 - Strategic placement of guests
 - Information presented
 - Volunteers monitor interest
 - In-home events
 - Research
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Cultivation

- Educational events
 - Lectures
 - Tours
 - Small group events with leadership
 - Annual programs
 - Accountability reports
 - Thank you calls, cards
 - Recognition
 - Telling stories
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The continuum of giving: an example

- ❑ At ACT, one of the 'big five' banks was identified as a major gift prospect: supported youth service programming at relatively low level (<\$5,000 annually)
 - ❑ Contact at bank contacted ACT and had particular affinity for ACT's mission; relationship cultivated
 - ❑ Bank was solicited for heightened multiyear commitment (\$40,000 x 3 years) in support of youth services
 - ❑ Sponsorship was confirmed at \$20,000 x 3 years
 - ❑ Bank has since been transitioned to primary multiyear sponsorship of special event; employees also give – total giving per year = +\$50,000
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Solicitation

- When to ask, and when to not
 - Coordination is critical
 - Donor-centred approach key
 - Events
 - Honour big gifts
 - Announce big gifts (time deadline)
 - Solicitation of audience at event
 - Annual giving programs
 - Customized appeals/proposals
 - Face-to-face (personal) ask, with volunteer
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Comparing 2 Projects

- Bioinformatics Centre
 - Goal = \$250,000
 - 37 prospects
 - Reception, honouree, mailed proposals, no ask amt, volunteer personal notes, phone fup by staff
 - 3 donors = \$10,200
 - Vascular Biology renos
 - Goal = \$350,000
 - 7 prospects
 - F-to-f mtgs, proposal, specific request amt, campaign chair, staff fup
 - 5 donors = \$360,700
 - 2 donated to other projects \$50k & \$250k
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Stewardship/Engagement

- ❑ Major gift stewardship, impact
 - ❑ Using annual programs
 - Accountability/progress reporting
 - Matching or leverage gifts
 - Recognition
 - ❑ Using events
 - Tours - New facilities, Behind-the-scenes
 - Thank-you free tickets to events
 - Meet the clients/volunteers
 - Giving Societies
 - Receptions
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Summary

- Review objectives
- Parking Lot items for Big Gifts B
- Questions/comments

Thank You!

Big Gifts B – In the Deep End

Major Gift Work from
Identification to Stewardship

Big Gifts B – In the Deep End

11:00-12:30 Choose 2 – 45 mins each

- Integration/Management – Susan
 - Annual Giving – Anthony
 - Major Gifts – Kathy
 - Events - Denny
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The Integrated Model

- The Philosophy
 - Donor-centred
 - Teams/departments
 - Project-based working groups
 - Setting goals
 - Measuring success
 - Leading & managing
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Major Gifts

- ❑ Define major gift for organization
 - ❑ Develop a prospect list, rate prospects, set realistic goals
 - ❑ Engage volunteers, find links/relationships
 - ❑ Build the relationships
 - ❑ Watch for signals when time is right to ask
 - ❑ Ask to: “consider making an investment”, “make a leadership gift”, “think about a gift of \$x”
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