NAVIGATING THE PHILANTHROPY LANDSCAPE IN 2024

Answered Questions

1. **What is the most effective way to increase the number of our donors, not just the amount people give?**

[View Webinar Recording](#) at minute-marker 50:00 for each panelist's insight.

2. **Is the focus and success of physician referrals changing how you view traditional acquisition efforts? Is traditional donor acquisition (direct mail, etc.) still worthwhile?**

Andrew Bennett: We are trying to compliment and collaborate referrals with direct mail and use patient contact information to enhance how we conduct direct mailing. We have traditionally had low physician referral relationships, but we have increased that through direct relationship-building with the foundation team and building a formal grateful patient program.

Yes, I think direct mail is still worthwhile, taking a few things into consideration:

- Be intentional: We have had success with direct mail, especially in the $1,000-$5,000 donor level. We couple this with our digital strategy and utilize the development/frontline team to connect directly to these donors. As with most things, this comes down to capacity and the ability to take advantage of the opportunity to build relationships through our team.
- Be clear: We pair mailings with a clear and moving story or appeal from a family, provider or volunteer leader.
- Be creative: We create our direct mail pieces with creativity to ensure they stand out from the stacks of mail people get - shapes, colors, sizes, different types of inserts. If we mail something, it better stand out!
- Be smart: Data - this is the secret sauce as we all know. Who are you sending information to and why? It's important to balance acquisitions vs. renewal mailings and general asks vs. direct service line asks.
- Plan it out: Map out the mailings for a year or as far as you can to allow for enough time to plan and be prepared to handle the follow-up.

3. *In response to Eddie saying that the most excellent shops spend 70% of their time with donors:* **Hmm. 70% of their time with donors? Or, 70% of their time with donors which led to a recent gift? I would like to pose is that time quality time whose time and**

conversation actually moved the conversation to an ask? I have worked with many MGOs who chart a lot of time out of the office visiting donors where gifts or new gifts are not moved.

Eddie Thompson: My response is twofold:

1. Too many officers cultivate forever and never get around to asking for the gift. Donors know why you visit with them. They will not be surprised if you ask for a gift. If officers don't know when to ask for a gift, then they need more training. If they are afraid to ask for a gift, then they need to find another mission.
2. Structure and execution are two keys to success. What we often find is that gift officers have too many tasks assigned to them, which takes them time away from donor visits. Great programs have a cadence to cultivation, asking for a gift and then stewardship. Relationships lead to revenue. 70% of your time with donors without asking for a gift does not work well. A lot of your time in the office does not work well, either.

4. **What merits a visit? Is there a dollar amount?**

View Webinar Recording at minute-marker 1:09:50 for each panelist's insight.

5. **What do you think about providing donors with their giving history during regular visits and stewardship conversations?**

Bill Littlejohn: It's likely that few, if any, donors know their giving history to an organization unless it is provided to them. It is certainly appropriate to not just provide, but to thank and steward them in such a visit and conversations, especially in sharing the impact of their previous giving over time. "You may not realize this, but you have given more than $100,000 over the last decade!" "Thank you for the profound impact your giving has had on our community."

6. **What are your touch points to acknowledge gifts of $500, $2,500, $5,000? How do you re-educate the benefits of giving highly appreciated assets versus cash?**

View Webinar Recording at minute-marker 1:01:36 for each panelist's insight.

7. **Is $10,000 still a major gift? Why hasn't that changed in 40 years?**

David Flood: Sure it is, but it really depends where an organization is in its evolution. It was actually $10k when I arrived at Intermountain, and you would think I was raising the bar beyond any reasonable reach when we soon elevated it to $25k. In reality, it was a good and empowering move, and quite honestly, today, after some sightlinelifting campaigns, it's probably more like $100k. Lifting the number is easy to do, but the difficult work is adjusting to the infrastructure shift. Once you elevate the emphasis of the major gift officers, that widens the mid-level giving strata where many of our organizations claim a bald spot. The wider you make that strata, the more chance you have to miss a wide audience of mid-level gift prospects because many programs don't invest in this level, and mid-level officers want to quickly move to the big leagues. It's not a good reason not to elevate, but it is a friendly caution.

8. **What are some ideas for meeting those relocating to our beautiful community? We have a wonderful base of long-term and consistent donors, but those new people with second homes and short stays are a little more difficult to develop relationships with.**

Bill Littlejohn: One of the first things that new residents to a community do is look for a health care provider or doctor. So, hospitals do a lot of marketing and social media about finding a doctor, etc. The Foundation or philanthropy program can make sure they are linked to the hospital digital platforms and consider a "welcome wagon" communication to new patients or relationships. And, social media is a great tool to market the Foundation and philanthropy story. Also, make sure you have a great presentation on the hospital, Foundation, role of philanthropy and how to participate that can be made to groups, individuals and sent digitally.

9. **What is your pulse check on Giving Circles?**

Eddie Thompson: There is value in the exploration of Giving Circles. Giving Circles are growing among the younger generation of donors, but the concept is not new. In the past, we called this approach peer fundraising, which functions much like Giving Circles today. The advice I would give is to pay attention to those individuals in the Giving Circle. Giving Circles may disband over time and you want a relationship with individuals in the Giving Circle.

10. **Do you ask your gift officers to ask the donor for a referral of other potential donors?**

View Webinar Recording at minute-marker 1:17:07 for each panelist's insight.

11. **How do you connect donors when you don't have a brick and mortar, like a hospital? How to keep them engaged while showing the impact?**

Andrew Bennett: STORIES, STORIES and more STORIES!

- Significant investment of time and talent in building emotional and impactful storytelling and showing direct impact of donor dollars through outcomes and data. We have built a number of strategies and mechanisms to do this.

- In person meetings and connections with patients, families, and providers to create a very personal link between the need and impact a donor could/does have on patient care.
- Robust social media and web presence - has become increasingly important for younger donors.
- Video testimonials – can be shared via email, social, websites, text. A great way to hear directly from beneficiaries.
- Lean on data as much as possible to put the need and scale of philanthropy into context.
- The Children's Hospital of Buffalo Foundation:
    - Digital Annual Report
    - See Champion Kids' Stories

12. Naming rights are popular with buildings and programs, but when do we go too far?

Susan Doliner: You are correct; naming rights are popular with buildings, programs, and legacy giving for endowments. They are popular for good reason, in that they both publicly (if that's what the donor wishes) recognize the donor at a level which they are most appreciative and proud of, and it raises the bar for an entire community who sees such recognition as a sign of confidence from others whom they respect your organizations are worth supporting. That said, I am a great believer in finding a balance with recognition signage and often refer to it as "elegant and somewhat invisible". What I mean by that is not in your face, but when a donor comes to visit, they're proud they have been recognized and what their plaque name on the side of the building looks like. What is important to look out for these days, is the sad reality that sometimes you may run into a situation where your organization may not want to be publicly associated with the donor after some kind of personal, family, or business occurrence which in turn would jeopardize your organization's reputation. Many organizations are now putting clauses in their letters of intent, indicating that the organization always has the right to withdraw such recognition should such circumstances arise. Here at Maine Medical Center, we do name buildings and units and departments, rooms and endowed chairs, as well as scholarship funds and research labs. Naming links not only the donor but their family to our organization which creates generational giving which we find to be very strong and a future resource.

13. What is your advice for smaller shops (i.e., 10 people or less)? Any thoughts on top priorities for those who have minimal resources?

David Flood: My response can go in a few directions depending on the intended specifics of your questions, and happy to compare notes by phone, but my take is this: 'Relationships over apparatus'. Yes, you will need some engagement and acquisition tools to feed your donor pipeline with entry gifts (annual fund type vehicles), but I would put much of my gunpowder in individual mid and major gifts (whatever level is appropriate to your evolution and culture) through board or committee engagement with individuals. These opportunities can be efficiently cultivated through home or parlor events where a small nucleus of truly dedicated stakeholders can bring personal meaning to their social orbit and create a runway for follow-up. These have been particularly helpful post-COVID as people wanted to get together, made members feel productive, gave us real prospects in a setting that was not intimidating. As with all we do, meaningful follow-up is where it wins or loses. Stay away from paid events and give people a simple and enjoyable forum to be with you, to hear your message, and to enjoy.

14. I'm a CDO and don't have a seat at the senior leader table and our organization doesn't do multi-year planning that would align with philanthropy. Recommendations for making the philanthropy voice heard and aligning with strategy for best results?

Bill Littlejohn: First is have the conversation with leadership that philanthropy should be viewed as a strategic opportunity – and priority. And that means we treat it as an investment strategy. Discuss the long-term vision of the organization and the resources required to get there. Philanthropy can be one of the resource elements, yet it takes both leadership commitment and investment in the philanthropy program to make it happen. Donors don't just give, they make an investment in the future of their community; they help achieve a vision vs. just funding a need. Strategic philanthropy ultimately creates a culture of philanthropy – and culture eats strategy for breakfast.

15. How has centralized boards created efficiencies at Intermountain?

David Flood: To help frame: Prior to my arrival at Intermountain, we had 16 disparate foundations representing 22 hospitals. In anticipation of our growth, we wanted to build a more synergistic, focused, efficient and effective "plug and play" model. So, yes, efficiency was an issue, but was only part of the future formula.

So here's what we did:

- We asked **each Foundation Board to vote to dissolve** and come into one umbrella foundation – the 'Intermountian Foundation', governed a small volunteer fiduciary Board, with each locale then serving as a registered DBA. With that, each local entity could continue to 'do business as' whatever they were already called, so in the eyes of the public, this was a non-issue. In fact, despite the local entities going from fiduciary to advisory, we continue to refer to them "Boards".
- At the same time, **we were building centralized administrative services to create program expertise**, to pool as many administrative functions from the

locales as possible (database, events, prospect research, annual fund, etc.), so our local teams could then be centered on relationships and people (including the stewardship of these local boards). So, 'less apparatus, more focus on relationships'.

- We also **pooled all of our investments dollars into the larger system Investment Committee**, so those dollars would have the advantage of more robust investment vehicles, while still maintaining individualized accounts for each locale, so the local boards didn't lose contact and oversight, and could ask questions, but no more debating investment strategies in a Foundation meeting where most members had no idea what people were talking about…and it never helped a sick person in a bed anywhere in our system.

Enough framing- The sum total of this activity is that:

- Our donors no longer incur the financial burden of 16 tax returns and 16 audits for no good reason. Just totally unnecessary waste of donor dollars.
- We've had far better investment returns from more sophisticated pooled investment vehicles.
- No more variation in maintaining individualized bylaws, official minutes, and member responsibilities. All are doing the same thing, so our staff can steward their activity uniformly…and better. So, less staff time spent on board governance protocols, to do other things.
- And perhaps the best result- Less apparatus and fiduciary noise has meant that Foundation meetings are no longer spent talking about things that don't raise money- they talk about relationships, and the local fundraisers can also be more focused on relationships with them…as opposed to all the "stuff" that doesn't speak to a Foundation's main objective – building relationships.
- People got lost in trying to proclaim "But, we're different". Good fundamentals shouldn't change from place to place, but personalities do and that is accommodated within messaging. This is standardization, not sterilization, and it all rolls up under the auspices of fellow volunteer leadership. It's just more focused on mission, it's more efficient and it's been effective…as we raise far more money today through the relationships we focus on.

16. Who's hiring Planned Giving Officers? Who's not? Why?

Eddie Thompson: There has been a disturbing trend in recent years when it comes to gift planning officers. Fewer organizations are hiring planners. It is my experience you get what you structure and staff. If you don't have a gift planner, you get fewer planned gifts. Gift planning takes time to secure the commitment and even more time for the gift to mature. The time investment leads some leaders to discount the value of gift planning. The ROI takes too long for them, and they want cash in the door. Large endowments aren't built through discretionary gifts. They grow through gifts of assets or net worth. Larger organizations and larger systems hire a gift planner to service many offices or locations. They fail to realize that planned gifts are local, just as discretionary gifts are local.

17. What is the outlook on life income and other planned gifts?

Eddie Thompson: **Check out the webinar recording's minute-marker 1:20:28.** One could answer this with one word. Amazing! There are many reasons to believe we are entering the greatest age of gift planning. Many Americans love the idea of making a gift and enjoying the tax benefits, while receiving income from their gift. Others find that planned gifts may help them solve estate planning issues. The potential is staggering IF we are engaged with our donors on planned giving benefits. Success in this area depends on our efforts!

18. How do we access the wealth transferring to generations when families and individuals are using third parties to manage those funds through DAF, family foundations, etc.?

Susan Doliner: Our work with families and individuals is just that, we build donor relationships with those who have the ties to our organization, grateful for our services and driven and motivated by our mission and vision. They are the decision makers. First and foremost, we build trusted relationships with donors which foster pride in our partnership as our organizations serve the community through our respective missions. Third-party representatives, such as brokerage firms as well as financial advisors and donor advised funds and community foundations are the tools which donors may choose to make their contributions. These vehicles, whether it be a foundation for the family, donor advised fund or charitable trust, are merely the tools for payment. Please remember the decision to give always remains with the donor or, in the case of donor funds, the recommendation on where to give and how much.

19. How can we revitalize planned giving on a limited budget?

Eddie Thompson: Educate with marketing material. Explain the benefits in person and then ask if they would like to see how gift planning may help them achieve a higher goal.

20. Estate planning has become so complex, it's difficult to accomplish in a small shop effectively.

Eddie Thompson: Your comment is correct; and yet how many major gifts of assets are we leaving on the table? We have intentionally made these webinars strictly educational without marketing for the purpose of increasing our own business, but the subject of this question is exactly in our wheelhouse.

We believe the best approach is to hire a consultant to help you. At Thompson & Associates, we partner with nonprofits to provide estate planning services to their supporters. As an independent third-party that uses a confidential process, donors feel comfortable divulging financial information and family dynamics to us. We help overcome a donor's barriers and uncertainty to actively create a gift that matches a donor's personal purposes and interest— and is therefore more likely to be enacted and realized.

21. How can AI benefit philanthropy?

View Webinar Recording at minute-marker 1:17:07 for each panelist's insight.

22. With what seems to be an ever-growing political divide in our country, nonprofits are faced with challenges around staying true to the mission and donor expectations of what organizations should or should not be doing under their mission. What should nonprofits do to balance this issue of staying true to the mission but also ensure philanthropy is central as well?

Bill Littlejohn: We don't raise money because we are a charity, we raise money to help achieve a mission and vision, no matter what the political winds may blow, and even in spite of them. The organization should stay true to its mission for which it was established or founded. Go back to the Articles of Incorporation – "The purpose of this organization is…." Many nonprofits have advocacy elements, yet they should also be aligned with mission first, and not politics. Now if an organization finds itself involved with political dynamics that can ultimately impact the mission, then the mission may need to change – even amending the Articles of Incorporation. Answer the question, how will philanthropy advance, elevate or sustain the mission?