The Management of Fundraising
Philanthropy’s effect on society

Roles of philanthropy

- Reduces human suffering
- Enhances human potential
- Promotes equality and justice
- Builds community
- Creates human fulfillment
- Supports experimentation and stimulates change
- Fosters pluralism
## Athletes and Giving

<table>
<thead>
<tr>
<th>Private University</th>
<th>Public University</th>
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</thead>
<tbody>
<tr>
<td>• Appearance in a BCS Bowl Game</td>
<td>• Appearance in a BCS Bowl Game</td>
</tr>
<tr>
<td>• Est. 54 percent increase in giving</td>
<td>• 40 percent increase in giving</td>
</tr>
<tr>
<td>• Appearance in NCAA tournament</td>
<td>• Appearance in NCAA tournament</td>
</tr>
<tr>
<td>• No significant increase in giving</td>
<td>• 35 percent increase in giving</td>
</tr>
</tbody>
</table>

Athletes and Giving

“Alumni who participated in intercollegiate athletics when they were students donate more than alumni who never saw the inside of a locker room.”

“Former athletes are 22 percent more likely to donate than non-athletes, and, on average, former athletes donate about 20 percent more than non-athletes.”

“Alumni male athletes who had played on national championship teams as undergraduates contributed about seven percent more per year (with the exception of football and basketball players); there was no similar effect for women.”

CONTRARY EVIDENCE: “Systematically lower unrestricted donations by former athletes than non-athletes.”

Role of Fundraising in Philanthropy

- Fundraising is the servant to philanthropy
- Fundraising is the gentle art of teaching people the joy of giving
- Fundraising begins with the Board
- Fundraising is the difficult work of engagement
- People give to people with good causes
"Is this my luncheon to solicit you for the university, or your luncheon to solicit me for the orchestra?"
Principles of Fundraising

Build total development program

- Planned Gift Donor: Personal contact only
- Capital donor: Personal contact only
- Special/Major Gift Donor: Personal contact / letter / phone call
- Renewed/Upgraded Donor: Personal contact / letter / phone call
- First Time Donor: Direct mail / telemarketing / fundraising benefit / Internet / media / door-to-door
- Universe of Prospects
## Techniques of Fundraising

<table>
<thead>
<tr>
<th>Planned giving</th>
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<tbody>
<tr>
<td>• Wills and trusts?</td>
</tr>
<tr>
<td>• Where are you in implementing these?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Major gifts</th>
</tr>
</thead>
<tbody>
<tr>
<td>• How do you define major gifts?</td>
</tr>
<tr>
<td>• Varies by organization</td>
</tr>
<tr>
<td>• In what manner do you make major gifts?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Broad Based Appeals</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Mail</td>
</tr>
<tr>
<td>• Telephone</td>
</tr>
<tr>
<td>• Person to Person</td>
</tr>
<tr>
<td>• Social media</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Engagement Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Sporting events</td>
</tr>
<tr>
<td>• Receptions and dinners?</td>
</tr>
<tr>
<td>• Meeting athletes</td>
</tr>
</tbody>
</table>
Principles of Fundraising

Awareness of Marketing Principles

Strategic Checkpoint: Demonstrate Stewardship and Renew the Gift

Action Checkpoint: Solicit the Gift

Action Checkpoint: Activate Volunteer Corps

Planning Checkpoint: Prepare Communication Plan

Planning Checkpoint: Prepare Fundraising Plan

Planning Checkpoint: Identify Potential Giving Sources

Planning Checkpoint: Select Fundraising Vehicle

Planning Checkpoint: Evaluate Gift Markets

Planning Checkpoint: Examine the Case

Planning Checkpoint: Analyze Market Requirement

Planning Checkpoint: Prepare Needs Statement

Planning Checkpoint: Define Objectives

Action Checkpoint: Involve Volunteers

Planning/Action Checkpoint: Validate Needs Statement

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# Principles of Fundraising

**Case for support:** the expression of the cause, providing all the reasons why anyone should contribute to the advancement of the cause

<table>
<thead>
<tr>
<th>Mission</th>
<th>Staffing</th>
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<tbody>
<tr>
<td>• Awareness, Insight to Problem</td>
<td>• Qualifications, Strengths</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Goals</th>
<th>Facilities, Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Desired Achievement</td>
<td>• Advantages, Strengths, Effectiveness</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Finances</th>
</tr>
</thead>
<tbody>
<tr>
<td>• What’s in Place</td>
<td>• Validate Need for Philanthropy</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Programs</th>
<th>Planning, Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Service to People (Stories)</td>
<td>• Documents, Commitments, Strengths, Impact</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Governing Board</th>
<th>History</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Character, Quality of Organization</td>
<td>• Heroic Saga, Credibility</td>
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</tbody>
</table>
Principles of Fundraising

Fundraising is art and science

Philanthropy is human fulfillment
- Discernment
- Values
- Impact on donor

Fundraising is a management process: toward somewhat predictable ends
- Analysis
- Planning
- Execution
- Evaluation
- Professional stance
“Charitable giving isn’t the ultimate test of one’s humanity, but it gives us some numbers to play with.”
Giving USA 2013

2012 contributions: $316.23 billion by source of contribution
(in billions of dollars - all figures are rounded)

- Individuals, $228.93 (72%)
- Foundations, $45.74 (15%)
- Bequests, $23.41 (7%)
- Corporations, $18.15 (6%)

Source: Giving USA 2013 / The Giving USA Foundation
2012 contributions: $316.23 billion by type of recipient organization.
Distribution of High Net Worth Dollars Given to Each Recipient Category in 2011^ 

Percentage (%) 

- Education: 27.6% 
- Giving Vehicles: 12.6% 
- Religious: 7.2% 
- Youth/Family Services: 5.9% 
- Health: 5.3% 
- Basic Needs: 4.9% 
- Arts: 4.0% 
- Other: 3.6% 
- Combination: 3.1% 
- International: 2.4% 
- Environment/Animal Care: 0.0%

^Combined organizations include United Way, United Jewish Appeal, or Catholic Charities. ‘Giving Vehicle’ represents gifts to private foundations, charitable trusts, and donor-advised funds.

General vs. High Net Worth Giving

General Population (Giving USA 2012)

High Net Worth Population (Bank of America Study 2012)
Million Dollar List

11 percent of gifts on the Million Dollar List come from individual donors, but these gifts make up 40 percent of the total dollars.

1.41 thousand gifts of a million dollars or more were given in 2012:
- 706 foundations
- 30 other groups
- 68 corporate foundations
- 189 couples
- 170 individual males
- 121 corporations
- 70 individual females
- 34 anonymous
- 21 families
- 3 other individuals

The Million Dollar List, compiled by the Indiana University Lilly Family School of Philanthropy, documents publicly announced gifts of $1 million or more. The Million Dollar List is not a comprehensive record of all million dollar plus gifts.
Million Dollar Ready

The Million-Dollar-Ready: Assessing the Institutional Factors that Lead to Major Gifts study was performed by the Indiana University Lilly family School of Philanthropy and Johnson Grossnickle and Associates.

- An institution with a president in office since 2000 tended to receive a higher number of million-dollar donations during the study period.
- An increase in the average board giving is associated with an increase in the number of million-dollar gifts received over the study period.
- A national ranking (i.e., U.S. News & World Report “Best Colleges” rankings) in the year 2000 is associated with a 61 percent increase in the number of million-dollar gifts received by a college or university, and a 156 percent increase in the value of those gifts.
- Institutions founded prior to 1900 tend to receive a higher number and total value of million-dollar donations, compared with institutions founded since 1900. Institutions founded from 1900 to 1950 received about 13 percent fewer million-dollar gifts, and institutions founded since 1950 received 12 percent fewer million-dollar gifts relative to old institutions.
- An institution’s employee expenses (i.e., the amount spent on salaries, benefits, etc.) are positively related to the number of million-dollar gifts received.
- The percentage of an institution’s faculty with tenure is associated with both the number of million-dollar gifts received by an institution and the total value of those gifts.
- The value of an institution’s endowment corresponds to both the number of million-dollar gifts received by an institution and the total value of those gifts.
Effect of the Gift on the Giver

Sara Konrath

- “Giving to others associated with positive health outcomes including fewer health conditions among older adults”
  - Such as: lower blood pressure, lower viral loads and a significantly lower risk of mortality in older adults or chronically ill patients
  - Effects particularly strong when the recipients of giving are close others

Panel Study

- Giving good for the donor
- Those who give live longer, healthier lives
GIVING IS ENTIRELY UP TO THE INDIVIDUAL.

WE CERTAINLY HOPE YOU'LL SEND US SOME MONEY.

BUT IF YOU DON'T, THAT'S FINE...

JUST REMEMBER - WE KNOW WHO YOU ARE AND WHERE YOU LIVE.
Questions