

Elements of Great Stewardship

AFP-NY Westchester Chapter

November 10, 2016

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**Advancing Fundraising:
Career Coaching & Consulting**

Main Topics

- Definition and purpose of stewardship
- Numerous ways to steward your donors and recognize their gifts
- Working with donors at different giving levels.
- How to integrate stewardship practices into your daily work routine.

Stewardship

Stewardship is the ongoing process of saying thank you, giving donors attention, and expressing appreciation. It is designed to recognize donors, engage them and encourage them to renew and increase their giving.

The Solicitation Cycle

ASK

ACKNOWLEDGE

APPRECIATE

ACCOUNT

& REPEAT

Growing the Gift Size

- Get a First-time Gift
- Get a Repeat Gift from the Same Donor
- Engage the Donor to Upgrade his/her Gift
- Involve to Upgrade Donor to a Major Gift, then an Ultimate Gift.

The Power of Stewardship

- Create a donor-centered environment
- Find the natural link between the donor's aspirations and the organizations' vision
- Get to know how the donor feels about his/her philanthropy to your organization

Donor's Rights

- Expect complete, accurate, and pertinent information on mission, programs, personnel, and finances.
- Know that their gifts will be used for the purpose for which they were given.
- Have the charity be professional, truthful and fully accountable in their dealings.

Getting the First Donation ... and keeping it going!!

- The most important thing to do with a new suspect is to find someone who knows them – a natural partner – who can introduce you or engage them. LINKAGE
- Your job is to find out what motivates your prospects – find out if they are interested in or passionate about your organization. INTEREST
- Then you continue to engage them ... small gifts can be solicited immediately when there is interest or at an event. The “stop and think gifts” or major gifts will take some time. ABILITY

A New Donor

- Respond and thank donors for a gift immediately.
- During one year, you can thank a donor up to seven times!!
- The more personal, the more special the donor feels.

Know Your Donors and Steward Them

- **Identify** – Research for supporters should be ongoing.
- **Information** – Provide information about your organization that reflects their interests.
- **Interest** – Determine your donors level of interest and values before and during the engagement process.
- **Involvement** – Use research and listening skills to determine the best type of involvement and volunteer opportunities to involve prospects.
- **Investment** – Interest and involvement bring about donor investment; determine the right request – purpose and level – using research.

MOTIVATION FOR MAJOR GIFTS

- Donors assume responsibility in proportion to their affiliations.
- The more donors feels like insiders, the greater stake they have in the success of the institution.
- The greater the donors' involvement – the larger investment they can justify.

Understanding the Needs of Your Donors is Key

- Giving satisfies a donor's needs.
- People are motivated to use the services of an organization and/or donate because of what they believe the organization will do for society, for them, or for those close to them.
- Our job is to understand what is important to and what are the needs of each constituency.

Relationship Building

- Face to face is best
- Most effective major donor visits are conducted by a peer
- Spend more time with major donors
- Involve in organizational activities
- Telephone is better than mail
- Personalized letter is better than direct mail
- Emails are acceptable and useful to stay in touch

Foreground Activities for Major Donors

Bringing individuals to meet organizational leaders in a personal format is vital to building strong relationships.

Invite the wealthiest prospects/
donors to meet with your board of
directors

Engagement Activities

- **Donor Clubs**
- **Membership Groups**
- **Funding Circles**
- **Meet the beneficiaries - e.g., children receiving scholarships and hearing their stories.**
- **Complimentary shows, lectures, etc.**
- **Annual Lunch/Dinner**
- **Bequest Society - with an annual event**

More Engagement Vehicles for MAJOR DONORS

- **Meet with High-level Organizational Executives**
- **Invite to Receptions, VIP Events**
- **Involve Donors Directly in Committees, Advisory Boards, etc.**
- **Honor with Plaques**
- **Arrange Site Visits/Tours, Educational Forums, Briefing**
- **Prepare and Send Stewardship Reports, Letters from Leaders, etc.**
- **Others: photo opportunities, check signings, etc.**

Offer Public Recognition & Visibility

- Honor lead donors at major fundraising events.
- Run an add thanking your donors.
- Send a plaque that donors can hang in their office.
- Ask donors if they would like to be listed on the Internet or annual report.
- Would they like to be featured in a newsletter.

MID-LEVEL TO MAJOR DONORS

- **Call at scheduled times**
- **Send birthday cards**
- **Mail press clips with personal notes**
- **Arrange for personal thanks from the beneficiary of gift**
- **Publish donor articles in newsletter; send donors a copy**
- **Post names of donors in Annual Reports**

Background Activities for Mid to Annual Fund Donors

- **Send frequent E-communications**
- **Use Social Media**
- **Invite donors to group events**
- **Find a way to get donors to SEE your program in action**
- **Add donors to organization's mailing list and send them educational information**
- **Mail to donors at least two times a year (with no solicitation) to share your organization's vision and plans**
- **Send annual reports, newsletters and/or e-alerts**

Stewardship for All Donors

- Find a way to get donors to SEE your program in action
- Add donors to organization's mailing list and send them copies
- Share your organization's vision and plans
- Send annual reports and/or newsletters

INTERNAL STEWARDSHIP:

GIFT SYSTEMS

- Gift processing is the procedure by which gifts are received, recorded, transmitted for deposit, receipted and acknowledged in an orderly and timely sequence.
 - ➔ Deposit checks quickly (interest bearing)
 - ➔ Enter gifts into data-base
 - ➔ Develop boiler-plate acknowledgement letters by size of gift – **REMEMBER TO PERSONALIZE WHENEVER POSSIBLE**
 - ➔ Track when acknowledgement letter(s) are received/mailed
 - ➔ Make sure you don't send the same letter to the same donors

TRACKING RESTRICTED GIFTS

Create special funds to account for expenditures or use restricted accounting principles

List by restricted purpose, i.e., program, capital, operating, etc.

Establish a tickler system for fixed stewardship report deadlines (begin at least two months before due)

List fixed solicitation deadlines, so you solicit on time

RECOGNIZING DONORS IN ANNUAL REPORTS OR WITH PLAQUES

- Develop standard policies for giving categories and plaques**
- Create a system to track and upgrade (by cumulative giving)**
- Send letter thanking donors for reaching a new levels of giving**

Reporting on Endowments

- Inform donors about the status of their endowment principle is at goal
- Send reports describing the endowment progress – how much interest was added to principle
- Send reports describing the activities – successes for which the endowment was established.

The Ongoing Stewardship & Solicitation Cycle

- ASK FOR A GIFT
- CONTINUE TO INVOLVE AND ACCOUNT
- UPGRADE THE GIFT
- UPGRADE TO MAJOR DONOR
- LEADS TO ULTIMATE GIFT
- REPEAT

Suggestions

- 1. List donors in your Newsletter.
- 2. Host a breakfast with a speaker of note.
- 3. Invite donors to your office to meet the staff.
- 4. Invite donors to staff a table.
- 5. Host a reception with an educational component.
- 6. Survey best donors to gauge their interests.

More Suggestions

- 7. Start a file on top 80 donors with special information (their work, interests, etc.)
- 8. Invite a few of your best donors to fill a table or golf foursome at an event.
- 9. Invite major donors to join an advisory board or steering committee.
- 10. Start a research update communication using E-blasts.

More Suggestions

- 11. Make capturing data at events a priority - who attended and who were guests; what new potential exists.
- 12. Create a visible sign of donor support (lapel pin, button, car cling decal) to be worn during an event or awareness month...or for a Legacy Club.
- 13. Display major donors' names in a public place at your offices.
- 14. Send a handwritten thank you note to acknowledge a major gift.

More Suggestions

- 15. Make a thank you phone call or have a board member call for new donors and learn about their motivation.
- 16. Send a press clipping with a note to top 20.
- 17. Send something with viral marketing capabilities to help donors spread the word to friends and family.
- 18. Send an advance notice or special note to top 80 VIP's before an event or posting on your website.
- 19. Write a personal note for holiday cards.

More Suggestions

- 20. Send flowers for anniversaries and birthdays.
- 21. Find a reason for special contact with all of your top 80, at least 4 times per year.
- 22. Host an open house and information session.
- 23 Use your organizational Facebook page and ask donors to get friends to log on.

More Suggestions

- 24. Write on a sticky note to your donors' when they are mentioned in a newsletter or the annual report.
- 25. Encourage annual fund donors to become sustainers – maintains retention much longer.

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