

WHAT DOES FUNDRAISING EXCELLENCE LOOK LIKE

With an Emphasis on the CGP Standards for Gift Planning Success



Eddie Thompson
Co-founder & CEO, Gift Clarity
Founder & CEO, Thompson & Associates



Nathan Stelter
President
The Stelter Company

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PRESENTERS



Eddie Thompson
Co-founder & CEO, Gift Clarity
Founder & CEO, Thompson & Associates

- Provides leadership and direction to over 35 seasoned charitable estate planners
- Has planned thousands of estates, which has generated billions of dollars to charity
- Speaks to organizations from coast to coast
- Serves as the Chair of the Charitable Estate Planning Institute
- Obtained his Doctor of Education in Higher Education Administration from Vanderbilt University



Nathan Stelter
President
The Stelter Company

- Sought after speaker, having presented at more than 150 national and regional industry meetings/conferences
- Member of the National Association of Charitable Gift Planners (CGP) Leadership Institute
- Chair-elect for CGP's national board of directors of the as well as co-chair of the National Standards for Gift Planning Success (NSGPS) task force
- Two-time graduate of the University of Iowa where he earned a bachelor's degree in marketing and an Executive MBA

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DEMAND EXCELLENCE!

"If we merely aim for the industry standard, then our goal is mediocrity. Emulating the average nonprofit, we are destined to live with all the problems the average nonprofit faces. So, we suggest you aim to be exceptional in your approach to fund development."

- Eddie Thompson

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GOALS TODAY

Introduction: National Standards for Gift Planning Success

Importance of Having a Plan: What is a Fundraising Strategic Plan

Ability to Execute: Staffing structure & responsibilities

Common Mistakes in Fundraising Strategic Planning

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NACGP:

National Standards for Gift Planning Success (NSGPS)



- National standards allow nonprofits to create and execute a strategy
 - Assess current program
 - Identify areas that need strengthening
 - Tools to leverage results
 - Path to generate more deferred gifts and augment current gifts

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THE BASIC PRINCIPLES



- The standards can be applied to ALL NPOs, regardless of size or sophistication of program
- Each program has flexibility to apply standards to its own culture and operation
- The standards are relevant for all gift plans from non-cash assets to irrevocable deferred gifts, to revocable estate commitments

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NSGPS

Allows Us to Address Common Pain Points



- Lack of understanding of gift planning with board and C-Suite
- Inconsistent gift planning support and investment
- Lack of defined measures
- Inconsistency with tracking 'success' institution by institution

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THE STRUCTURE OF THE NATIONAL STANDARDS



- There are 16 standards divided into three categories:
 - Support from the Top
 - Ability and Capacity to Execute (Strong Operating Platform)
 - Donor-Centric Engagement and Management

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| | | |
|---|--|--|
| <h3>Support from the Top</h3> <p>Create policies, plans and metrics that encourage long-term investment in gift planning.</p> <p>STANDARD 1 The nonprofit has a current organizational strategic plan with a powerful, compelling vision for the future.</p> <p>STANDARD 2 The nonprofit has a strong internal business case for gift planning embraced by management and Board.</p> <p>STANDARD 3 Each member of the nonprofit’s management team is committed to relationship-based, collaborative fundraising and sees gift planning as an integral part of the donor experience across all lines of fundraising.</p> <p>STANDARD 4 The nonprofit has clear policies to manage risk and ensure accountability to donors and the nonprofit and the public.</p> <p>STANDARD 5 Management sets clear and realistic goals, strategies, and tactics that are designed to encourage and recognize collaboration across all lines of fundraising.</p> <p>STANDARD 6 The nonprofit has fundraising metrics for individual staff and program focusing on activities and outcomes that drive success.</p> <p>STANDARD 7 The development team has an appropriate budget for staff, administrative support, marketing, travel, training, stewardship, and advisor cultivation for its size, structure, and goals.</p> | <h3>Ability and Capacity to Execute</h3> <p>Deploy people and data strategically to reach the right donors.</p> <p>STANDARD 8 The nonprofit prioritizes disciplined, comprehensive donor data management.</p> <p>STANDARD 9 The nonprofit has an active prospect management process to keep donor portfolios right-sized and current and to move donors through the identification, qualification, cultivation, solicitation, and stewardship cycle.</p> <p>STANDARD 10 The development staff has discipline and accountability around filing call reports and other forms of donor engagement.</p> <p>STANDARD 11 The nonprofit has qualified staff in place to drive and support the gift planning process.</p> | <h3>Donor-Centric Engagement and Management</h3> <p>Connect supporters to your mission and create transformational donor experiences.</p> <p>STANDARD 12 The nonprofit has a compelling, urgent, visionary case for donor near-term and long-term organizational support.</p> <p>STANDARD 13 All donors and prospects are offered timely, accurate gift planning information to ethically maximize the donor’s charitable impact and personal benefit.</p> <p>STANDARD 14 The nonprofit has a robust, well-executed stewardship plan across all lines of fundraising focused on engaging donors in a meaningful way, building long-term donor relationships and maintaining a high donor retention rate.</p> <p>STANDARD 15 The nonprofit integrates gift planning messaging in all its marketing, and all marketing and messaging position donors as partners/investors in mission and clearly acknowledges the donor’s role in the nonprofit’s mission success.</p> <p>STANDARD 16 The nonprofit has a donor-centric culture that meets the needs of each donor.</p> <p style="text-align: right; font-size: small;">© 2020 National Association of Charitable Gift Planners</p> |
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STANDARDS TOUCHING ON TODAY

| | | |
|--|---|---|
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STRATEGY SHOULD DRIVE EVERYTHING YOU DO

- Just as your nonprofit has a strategy, your fundraising and gift planning programs should have a strategy
- It will build on your greatest strengths and address your greatest weaknesses
- This will help you make a plan that will accelerate the success of your program



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WHAT IS A STRATEGIC PLAN?

Purpose: A roadmap to increasing dollars raised in order to fulfill your mission.

Goal: Establish realistic priorities to focus your efforts.

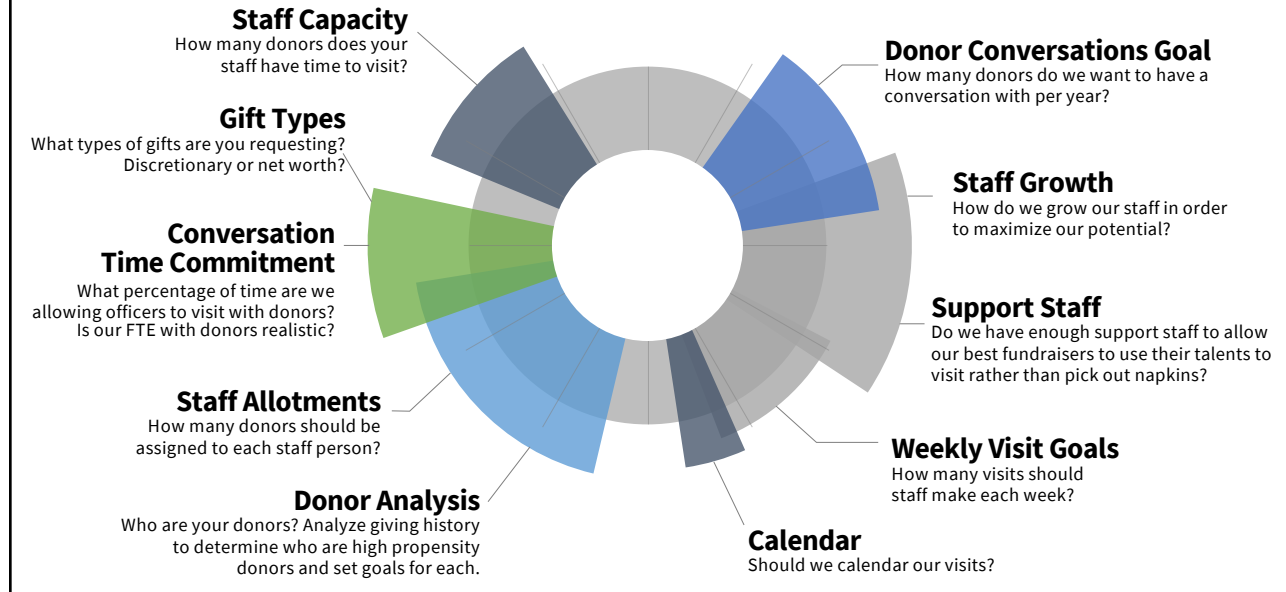
Execution: Get it done the right way and on time.

Success: Utilize your FSP to obtain lasting results!

Be Thoughtful! Require an honest evaluation of where you are today in order to plan for the future.

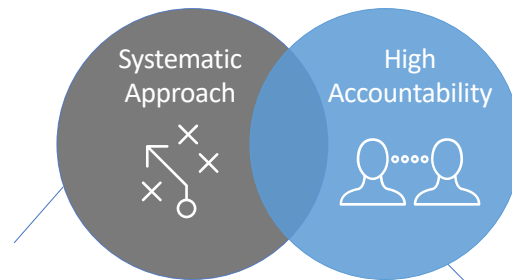
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WHAT SHOULD BE INCLUDED IN A STRATEGIC PLAN?



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TWO KEYS TO SUCCESS



Systematic Approach – a strategic plan!

- a. What needs to be done?
- b. Who is to do it?
- c. When should it be done? DBDs!

High accountability – Evaluation

- a. What should be measured?
- b. Activities or results?

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HEALTH CHECK

Benchmarks/Trends/Metrics

Count of Donors Over the Last 10 Years who...

| Have given at least | Have reached this age* |
|---------------------|------------------------|
| 100 Gifts: 17 | 70 Years: 259 |
| 50 Gifts: 57 | 60 Years: 384 |
| 25 Gifts: 85 | 50 Years: 492 |

Loyal Donors by Giving Level

Have given 8 of the last 10 years

| \$ Level | Donor Count | Donors 60 or older* |
|----------|-------------|---------------------|
| 2,500 | 16 | 4 |
| 1,000 | 44 | 16 |
| 500 | 56 | 19 |
| 100 | 123 | 42 |

*Note: Age-related metrics are skewed by data incompleteness. Age is available for 24% of donor records.

\$1,787,198

Last Year Raised

\$1,571,072

5-Year Average Raised

\$1,547,130

10-Year Average Raised

\$139,842

Last Year \$ Increase

\$7,855,361

5-Yr Combined Raised

\$15,471,298

10-Yr Combined Raised

8.5%

1-Year Annual Growth

19.6%

5-Year Annual Growth

0.8%

10-Year Annual Growth

* Unfulfilled pledges are not included.

THE NEW 80/20 RULE

| Study Average | 80% of total | 85% | 90% | 95% |
|---------------|--------------|------|-------|-------|
| | 5.6% | 8.5% | 13.7% | 25.5% |

| Year | 80% | 85% | 90% | 95% |
|------|------|------|------|-------|
| 2016 | 1.9% | 3.2% | 6.3% | 15.0% |
| 2015 | 1.5% | 2.6% | 5.4% | 13.3% |
| 2014 | 1.7% | 2.8% | 5.7% | 13.9% |
| 2013 | 2.0% | 3.3% | 6.5% | 15.3% |
| 2012 | 2.8% | 4.7% | 8.4% | 17.9% |
| 2011 | 1.0% | 1.7% | 3.7% | 9.8% |
| 2010 | 0.4% | 0.7% | 1.6% | 5.4% |
| 2009 | 0.7% | 1.1% | 2.2% | 6.3% |
| 2008 | 1.6% | 2.4% | 4.2% | 10.7% |
| 2007 | 1.6% | 2.8% | 5.4% | 13.0% |

*Actual Data

What do your fundraising goals look like if you remove your top 50 donors?


What are you doing to engage the other 90-95%?

OBSERVATIONS AND RECOMMENDATIONS

- Strengths vs. Weaknesses
- Low-hanging Fruit
- Donor Pipeline
- Donor Retention
- Segmented Donor Lists
- Appropriate Portfolios
- Plan of Engagement by Donor Profile



WHAT IS YOUR STAFF'S DONOR CAPACITY?



| | |
|---|---|
| 01 | 02 |
| How many donors do you have at the annual and major gift level? | Do you have enough staff to steward your donors at a proactive level? |
| | |

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IMPORTANCE OF QUALIFIED STAFF



- Qualified staff is in place to engage with donors
- Emphasis on accountability and ongoing education
- Job descriptions accurately describe the role and tasks of the position
- Job description is updated regularly

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PLANNED GIVING FUNCTIONS

Read the job description for the position. There are eleven functions associated with gift planning. It's important to know who performs these functions and to ensure that goals - especially donor engagement - is prioritized.

1. Manager of the team - setting strategy and direction and overseeing operations and staff
2. Front line gift officers - engaging with donors; generally represented by donors in portfolios
3. Stewardship of legacy society/planned gift donors - keeping current donors engaged, letting them know they are appreciated, building the relationship
4. Gift administration - tracking gift commitments, recording new gifts, managing gift/endowment agreements, overseeing CRTs and CGAs, insurance policies, liquidation of non-cash gifts
5. Estate administration - working with the executor/administrator and stewardship of family
6. Prospect research and prospect management - identifying prospects and ensuring active management
7. Marketing and communication - key messages and outreach tools

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PLANNED GIVING FUNCTIONS

8. Professional advisor outreach - liaison with the professional community
9. Events management - legacy society events and other donor interactions; could also be professional advisor events
10. Administrative support - data management, tracking, and report generation; support for contact reports and travel
11. Legal counsel - internal or external expertise on an as-needed basis

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HOW MANY GIFTS ARE YOU LEAVING ON THE TABLE?

03 Do you have donors who would give more if you had deeper relationships with them?

02 Are your fundraisers so overloaded that they don't have time to visit lower-tier donors and only visit with your very best donors?

01 What is your unrealized potential?

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IT'S ALL ABOUT CONVERSATIONS!

01

ACTIONS

What are we doing to build stronger relationships with our donors?

02

DATA

What type of data do we need to find our best prospects/donors?

- Propensity
- Ability

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IMPORTANT QUESTIONS TO CONSIDER

01

Are there gifts being left on the table?

02

What would be the difference if you had a larger staff who spent more of their time in conversations with donors?

03

What if we focused more on increasing net income over ROI?

04

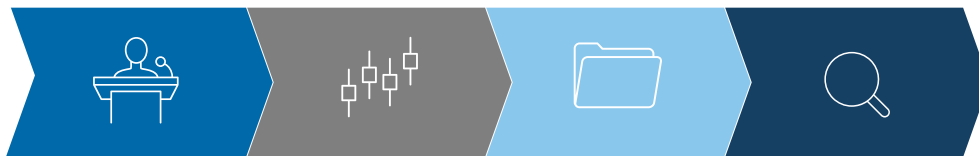
FTE in conversation with donors is the key to increasing dollars!

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Ask yourself - why don't we make needed changes?

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COMMON MISTAKES IN STRATEGIC PLANNING



Training

Forgetting to include ongoing training for staff, such as solicitation training. Are there activities that can be outsourced?

Staff Staging

Lack of staff staging for growth

Support

No serious review of support staff needs.

Accountability

The fear of accountability.

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COMMON MISTAKES IN STRATEGIC PLANNING



Long-term Investment

Too much focus on ROI and not enough on investing to maximize potential.



Over-thinking

Too often trying to reinvent the wheel.



Follow-through

Lack of execution – too many plans end up on the shelf with little or no accountability.

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LONG-TERM VISION & STRATEGY

- Requires a powerful, compelling vision for the future
- Fundraising strategy aligned with organizational vision
- Internal business case for support
 - Sets realistic expectations with board
 - Helps them understand the opportunities



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WHERE DO YOU GO FROM HERE?

- Assess where you're at
- Engage the team to review results looking for strengths, weaknesses and opportunities
 - Identify opportunities
 - Build on strengths and address weaknesses
 - Set clear goals



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WHY THE BEST ARE THE BEST

For this complimentary handout, please reach out to: Tyler@giftclarity.com



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QUESTIONS?



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ADDITIONAL QUESTIONS

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WEBINAR RESOURCES

Recording

Presentation handouts

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THANKS!



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