



National Fund Raiser

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What Do Donors Want Most In Recognition of Their Gifts?

150 donors, at various giving levels, from each of 267 charities were asked what form of recognition they most preferred. The survey was completed by Cygnus Applied Research, Inc. So, how do donors want to be recognized? Plaques? Pen and pencil sets? Listings in Honor Rolls of Donors? Donor Wall Engravings? None of the above?

None of the above. An overwhelming number of donors said that a **well-written, inspirational, brief thank you letter, received within two weeks of the date of their checks**, was most important to them.

If your gift acknowledgement letter reads something like:

On behalf of the Board of Directors of XYZ, I want to thank you for your recent gift of \$50. Blah blah blah.

Then you need to ask: "How well written is this?" First, it's clichéish. Second, if you "want to thank you," why don't you go ahead and thank me?

In an endowment campaign we are managing for the Salvation Army, here is the gift acknowledgement letter we are using:

Perhaps today you will save a life. Or feed hungry children. Or provide shelter for down and out families. Or provide wholesome recreational activities for teenagers who are at risk.

More than 20,000 needy in Stanislaus County join me in saying thank you sincerely for your recent pledge of \$_____ to The Salvation Army's "70/30 Building a Legacy" campaign. Your thoughtfulness and continuing support are deeply appreciated.

Please know that your gift is already hard at work helping to meet today's urgent needs and will continue to benefit many for years to come.

Now, take another look at **your** gift acknowledgement letter. Rewrite it to talk about what the donor is making happen. Make it inspirational. Make it brief. Perhaps you might like to conduct a focus group study among a few of your faithful donors **and** lapsed donors to develop a feel for what might work for you.

Six Important Steps in Reshaping or Rebuilding Your Board

sixth in a series on board development

Here are some of the things you, your CEO and your board chair can do to reshape and rebuild your board so they become active in development:

1. Have two or three of your most active board members draft a board job description based on positive points A-E discussed last month (see January's supplement).
2. Have a board resolution about giving and asking introduced by an active board member (see January).
3. Have your board chair present one fourth of your board members with book A, one fourth with book B one fourth with book C and one fourth with book D:
 - A. Houle, C.O. *Governing Boards: Their Nature and Nurture*. San Francisco: Jossey-Bass, 1989
 - B. Mixer, Joseph R. *Principles of Professional Fund Raising*. San Francisco: Jossey-Bass, 1993
 - C. Rosso, Henry A. *Achieving Excellence in Fund Raising*. San Francisco: Jossey-Bass, 1991
 - D. Burk, Penelope *Donor Centered Fundraising-How to Hold Onto Your Donors and Raise Much More Money*, Chicago, Hamilton, ON: Cygnus Applied Research, 2003
4. You and your CEO can work with your board chair to slowly bring about changes in the board selection process. Make sure there are at least two good nominees for every board opening and secure an advance commitment that the candidates will honor the board job description.
5. Form an "Advisory Council" or "Chair's Council" which is made up of 10-20 prospective board members. This group can be used as a feeder group or "farm system" from which future board members are chosen. They can be involved in recommending policy to the board and, primarily, in fund raising.
6. Use last year's list of large-gift donors to your organization to nominate Advisory Council or Chair's Council members.

The tone is set at the top! The success of your development program will be directly related to the degree of involvement of your board.

If your board places a high priority on fund raising – not just in policy but in action – you will succeed. If your board understands that your development budget is an investment, not an expense, you will succeed. If 100 percent of your board members give annually to the best of their abilities, you will succeed. If your board members are willing to set aside personal time to make personal calls for larger

gifts, you will succeed. If your board is willing to work with you in adopting a development master plan, and, stands ready to help make it work, you will succeed. If your board does all of these things, you will have no excuse not to succeed.

Converting Lapsed Donors to Active Status

part four of four

We began this series three issues ago defining recent and older lapsed donors and discussing the three major reasons why donors become lapsed. A fourth reason, we are now learning, is that donors did not receive a personalized, timely gift acknowledgement letter (see page one). Last issue we presented procedures for cleaning up your file of lapsed donors.

Once your addresses are updated, this fall, send a letter to your lapsed with special copy stressing how much good the donor has helped to accomplish with his or her past gifts. Let each know “We have missed hearing from you recently,” and discuss how important renewed support is.

If a lapsed donor responds to the fall mailing, send a personalized, inspirational thank-you letter right away and do not solicit again until 2006. For those lapsed donors who do not respond to your fall mailing, use a different copy approach and mail as a holiday request in the third or fourth week in November.

Between these two mailings, you should reinstate a cumulative seven to ten percent of older lapsed and nine to twelve percent of those who have been lapsed for only a year. So what do you do with the rest?

First, purchase an inexpensive software package listing all of the names and phone numbers of everyone in the country (Should cost less than \$100.). Then, add an updated phone number to each remaining lapsed donor on file, starting with your more recently lapsed.

Recruit a team of volunteers so you have two or three coming into your office each day for a total of six to eight hours of telephoning per day during January and February. Make sure each volunteer worker is also a donor.

Hi, Mrs. Jones? I’m Sam Smith, a volunteer down at the Children’s Center. I’m calling you today because you’ve been a good, supporting friend of the Children’s Center in the past but we haven’t heard from you in a while. I just wanted to find out if somehow we have offended you or failed to thank you properly for your support? (If the lapsed donor does express a concern, the volunteer should say “I’m really sorry that happened. You are important to the Children’s Center and I would like for one of our administrators to telephone you to discuss how we can correct this problem.”

Most lapsed contacted will not have a complaint but merely state they’ve just been too busy to respond. Or, they may indicate that they feel their gifts haven’t been that important.

Mrs. Jones, you are still very important to the Children’s Center and we hope the Children’s Center is important to you. One of our goals this year is to increase significantly the counseling services for abused children and we’re hoping you will help us reach that goal. Your last gift to the Children’s Center was for \$25 and we hope you can be as generous again. May we count on your renewed support, Mrs. Jones?

You will probably have 15 – 25 percent of those reached agree to give. Make sure your volunteers carefully listen to the response. There's a big difference between "yes, I'll give" and "yes, I'll consider giving." Follow up with a confirming thank you note and reply envelope immediately.

Thank you very much for agreeing to renew your support with a gift of \$____, or,

We really appreciate your agreeing to consider renewing your support with a gift of \$____.

For all of those **older lapsed** donors who received your two special mailings and a volunteer's telephone call and still don't respond, **drop them from your database.** You can store those dropped on a disk in case you ever need to retrieve information. But why take up hard drive space with those who are not likely to ever give again? Why continue to waste \$3 or more each year sending materials?

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Development Strategies

Your personal-visit program with board and advisory council members should be in full swing.

To be effective, those who will be involved should already be committed to giving a stated amount in 2005.

Begin planning for a fall special event and year-end cause-related marketing.

All of your proposal preparation deadlines should be in your tickler file (see March Strategies).

By now, you have ordered your name-rental lists for your May/June acquisition mailing and firmed up drop dates for the following, fully-personalized in-house lists:

Ongoing Small Gift Donors - *those who gave less than \$75 in '04 and any amount in one or more years prior to '04, and who have yet to give in '05.* Thank each donor for "**last year's gift of \$____.**" Discuss what the donor's support helped to accomplish (last year's progress, number served, or a story about a person helped). Tell about the people who need help this year and ask for an upgrade . . . "**This year, will you please consider a gift of (last year's gift plus 25% rounded to the next highest \$5 – e.g. \$25 + 25% = \$31.25 rounded to \$35).**"

First-Time Renewals – *those who gave for the very first time in 2004 and have yet to give in '05.* Do not attempt to upgrade these donors because you are still in the process of strengthening your linkage with them. Make sure your relationship is on solid ground (two consecutive years of giving) before you ask for an increase in gift size. "**Thank you for your thoughtful gift of \$____ last year and we hope you can be as generous in 2005.**"

Lapsed Donors – *those who gave in one or more years prior to 2004, but did not give in '04 nor have they given in '05.* "**We really miss you. Your past support helped us serve many and you are needed again.**" Talk about current needs and the people who need your help. "**Your gift in any amount will be deeply appreciated and wisely invested in helping**"

