THE CURTIS GROUP
PLANNING
FUNDRAISING · MARKETING

RAISING MONEY

A PHILANTHROPY NEWSLETTER *for* NONPROFITS *from* THE CURTIS GROUP *Fall* 2010

National Philanthropy Day: A Cause to Celebrate

by Wesley Stanley

Thanksgiving will still be nine days away, but on **Tuesday, Nov. 16,** Hampton Roads will give thanks for some very special people and organizations.

They'll be recognized during AFP Hampton Roads' National Philanthropy Day celebration, sponsored by The Curtis Group. This year's event will celebrate and recognize the generous donors and philanthropists who give their time and resources to make our community a better place to live.

The event kicks off at 11:30 a.m. at the Norfolk Waterside Marriott. Over lunch Dr. Patrick Rooney, executive director of the Center on Philanthropy at Indiana University, will speak on "Trends in Philanthropy." The Curtis Group is pleased to bring Dr. Rooney to Hampton Roads again for this celebration, after severe weather caused last year's event to be cancelled.

Dr. Patrick Rooney

Honorees for outstanding foundation and outstanding corporate philanthropist, respectively, are the Beazley Foundation, Inc., and G. Robert Aston, Jr., chairman and CEO of TowneBank. Additional honorees will be announced at the event. Nonprofits are encouraged to bring donors to recognize them at this important event. ■

The Planning Study

Why fundraising homework is essential to success

by Keith Curtis

It lets you know whether your campaign goal is realistic. It lays out the blueprint for your fundraising effort. And it uncovers any concerns that potential donors have about your organization.

What is this multi-faceted and beneficial tool? It's the campaign planning study. Or you may know it as a fundraising feasibility study. But whatever the terminology, the study is a nonprofit's required due diligence before any major fundraising effort.

Many foundations and grant-makers now expect nonprofits conducting campaigns to have had a planning study done by an independent organization. This assures the funders that the campaign has a good chance for success, so that any gift they make will not be in vain.

> Many foundations and grant-makers now expect nonprofits conducting campaigns to have had **a planning study done by an independent organization.**

If you've postponed major fundraising over the past two years of recession and recovery, a planning study is a must. Keep in mind that a study takes about three months to complete, and you may have another six months or more of work to do before soliciting gifts. So even if you started a study this fall, it could be summer 2011 before your campaign is ready to launch.

What's involved? The process begins with a series of interviews of people who are connected with your organization, such as board members and past donors, as well as a mix of philanthropists and community leaders. The interviews must be one-on-one; focus groups won't elicit details, for instance, about how much an interviewee might consider giving, and introverts are often overshadowed by the more extroverted members.

Study interviews must also be confidential – another problem with focus groups. And they should be conducted by third-party experts using a proven methodology.

$3 Million Campaign Table of Gifts

Range	Number of Gifts to Reach Goal	Total $ of Gifts to Reach Goal
$500,000	1	$500,000
250,000	2	500,000
100,000	4	400,000
50,000	9	450,000
25,000	12	300,000
10,000	30	300,000
5,000	45	225,000
2,500	60	150,000
1,000	100	100,000
UNDER 1,000	MANY	75,000
TOTAL	260+	$3,000,000

Why? Because the people being interviewed often feel awkward voicing anything negative about your organization to a staff or board member who's also a friend or colleague. Rather than offering their honest feedback, they may simply tell you what they think you want to hear. But when they're talking to a third party and they know their comments won't be attributed, the same people are more likely to be forthcoming about concerns they have that will affect your fundraising success.

Continued on page 2

Are You Working Your Plan?

by BJ Taylor

It's often easy for staff and board members to identify their nonprofit's strategic focus for the year. But for some organizations, the challenge is in determining what to do once the goals have been identified. This is where a specific plan for implementation becomes a vital part of the process.

As in the business world, nonprofits can benefit from a strategic plan that clearly documents mission-focused goals, along with the strategies, action items, due dates, and responsible departments or individuals needed to achieve those goals. The thing to do next, though, isn't simply to store the plan on a shelf.

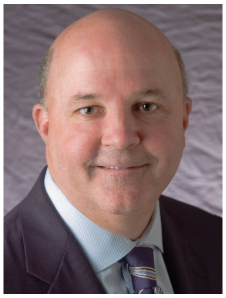
Your strategic plan is a working document. You need to visit it every month and stay on top of your progress.

It's also important to schedule an official six-month check-in, during which staff and board members evaluate progress and make any necessary adjustments to the plan. Some boards will even have an ad-hoc task force whose sole purpose is to ensure the plan is implemented.

In today's fundraising environment, with the economy still recovering and government funding being cut back, implementing an effective strategic plan can help focus your organization's development efforts to ensure long-term sustainability.

If you have a plan in place, take the time to review it today. If you don't, The Curtis Group can guide you through this vital exercise to ensure your organization's continued success. ■

From the President



Keith Curtis

Notice anything different about our quarterly e-newsletter? We've removed the "e"— for this edition anyway.

Welcome to the first hard-copy edition of "Raising Money." Depending on the feedback we get, you may receive a print version like this once a year. Please pass it along to your colleagues and let us know of any changes or additions to your snail-mail or email addresses.

One benefit of a print version is more content. As the focus of three articles, planning has emerged as a theme of this issue. I encourage you to take a moment to read the article on why a planning study is essential to fundraising success. Equally vital to sustainability is strategic planning, as BJ Taylor explains in her piece. And guest writer Melissa Brown reviews how Giving USA data can make your planning more effective.

Now, on to the most discussed topic among nonprofit leaders: the economy. It's sent some boards running scared, hunkering down, and dropping all efforts to raise money. But as Giving USA 2010 clearly proved, people have been and are still giving – to the tune of $303.75 billion in 2009. As only the third time in history that giving topped $300 billion, those gifts had to go somewhere. If you weren't cultivating donors and building capacity, little of it went to your nonprofit. The question is, how much longer can you survive?

To be blunt, it makes me wonder if some nonprofit boards are using the economy as an excuse not to do their jobs. Yes, there are challenges. All the more reason to follow tried-and-true cultivation and capacity-building processes. This is the time to invest in your infrastructure and technology, to develop an ongoing major-gifts program, to prepare for the economic recovery. Keep in mind, your fundraising competition is doing just that.

OK, I'm off the soapbox. As always, thanks for reading. If we can help you in any way, please get in touch. ■

The Planning Study

Continued from page 1

For example, a philanthropist we interviewed for a study would regularly encounter a board member of the nonprofit considering a campaign. His polite inquiries into how the planning was progressing led her to believe he would make a gift and wanted the effort to succeed. But we knew he was asking because he had many concerns and didn't think the campaign should be launched. Because he'd been comfortable being honest with us, we were able to address his concerns and cultivate him into one of the campaign's biggest donors.

As we always say, **fundraising is 80 percent preparation and 20 percent solicitation.** A planning study will ensure that you're well-prepared when it's time for the 20 percent.

Planning studies also help you frame your fundraising message and reveal who could be your campaign leaders and volunteers, even finding new supporters of your cause. When you're funding a building or other capital expense, a well-conducted study can keep you from ending up with a lot of debt that may result from setting an unrealistic goal.

Once the study interviews are completed and we've delved into your organization's background by meeting with key board and staff members, the results will be analyzed, as will your fundraising history. Then we'll prepare and present a detailed report that includes an assessment section to inform you of our findings, and recommendations and action steps that will serve as your fundraising plan. And that's when your work begins. ■

How Giving USA Can Help Your Fundraising

by Melissa S. Brown | Associate Director of Research and Managing Editor, Giving USA, The Center on Philanthropy at Indiana University

Giving USA has been cited in many media outlets and blogs since our June 9 release. Everyone agrees giving declined in 2009. But the challenging questions are about the future. What shall we do to raise funds in 2010 and beyond? Giving USA can help point the way by answering questions about the past. What worked in 2009? Where did donors direct their money — and are they likely to continue that path? Are there patterns or trends from the past that can help predict what might occur?

Topical digests for Giving USA are released separately this year at givingusa2010.org. Each takes a deeper dive into a subject, such as giving by individuals. Each provides a summary of research findings and advice from fundraising professionals like those at The Curtis Group. You can get a package or mix and match to get exactly the components you need to improve your fundraising program.

For example, for the past five years or so, about half of grant-making by foundations has been from family foundations, which are controlled by the donor or people the donor designates. This has been one of the areas of fastest growth in giving. Fundraising from this type of foundation can be very different from sending a proposal to a program officer at a foundation with staff. This has implications for case statements, staff assignments, and how your organization communicates.

Had you noticed that bequest contributions have not increased significantly for a decade? In fact, according to IRS information, a lower percentage of estates valued at $3 million and above has claimed charitable deductions than was the case 10 years ago. The topical digest about bequests includes ideas for increasing planned giving over time, based on research studies about bequest donors.

These short examples show that Giving USA 2010 includes a wide range of information to help your organization's fundraising. Giving USA is the "yearbook of philanthropy." Use it as an easy reference, an aid for strategic planning, or as a source for new information that will help your organization's development program.

After 10 years of fundraising experience in arts, education, health care, and human services, Melissa Brown began editing Giving USA in 2001. This year, she helped the publication move to an all-online delivery format, which now provides thousands of fundraising professionals and volunteers with the vital context and data needed for more effective fundraising. ■

Client Spotlight: Virginia Living Museum

by Wendy McGrady

Hard to believe it's been more than three years since The Curtis Group conducted a campaign planning study for the Virginia Living Museum of Newport News. Not only has the museum's board and staff raised millions to enhance exhibits and build the endowment, but they also managed to keep the campaign on track despite some bumps in the road.

Among the new exhibits resulting from the campaign was the museum's waterfall.

In 2007, the campaign got off to a great start thanks to successful planning work, the right leadership, and many dedicated volunteers. But in 2008, the bank that had funded the museum's main facility in 2004 called the note on the building. Then debt was created when the state cut back on grants to non-state entities and didn't provide the funding promised.

As luck would have it, an anonymous donor offered a two-for-one challenge gift to pay off the $9 million debt: The donor would give $6 million if the museum could raise $3 million in one year.

The opportunity was incredible but the challenge was daunting: raise $3 million during the worst economic downturn since the Great Depression. In early 2009, Keith and I strategized with the museum's board. With the right plan in place, not only could the museum end up owning its main building free and clear, but its base of supporters could grow dramatically.

"We were fortunate to have The Curtis Group's guidance as our campaign changed from expansion of our exhibits to a challenge grant for our survival. Our volunteers valued their expertise and experience as we faced unexpected and unprecedented challenges."

— Executive Director Page Hayhurst

By December 31, 2009, media outlets were announcing the good news: The museum's staff and volunteers had raised the $3 million to meet the challenge. It was accomplished by effectively cultivating and soliciting major gifts from many generous individuals, foundations, and corporations. ■

THE CURTIS GROUP

PLANNING
FUNDRAISING • MARKETING

2512 Shepherds Lane • Virginia Beach, Virginia 23454

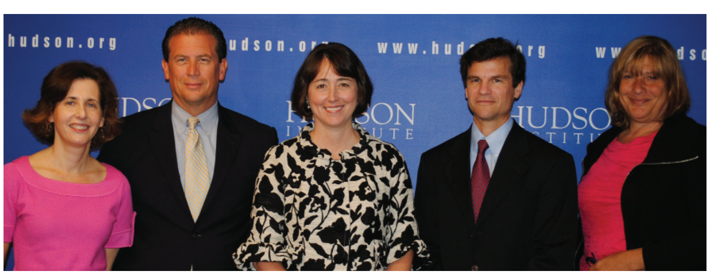
the Art & science of FUNDRAISING

757.496.2224
curtisgroupconsulants.com
Facebook.com/thecurtisgroup
Twitter.com/thecurtisgroup
info@curtisgroupconsultants.com

MEMBER GIVING INSTITUTE

How We Spent Our Summer Vacation

- Wendy gave the opening remarks at the Giving USA 2010 briefing held at the Hudson Institute's Bradley Center for Philanthropy and Civic Renewal in D.C. earlier this summer. Panelists included Stacy Palmer, editor of The Chronicle of Philanthropy; Dr. Patrick Rooney, head of Indiana University's Center on Philanthropy; Wendy McGrady; Urban Institute's Tom Pollack; and Nonprofit Quarterly's Ruth McCambridge.



- Keith moderated a panel at the Giving Institute's annual Summer Symposium that took place in Salt Lake City in July.
- The Curtis Group served as lead sponsor of the 2010 Virginia Fund Raising Institute, and Keith and Wendy gave the keynote address on Giving USA 2010.
- Wendy instructed a workshop at the 2010 NC Philanthropy Conference in August, hosted by the Triangle AFP Chapter in Charlotte, N.C. ■

Where to Find Us This Fall

- *Keith was asked to moderate a panel on "Achieving Fundraising Success (Even in a Crisis)" at the Association of Zoos and Aquariums' National Conference this month in Houston.*
- *Wendy will present "Giving USA: An Overview of the 2010 Data and What the Numbers Mean for Your Fundraising" at the Virginia Association of Hospices' 2nd Annual Leadership Forum set for* **Thursday, Sept. 23**, *in Charlottesville.*
- *The Curtis Group will instruct two courses at the University of Richmond's Institute on Philanthropy: "The Role of the Board in Fundraising" on* **Oct. 12**, *and "Creating a Development Plan" on* **Oct. 13**. *To register, visit http://scs.richmond.edu/professional/philanthropy/.*
- *On* **Oct. 28**, *Keith will present "The Role of the Board in Fundraising" at Central Virginia AFP chapter's monthly meeting in Richmond. For details: http://afpcentralva.afpnet.org/Home.aspx.*
- *"Giving USA: An Overview of the 2010 Data and What the Numbers Mean for Your Fundraising" is Keith's topic* **Nov. 1** *at the Virginia Association of Independent Schools' Annual Conference in Richmond.* ■