



Permian Basin Chapter

Planning and Building Endowment: Forever!

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EMPOWERING ORGANIZATIONS THAT SERVE

Topics for Discussion

- Endowment Readiness
- Endowment Expectations
- Endowment Planning and Maintenance
- Tools to Build Donor Relationships
- Engaging Board Members and Volunteers to Build Donor Relationships

Endowment Discussion

- Endowment Program vs. Proactive Endowment Program
- Financial Role of Endowment in Organizations
- Purpose of Endowment

Endowment Readiness

- Successful endowment fundraising is dependent upon several important elements:
 - An organizational strategic plan;
 - Comprehensive annual and long-range development plans;
 - Committed volunteer leadership and staff;
 - A strong culture of philanthropy;
 - A disciplined program of action and follow-up; and
 - A structured program with clear responsibilities, methods of accountability and performance measures.

Endowment Expectations

- To the Donor
 - Perpetuates the donor's values and priorities
 - Makes a significant investment in the future
 - Endows annual gifts
 - Allows incremental funding
 - Provides lifetime income
 - Permits additions at a later time

Endowment Expectations

- To the Organization
 - Creates an ongoing source of income
 - Enhances stability and prestige
 - Relieves pressure on the annual fundraising
 - Allows program expansion
 - Provides independence
 - Offers flexibility for management
 - Builds pipeline for future gifts
 - Encourages outright gifts

Endowment Expectations

- To the Fundraiser
 - Offers options to donors
 - Attracts new donors
 - Focuses on the donor's objectives
 - Ultimate gift conversation

Endowment Planning and Maintenance - *Rationale for Support*

- Conversation
- Summary Rationale Document
 - Testimonials
 - Significance
 - Ideas for designation
 - Recognition opportunities

Endowment Planning and Maintenance - *Prospects*

- What are common characteristics of endowment prospects?
- What development and marketing vehicles are you using?
- What development and stewardship strategies do you have in place?

Endowment Planning and Maintenance - *Engagement Strategies*

- Endow annual gift
- Planned giving
- Annual giving
- Anniversary gifts
- Events
- Campaign
- Giving society
- Marketing and communications

Endowment Planning and Maintenance - *Keeping it Relevant*

- Contributes to the mission and long-term benefit of the organization
- Constituents see that it is worthy of dedicated resources
- Integrated into overall development marketing and communication plans

Endowment Planning and Maintenance - *Measuring Performance for Optimal Success*

- Donor satisfaction (survey and personal engagement)
- Staff performance (new funds established)
- Number and amount of gifts and pledges
- ROI for the institution
- Investment performance

Tools to Build Donor Relationships

- Efficient development processes
 - Financial management of endowment (today and in the future)
 - Recognition through named endowed funds and/or endowment society
 - Stewarding endowment donors through endowment reporting
- Endowment funding objectives
 - Are funding objectives consistent with the organization's plan?
 - Communicate how endowment funding objectives propel the organization forward

Tools to Build Donor Relationships

- Prospect engagement
 - Take the order
 - Listening for the gift
- Engagement of allied professionals
 - Legal and accounting professionals
 - Financial management

Engaging Board Members and Volunteers to Build Donor Relationships

- Time
 - Allowed for the process (calendar and patience)
- Training
 - Of staff and volunteers
- Tension
 - Of hurrying to “open” the gift, yet building the relationship

Engaging Board Members and Volunteers to Build Donor Relationships

- Role in visioning and strategic planning
- Training and orientation
 - Donor motivations
 - Discovery process as listening
 - Cultivation process as sharing
 - Value-based solicitation
 - Stewardship
- Role of the Board in fundraising
 - Donors
 - Centers of Influence/Opening Doors/On the Street

Summary Discussion and Questions

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