COVID-19
(Fundraising in an Economic Downturn)

Sponsored By

Fifth Third Bank

Strengthening our communities.
• All lines are muted.
• Feel free to ask questions by typing your question in the Q&A box.
• If you lose your Internet connection, reconnect using the link e-mailed to you.
• The presentation and recording are available on the COVID-19 Resources Hub located on the Prosperity Indiana member portal (www.prosperityindiana.org/page-18228)
Carey W Craig, Capacity Development Manager
PROSPERITY INDIANA
JOB SEARCH SOLUTIONS: LEVERAGING THE LATEST TOOLS & TEACHINGS TO EMPOWER JOB SEEKERS

Program Components

- Access to NextJob’s Online Job Search Training Software (Toolkit)
- Training & tools on effective use of the Toolkit
- Job Club materials and training on use
- Access to monthly reports showing job seeker progress
- Initial pre-scheduled staff training calls
- Monthly connectivity and best practices call

Two-Month Job Coaching Scholarships – Partners enrolled and using program resources will have an opportunity to apply. Includes:

- Online Job Search Training Software (Toolkit)
- Weekly Virtual Job Club Workshops
- Virtual One-on-One Job Coaching

** For questions or to participate in an Orientation call to see if this program is right for your organization, please contact Jadira.Hoptry@53.com.

Tamara’s Story
https://youtu.be/nX7625G5kWM
VIRTUAL Programs

Adults and Children

During Covid – 19 Social Distancing Requirements
• Founded in 1986 as the Indiana Association for Community Economic Development

• “Prosperity Indiana builds a better future for our communities by providing advocacy, leveraging resources, and engaging an empowered network of members to create inclusive opportunities that build assets and improve lives.”

• RESOURCES, ENGAGEMENT, ADVOCACY, and PROGRAMS
Shariq A Siddiqui, Ph.D., Assistant Professor of Philanthropic Studies | Director, Muslim Philanthropy Initiative
Lilly Family School of Philanthropy, Indiana University
Fundraising in Economic Downturns

Monday, May 4, 2020 10:00 am EDT

Prosperity Indiana

Muslim Philanthropy Initiative, Lilly Family School of Philanthropy at Indiana University

SPONSOR: FIFTH THIRD BANK
Thank you to

Patrick Rooney

Executive Associate Dean for Academic Programs; Professor of Economics and Philanthropic Studies
2018 Contributions: $427.71 billion
by source of contributions
(in billions of dollars – all figures are rounded)

- **68% Individuals**: $292.09 billion
- **18% Foundations**: $75.86 billion
- **9% Bequest**: $39.71 billion
- **5% Corporations**: $20.05 billion

©2019 Giving USA Foundation™
SOURCE: Giving USA Foundation|GIVING USA 2019
2018 Contributions: $427.71 billion
by type of recipient organization (in billions of dollars – all figures are rounded)
Total giving: 1978-2018 (in billions of dollars)
## High Net Worth Giving

<table>
<thead>
<tr>
<th>Percent of Households that Gave</th>
<th>Share of Total Amount Given</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic needs</td>
<td>Religious or spiritual</td>
</tr>
<tr>
<td>54%</td>
<td>43%</td>
</tr>
<tr>
<td>Religious or spiritual</td>
<td>Basic needs</td>
</tr>
<tr>
<td>49%</td>
<td>19%</td>
</tr>
<tr>
<td>Health care or medical research</td>
<td>Health care or medical research</td>
</tr>
<tr>
<td>36%</td>
<td>9%</td>
</tr>
<tr>
<td>Combined charities*</td>
<td>Education (K-12)</td>
</tr>
<tr>
<td>31%</td>
<td>6%</td>
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<tr>
<td>Youth or family services</td>
<td>Youth / Family</td>
</tr>
<tr>
<td>29%</td>
<td>5%</td>
</tr>
<tr>
<td>Other**</td>
<td>Environment</td>
</tr>
<tr>
<td>25%</td>
<td>4%</td>
</tr>
<tr>
<td>Disaster relief efforts</td>
<td>Higher Education</td>
</tr>
<tr>
<td>25%</td>
<td>4%</td>
</tr>
<tr>
<td>Animals</td>
<td>Other</td>
</tr>
<tr>
<td>25%</td>
<td>3%</td>
</tr>
<tr>
<td>Education (K-12)</td>
<td>Combined charities*</td>
</tr>
<tr>
<td>24%</td>
<td>2%</td>
</tr>
<tr>
<td>Arts and culture</td>
<td>Arts &amp; culture</td>
</tr>
<tr>
<td>24%</td>
<td>2%</td>
</tr>
<tr>
<td>Higher education</td>
<td>Animals</td>
</tr>
<tr>
<td>22%</td>
<td>1%</td>
</tr>
<tr>
<td>Environment</td>
<td>International aid</td>
</tr>
<tr>
<td>20%</td>
<td>1%</td>
</tr>
<tr>
<td>International aid</td>
<td>Disaster relief efforts</td>
</tr>
<tr>
<td>11%</td>
<td>1%</td>
</tr>
</tbody>
</table>

©2018 Study of High Net Worth

SOURCE: The 2018 US Trust® Study of High Net Worth Philanthropy
High Net Worth Giving

Number of different organizations to which high net worth households give
Among those that gave in 2017

- Five or more: 49%
- One: 8%
- Two: 16%
- Three: 16%
- Four: 11%

Average number of organizations to which high net worth donors give: 7

©2018 Study of High Net Worth
SOURCE: The 2018 US Trust® Study of High Net Worth Philanthropy
Predictors of Charitable Giving

S&P 500:
As assets rise, so does philanthropy.

Personal Income:
Growth in household income results in growth in philanthropy.

Charitable Giving:
Previous giving typically predicts future giving.

Source: ISPU
# Annual Giving Metrics

<table>
<thead>
<tr>
<th>Year</th>
<th>Overall Gift Retention Rate</th>
<th>Overall Donor Retention Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>46.4%</td>
<td>49.7%</td>
</tr>
<tr>
<td>2006</td>
<td>44.5%</td>
<td>46.2%</td>
</tr>
<tr>
<td>2007</td>
<td>48.1%</td>
<td>46.7%</td>
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<tr>
<td>2008</td>
<td>43.3%</td>
<td>45.2%</td>
</tr>
<tr>
<td>2009</td>
<td>43.0%</td>
<td>40.5%</td>
</tr>
<tr>
<td>2010</td>
<td>45.1%</td>
<td>42.7%</td>
</tr>
<tr>
<td>2011</td>
<td>45.0%</td>
<td>41.5%</td>
</tr>
<tr>
<td>2012</td>
<td>43.4%</td>
<td>43.2%</td>
</tr>
<tr>
<td>2013</td>
<td>47.4%</td>
<td>42.8%</td>
</tr>
<tr>
<td>2014</td>
<td>47.2%</td>
<td>45.7%</td>
</tr>
<tr>
<td>2015</td>
<td>48.0%</td>
<td>45.9%</td>
</tr>
<tr>
<td>2016</td>
<td>47.8%</td>
<td>45.5%</td>
</tr>
<tr>
<td>2017</td>
<td>48.0%</td>
<td>45.5%</td>
</tr>
<tr>
<td>Average</td>
<td>45.9%</td>
<td>44.7%</td>
</tr>
</tbody>
</table>

Source: 2018 Fundraising Effectiveness Report
The challenge ahead – lessons from history

- Stock Market
- Disaster Relief
- Economic Downturn
Total giving: 1978-2018 (in billions of dollars)
The Fundraising Cycle
Awareness of Marketing Principles

Strategic Checkpoint: Demonstrate Stewardship and Renew the Gift
Planning Checkpoint: Examine the Case
Planning Checkpoint: Analyze Market Requirement
Planning Checkpoint: Prepare Needs Statement
Planning Checkpoint: Define Objectives
Planning/Action Checkpoint: Validate Needs Statement

Action Checkpoint: Solicit the Gift
Action Checkpoint: Activate Volunteer Corps
Planning Checkpoint: Prepare Communication Plan
Action Checkpoint: Involve Volunteers
Planning/Action Checkpoint: Validate Needs Statement

Planning Checkpoint: Prepare Fundraising Plan
Planning Checkpoint: Identify Potential Giving Sources
Planning Checkpoint: Select Fundraising Vehicle
Planning Checkpoint: Evaluate Gift Markets

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The challenges for techniques - Ladder of Effectiveness

Personal: face to face
- Team of two
- One person

Personal letter (on personal stationery)
- With telephone follow-up
- Without telephone follow-up

Personal telephone
- With letter follow-up
- Without letter follow-up
Ladder of Effectiveness

- Personalized Letter/Internet
- Telephone solicitation/phoneathon
- Impersonal Letter/direct mail/Internet
- Impersonal telephone/telemarketing
- Fundraising Benefit/Special event
- Door-to-Door
- Media advertising/Internet/Social Media
The challenges ahead – Unique Muslim Nonprofit dynamics

- Major Gifts: top 10%
- Upgraded Gifts: Middle 20%
- Base: 70%
Donor Pyramid Fundraising Strategies

- **UNIVERSE OF PROSPECTIVE DONORS**: Direct Mail, Telemarketing, Fundraising Benefit, Internet, Media, Door-to-Door

- **FIRST TIME DONOR**: Personal Contact, Letter, Phone Call

- **RENEWED/UPGRADED DONOR**: Personal Contact, Letter, Phone Call

- **SPECIAL/MAJOR GIFT DONOR**: Personal Contact only

- **CAPITAL CAMPAIGN DONOR**: Personal Contact only

- **PLANNED GIFT DONOR**: Personal Contact only
Stewardship

The job of supervising or taking care of something, such as an organization or property.
Stewardship and Fund Raising

1. Using Gifts Widely
2. Using Gifts for Their Intended Purpose
3. Managing the Mission Well
4. Having Impact
5. Communicating This to the Donor
Stewardship is not a thank you! It simply begins with gratitude.
Thank you to

Laurie Paarlberg

Charles Stewart Mott Chair on Community Foundations; Professor of Philanthropic Studies
What is a donor advised fund (DAF)?

• "A philanthropic giving vehicle administered by a charitable sponsor. Donors then recommend grants from those funds to other charitable organizations" (National Philanthropic Trust).
What is a donor advised fund (DAF)?

"A philanthropic giving vehicle administered by a charitable sponsor. A donor-advised fund allows donors to establish and fund the account by making irrevocable, tax-deductible contributions to the charitable sponsor. Donors then recommend grants from those funds to other charitable organizations“ (National Philanthropic Trust).
Working through the mediated relationship

• Let these “advisors” know about your good work.
  • Since many DAF account holders seek advice from the sponsor organizations (and sometimes financial advisors), particularly community foundations...

• Try to establish a relationship with the donor.
  • The check from the sponsoring organization may come with a person’s name or fund name.
Make it easy for donors
Strategy

Don’t get distracted! Your mission is still relevant.

Do you have a written fundraising plan?

Do you have a gift range chart?

Have you examined your donor data?

Reach out to your donors and make sure they are ok?

Who are your champions who can help reach out to donors?

Remind your stakeholders why they started giving to you in the first place?

Have a strategy for each part of your donor pyramid?

Proactively think of ways in which you can do what you are doing with less?

SURVIVE – CASH FLOW RESERVES!

INNOVATE – STIMULUS, GOVERNMENT, EMERGENCY FUNDS
QUESTIONS

- Shariq Siddiqui JD PhD
- Email: ssiddiqu@iu.edu
QUESTIONS?
covid19response@prosperityindiana.org