

Philanthropy Matters

We Share Your Passion! October 2020



Dear Colleagues,

I want to congratulate you on how effective you have been during these current challenges.

We know that you are staying the course as you deal with the following: reduced staff, emergency budgets and funding needs, events being cancelled, and added agency responsibilities. Your value and importance to your organization is greater than ever.

Some key points that we are seeing across the country

- Capital campaigns are doing very well.
- Creating a great vision will excite and challenge donors.
- The bigger the vision the more money you can raise.
- Invite your donors to be part of a project that will impact your community.
- Help your leadership stay focused on your vision.
- Don't let your board get sidetracked. This is their moment to make a significant impact today and in the future.
- Not all donors have been impacted the same way with COVID-19.

Let me offer to you this quote that may be meaningful to you.

“Our circumstances aren't the reasons we can't succeed. They are the circumstances in which we must succeed.” — Cy Wakeman.



Here are some key points from the FEP (Fundraising Effectiveness Project) from AFP, which gives us good news about today's philanthropic climate.

Why 2020 is a Good Year for Fundraising-AFP, 2020

The Chronicle of Philanthropy recently reported that giving was up 7.5% in the first half of 2020 based on results from the widely respected Fundraising Effectiveness Project. It wasn't just the wealthy who were behind the rise. The Chronicle of Philanthropy reported gifts of \$250 or less rose 19.2%, accounting for a big part of the growth

Donors are pouring out contributions to their favorite nonprofits. The number of mid-level gifts (\$250 – \$999) and major gifts (\$1,000 or more) saw year-over-year increases of 8.1% and 6.4%, respectively, compared to 2019 data.” (AFP, 2020)

What Does This Mean?

The fact that giving increased 7.5% over 2019's first half is a huge indicator that donors are motivated and feeling generous. The giving climate for the 2020 year-end giving season is projected to be robust.

All the signals indicate that giving is still quite solid as we move into autumn. And even with all the noise surrounding the election and the pandemic, loyal donors are stepping up for the nonprofits they support.

Why are we seeing so much generosity now?

- 1. Donors want to do something positive
With all the disruption of 2020, not least of all the pandemic, donors want to take action and do something positive for their community, and the world.*
- 2. The stock market is up (at least now), which is good for year-end
The US stock market took a hit, but now it continues to soar. Donors with investment portfolios are feeling flush.*

2020 Data has Shown to Be an Enormous Opportunity for Fundraising



Meet Ira Rubinfeld, Capital Campaign Chair

About 4 years ago, I was approached to consider chairing a capital campaign potentially getting underway at the I.J. and Jeanné Wagner Jewish Community Center (the “J”) in Salt Lake City, Utah. I am a longtime member of the J and have served on its Board for about five years. Although I had been on a campaign committee at another organization, I had never chaired a campaign.

Now, four years and approximately \$7.5 million later (almost at our *increased* goal!), including a six month pause due to COVID, we are in the home stretch of the campaign. We hope to break ground next spring on a new multi-use activity center building as well as other upgrades to the existing facilities.



“I have had a rewarding and learning experience.”

— Ira

I’ve had a rewarding and learning experience. Looking back with 20/20 hindsight, anyone considering chairing a campaign should ask themselves some “threshold” questions before agreeing to take on such a long term, time consuming commitment. While there are no guarantees, if you can satisfy yourself on the following five issues, your chances of heading a successful campaign and having a satisfying experience will be greatly increased.

1. **Is your organization really ready to launch a campaign?** Starting a campaign before the organization is ready is, in my humble opinion, a recipe for disaster. By “ready,” I mean has the proper due diligence been conducted? Has the scope of the project been identified?

Has a feasibility study been conducted by an outside consultant that gives you an idea of the size of your donor population and their willingness to support the project? Donors will want to know that the project has been thought through, is feasible, and has a realistic and reasonable timeline for completion.

The J’s professional staff had never been personally involved in a campaign before. (Working with David Valinsky as our outside, independent consultant reassured us that we had done the proper steps leading up to launching the campaign, as he conducted our feasibility study and has worked on many campaigns like ours. He also helped energize and train the board, staff and volunteers to deal with issues as they arose His help was tremendously valuable).

2. **Is the Board of the organization committed to the project?** The Board will not only need to approve each step of the project going forward but will also need to approve the initial funding of the due diligence and early stages of the campaign.

Additionally, but just as importantly, individual Board members need to be leaders in being initial donors to the campaign. If there is insufficient Board enthusiasm and financial commitment by the Board, you are behind at the starting line.

3. **Will the campaign be properly staffed?** The campaign will be a separate project apart from the ongoing, daily operation of the organization and needs its own organizational infrastructure.

Coordinating marketing materials, communicating with donors, tracking contacts with donors, accounting for donations recognizing donors, not to mention eventually coordinating with legal, architectural, accounting, and construction professionals is a time-consuming process.

Identifying potential donors and their capacities is at times tedious. And if you are anything like me, asking people for money is not my favorite hobby. But that's the guts of any campaign.

4. **You'll need a team of volunteers**, hopefully including a few board members, who will commit to devoting time to help identify and meet with potential donors. Developing a strategy—a “pitch” and doing role playing exercises is extremely valuable. Your team members need to be honest with themselves—if the task is not for them, they need to say so. Once you have a team that sees the vision of the project, has invested and is willing to ask for funding for it, you are on your way.
5. Finally, if you have gotten past the prior four questions—due diligence, board enthusiasm and commitment, staffing and volunteers, you must satisfy yourself that you are passionate about the organization and the project. If you are, asking potential donors for money will be much less stressful and your efforts will be a labor of love. If not, you are in for a long, frustrating haul, and you are probably best advised to be honest and decline the flattering offer.

Final thoughts and an amazing story

If you've crossed the threshold and accepted the position of chair of the campaign, congratulations and good luck! There will be highs and lows—the donors who far exceed your expectations, and those who fall far short.

Celebrate the “wins,” but don't get discouraged by the “losses.” Sometimes it's just a matter of timing, and someone who turns you down initially will come back. Lots of folks don't want to be the first ones in, but success breeds success—as you get more donations, the campaign gains credibility and more people want to join in. Most of all, you just never know.



I recently had a chance encounter with a friend of a friend-whom I had never met— who was passing through town and just wanted to chat about things to do. My wife Willamarie and I met he and his wife at their hotel for 20 minutes. In our conversation, Willamarie mentioned in passing that I was chairing a capital campaign at the J.

A few weeks later, Jim contacted me and said he'd like to contribute to the campaign. Little did I know he was very involved in his Episcopal faith and is very philanthropic. I sent him to the J's capital campaign's website. I thought his gesture was wonderful, but honestly, I expected a nominal donation from someone I had just met and who had never even been to Utah.

Instead, Jim sent a beautiful letter to the J about the value of faith based, inclusive community centers, and enclosed a substantial five figure donation to the campaign!

Our campaign is not quite finished, but the light at the end of tunnel is not an approaching train, and we are realistically contemplating a groundbreaking this spring, and a ribbon cutting less than a year later.

I am grateful for the fabulous, talented and dedicated people I've worked with, and the amazingly generous donors, large and small, I've been fortunate to meet. Hopefully, like me, you'll do your homework up front and have one of the more meaningful and rewarding experiences of your life.

Ira
Salt Lake City, Utah
October 2020

Stay safe. Stay healthy. Stay strong.



David Valinsky Associates LLC
614.238.3390 / www.davidvalinsky.com

Dawn Hensley, Editor

