



# Creating a Major Gift Program

Tuesday, September 19, 2017 10:00 – 11:00 a.m.

# Where We Are

- In many places, Catholic schools close because tuition income + special event revenue cannot support budgets
- Today's thriving Catholic schools have adopted the business models and best practices of successful not-for-profit organizations

# How We Got Here

- Catholic schools in America started out being funded by the Church, with minimal private support
  - ➔ Almost all teachers were nuns, so salary costs were almost nothing
- In the 1970s many teaching nuns left their orders
  - ➔ Tuition costs began rising as teacher salaries began dominating budgets
  - ➔ Schools began supplementing income with bingo, book sales, bake sales, etc.

# How We Get to Tomorrow

- Acknowledge that transactional activities cannot provide the bridge between tuition income and balanced budgets
  - ➔ Major philanthropic commitments must be part of annual budgets
  - ➔ Endowment, Annual Fund, capital campaigns, and other strategies must be built in to Catholic school financing structures.



# Transaction vs. Philanthropy

# Transactions

- Recognizing a Transaction
  - ➔ *Quid pro quo*
  - ➔ Something for something
  - ➔ “What will I get for my money?”
  - ➔ Usually “one and done”
- Transactional activities
  - ➔ Golf Outing
  - ➔ High-ticket price gala
  - ➔ Engrave a brick
  - ➔ Fun Run
  - ➔ Auction
  - ➔ Book/uniform/fruit/other sale

# Philanthropy

- Recognizing Philanthropy
  - ➔ A gift with no expectation of reward
  - ➔ “What can you accomplish with my money?”
  - ➔ Long-term relationship
- Philanthropic activities
  - ➔ Annual Fund gift
  - ➔ Capital campaign contribution
  - ➔ Tuition assistance or scholarship donation
  - ➔ Matching gift
  - ➔ Bequest

“Those who keep one foot in the canoe  
and one foot on the shore are going to  
fall into the river.”

*Native American Proverb*

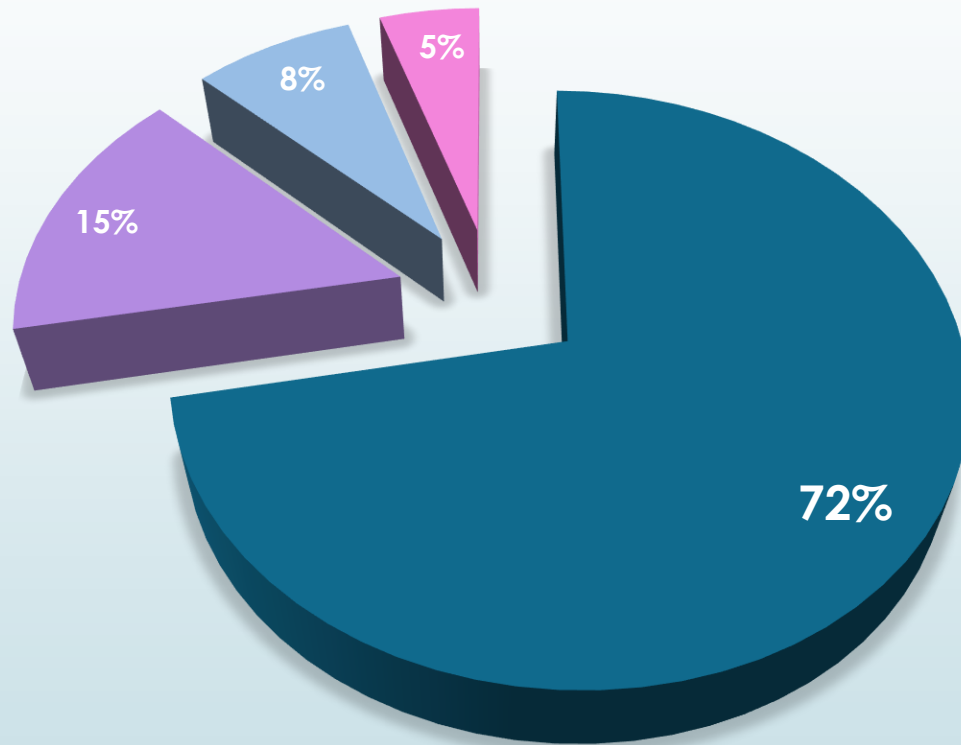






# Major Gifts Are Philanthropic Gifts

# Sources of Philanthropic Gifts



■ Individuals   ■ Foundations   ■ Bequests   ■ Businesses

Source: *Giving USA 2017*

# Prioritizing

- Foundation requests can be time-consuming, and must be started well in advance of posted deadlines.
- Bequests and planned gifts are an important part of the funding mix; however, they are most successful with donors who have a long history of giving to our school.
- Business and corporate gifts often derive from non-philanthropic motivations.

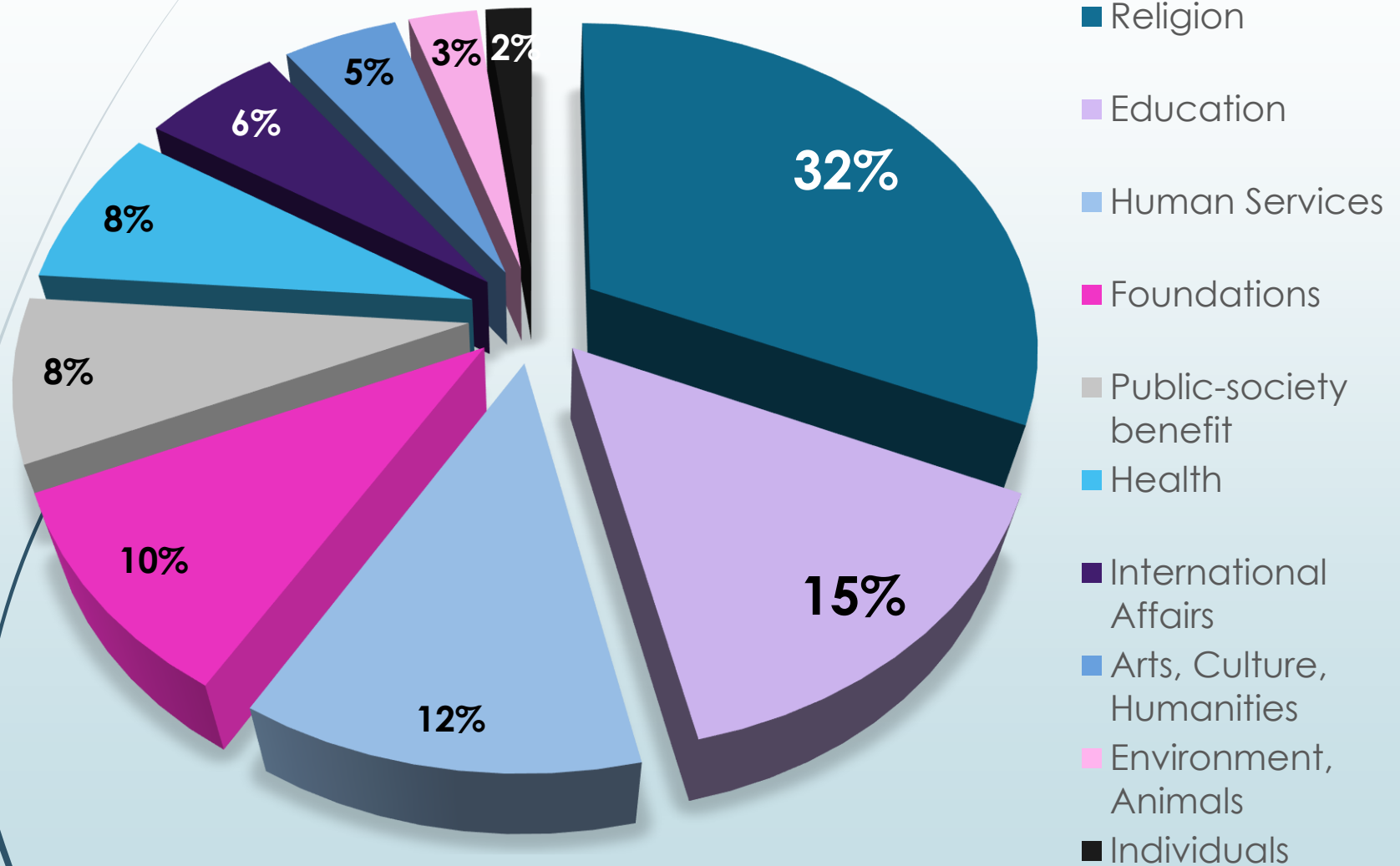
# Best Use of Our Time

- Most gifts come from individuals, so our time is most productive when discovering, cultivating, soliciting and stewarding individuals.
- We are developing relationships that last well beyond one transaction.
- A major gift program is the means for the development of sustainable support for our schools.
- From the first gift to a lifetime of support, development provides the tools and strategies for growing and sustaining our circle of relationships.

# Lifetime Relationships

- Annual Fund
  - ➔ Modest gifts
  - ➔ Begin “philanthropy” conversation
- Capital Campaign Pledge
  - ➔ Build understanding of longer-term bricks & mortar needs of the school
- Major Gift
  - ➔ Investment in school’s stability
- Legacy Commitment
  - ➔ Vision for the future

# Where Do People Give?



Source: Giving USA 2017



Major Gifts Require  
Capacity +  
Commitment

# Capacity

- What financial indicators tell us about their potential to give a major gift:
  - ➔ Occupation/position
  - ➔ Real estate/property
  - ➔ Giving history – to our school
  - ➔ Giving history – to others



# Commitment

- What is their level of involvement with our school:
  - ➔ Alumni
  - ➔ Event participation
  - ➔ Volunteering
- Are they Stakeholders:
  - ➔ A person or group with a direct interest, involvement, or investment in your school.
- Interest in Future Plans

# Typical School Stakeholders


- Parents
- Community Partners
- Grandparents
- Parishioners
- Faculty/Staff
- Alumni
- Friends



# Why You Need a Database

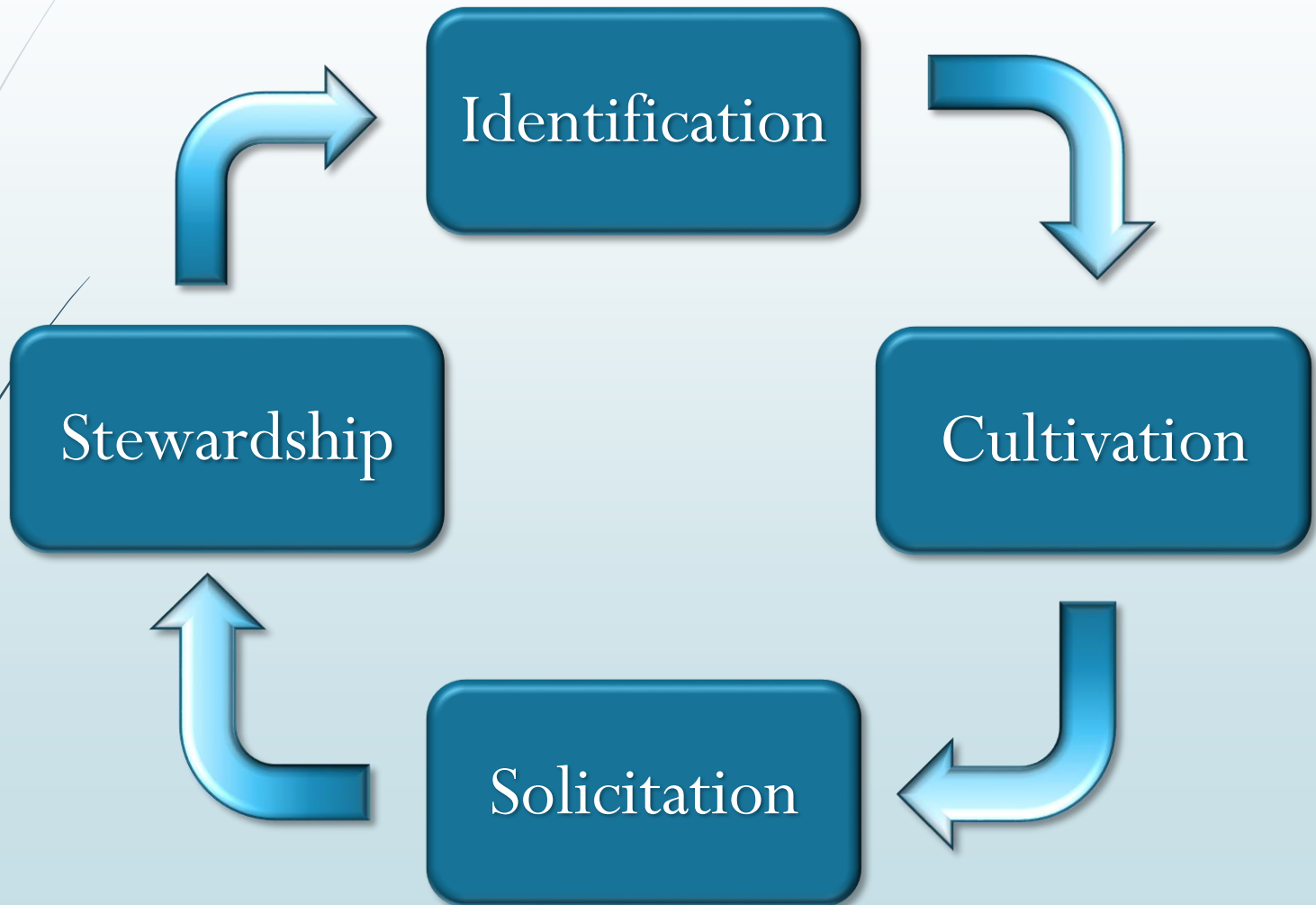
- To keep track of every gift a person has given to your school.
- To track individual activity levels, participation.
- To be good stewards of their generosity, and to thank them appropriately.
- To maintain biographical data.
- To help plan future interactions.





A Successful  
Major Gift Program  
Requires  
Knowing Where  
Each Donor Is  
Along the Donor  
Continuum

# The Donor Continuum



# The Donor Continuum



Identification

- Who might be your next major donor?
  - ➔ What is their Capacity?
  - ➔ How strong is their Commitment?
- What have they already supported at your school?
- What are their areas of interest?

# Sources for Discovering New Potential Major Donors

## Identification

- Introduction by current donors
- Alumni lists
- Previous donor lists – yours and others
- Social media
- Research

# The Donor Continuum

- Cultivation means getting to understand each other's priorities.
- Length of cultivation period varies with each potential major donor.
- Helps the donor have a better understanding of the need for a project or program, how it relates to them, and how their support will make a difference.

Cultivation



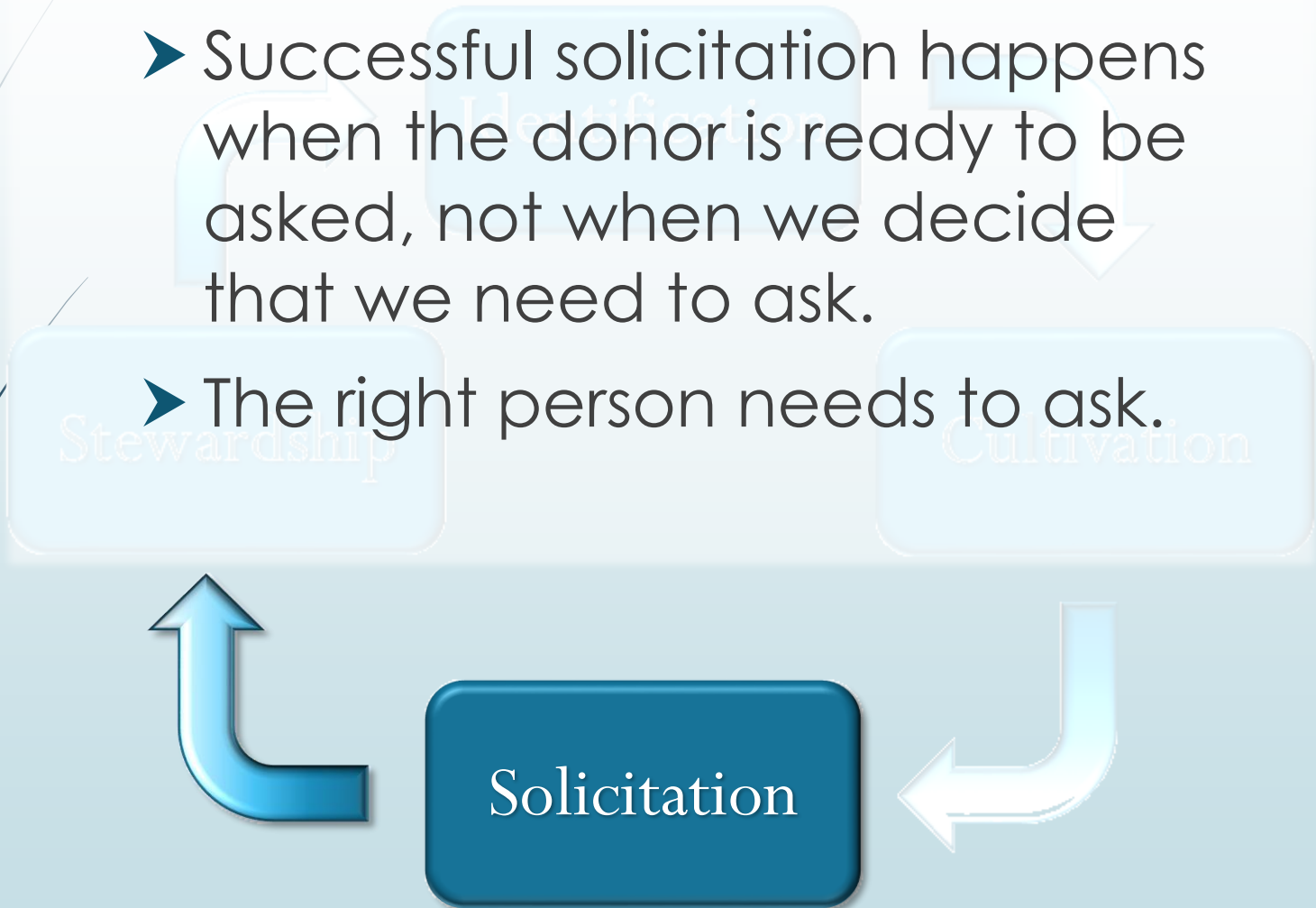
# Examples of Cultivation

- School tours
- One-to-one conversations  
(*“Let’s meet for coffee.”*)
- Newsletters
- Private receptions
- Social media
- Small-group meetings with school leadership

Cultivation

# The Donor Continuum

- Successful solicitation happens when the donor is ready to be asked, not when we decide that we need to ask.
- The right person needs to ask.



# Why Do People Give?

- Religion
- To Make a Difference
- Because They Are Asked
- Good Feeling
- Personal Connection
- Tradition/Upbringing
- Image/Recognition
- Tax Advantages
- Guilt

Solicitation

# Before you ask

- Clearly articulate your case
- Determine who will participate in the meeting
  - ➔ Be sure they know their role
    - ⇒ Case
    - ⇒ Close
  - ➔ Brief participants about the donor
- Be prepared to address reservations
- Plan appropriate follow-up

Solicitation

# The Donor Continuum



## Stewardship

- Demonstrating that the donated funds are/were put to effective and efficient use, for the purpose(s) for which they were solicited.
- Saying THANK YOU in a meaningful way.
- Setting the stage for future conversations.

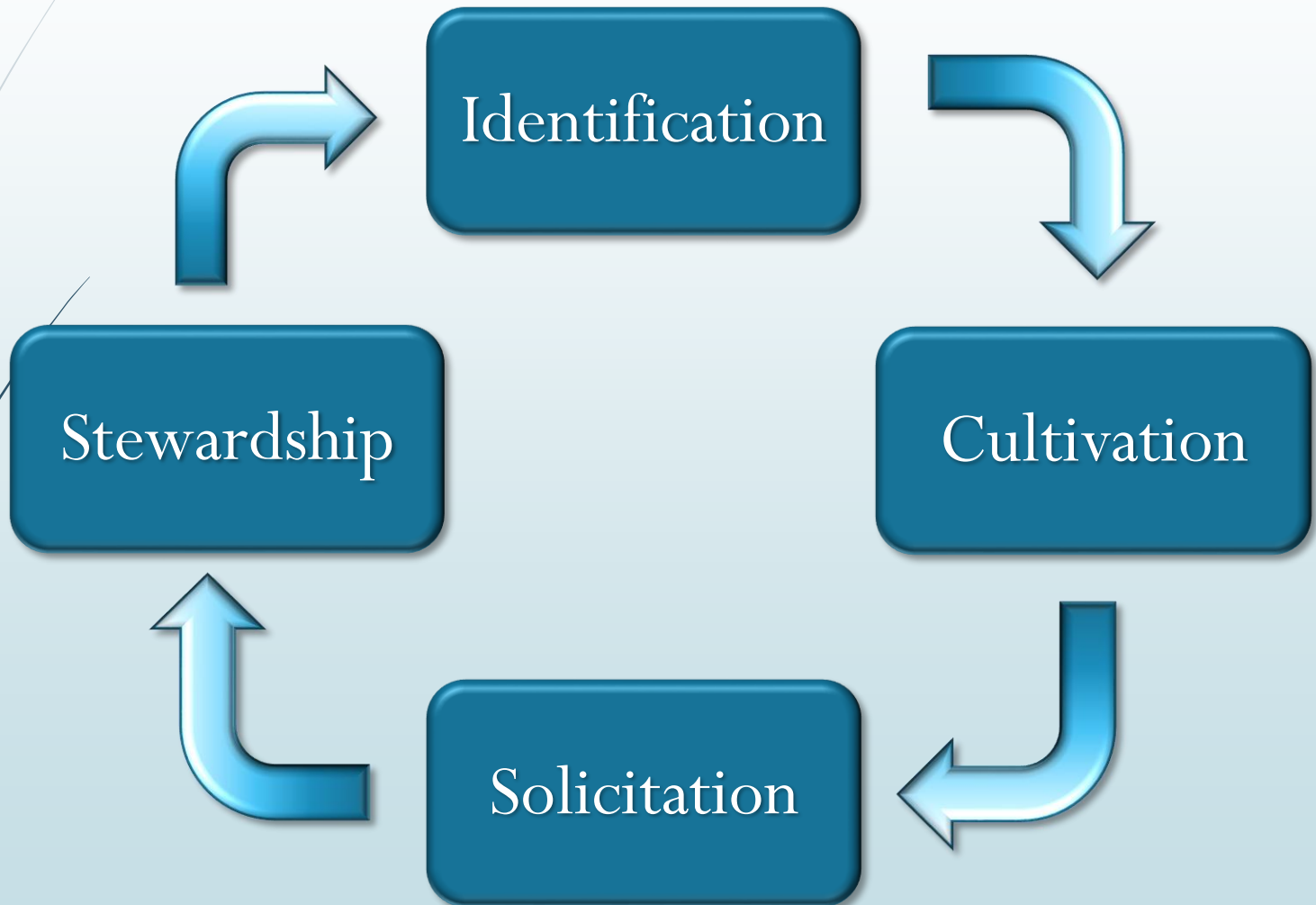
# Stewardship Activities

Include:

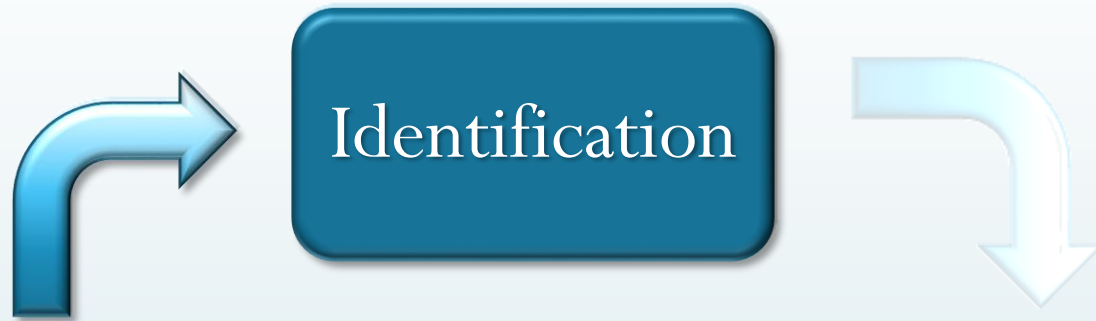
- Annual Reports
- Letters from board members
- Handmade cards from students
- Tours
- Photos
- Thank-you events (e.g. children's concert)
- Financial reports

Stewardship

# The Donor Continuum



# The Donor Continuum



- After receiving a major gift, begin identifying the next potential area of interest and involvement.
- Current major donors are the best sources for introduction to other potential major donors.



# Creating a culture of philanthropy

- Everyone who gives something to our school is somewhere on the Donor Continuum
- Understand where they are
- Guide them toward the next step
- Take the next step with them

# A Journey, Not a Destination



# For More Information

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