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Fundraising

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Preface

This monograph is the fourth in a series produced by the Department of Education of the General Conference of Seventh-day Adventists. The series intends to provide an orientation to major issues in higher education and is written primarily for administrators working in the tertiary education sector.

One of the functions of the General Conference Department of Education is to arrange for and assist in the accreditation of all higher-education institutions operated by the Seventh-day Adventist Church. The Accrediting Association of Seventh-day Adventist Schools, Colleges, and Universities (AAA) fulfills this responsibility and identifies in its handbook its expectations for institutional operation. The monographs in this series are designed to help administrators improve institutional quality in line with AAA expectations and international best practice.

This volume is co-authored by two eminent fundraisers, based on their many years of experience in raising millions of dollars in support of higher education. Dr. Niels-Erik Andreasen served as president of Andrews University for 22 years and before that as president of Walla Walla College (now Walla Walla University). He taught the ideas in this volume to educational leaders at the East-Central Africa Division Higher Education Consultation in 2017 and to educators at a conference for the Inter-European Division in 2018. All references to "I" in this monograph draw on his personal experience. Michael Andreasen, a higher-education fundraiser, is Vice President for Advancement at the University of Oregon, Eugene. He previously held fundraising positions at the University of Michigan and the University of California, Santa Barbara and Irvine. The appendices contain worksheets and exercises to aid in preparation for fundraising as well as sample fundraising charts, reports, and a variety of letters. These practical worksheets may be used by administrators and the fundraising team working together, or they can be used for a workshop to launch fundraising.

For their constructive review of the manuscript, many thanks to Rachelle Bussell, RN, MA, CFRE, Senior Vice President for Advancement; David Colwell, CFRE, Advancement Operations Officer; and Julie Roth, Senior Executive Assistant, all in Advancement at Loma Linda University Health, Loma Linda, California, U.S.A. Thanks also goes to Beverly Rumble, editor emeritus of *The Journal of Adventist Education*, for her effective editorial contribution.

Years ago, when I was an academic administrator at the University of Illinois College of Medicine, I complimented the university's director of development for his eye-opening presentation on fundraising. "I'm a Christian," he replied, quite to my surprise. "Everyone wants to make a positive impact in life, and my job is a ministry to connect donors' passion with the needs of the university." That is the heart of fundraising. The purpose of this volume is to enhance skills in a ministry that connects donors, the tertiary institution, and the mission of Seventh-day Adventist higher education.

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Monographs in the Higher Education Management series are available by contacting the Department of Education, General Conference of Seventh-day Adventists, 12501 Old Columbia Pike, Silver Spring, MD 20904 U.S.A.; or may be downloaded from: http://education.gc.adventist.org (see resources/reference materials).

Table of Contents

PART I: SETTING THE STAGE FOR EFFECTIVE FUNDRAISING: AN OVERVIEW

THREE BRIEF STORIES

Some years ago during an alumni donor breakfast, my guest leaned over the table, looked me straight in the eye, and asked: “If I gave you one million dollars right now for the university program I care most about, how would you spend it?”

“That is easy,” I replied spontaneously. “I would set up a scholarship fund for gifted and needy students, of which we have many. But how would you find so much money to give me right now,” I asked.

“That is easy,” he replied. “The hard part is giving it away effectively.”

This little anecdote points to a fundamental principle of fundraising, or institutional development, as it is also called. At its basis, fundraising means formulating a unique cause or vision within the college or university that attracts the enthusiastic support of donors (rather than identifying donors for each of our many important causes). The point is to make fundraising donor-focused rather than gift-focused. That explains why effective fundraisers often do not outright ask potential donors for gifts to the college or university. Instead, they present the school in a compelling way that identifies a cause or causes for which donors have been searching.

Of course, there are exceptions to this approach, such as simply asking for financial help with the important work of education or with solving some current institutional crisis. At times, these direct approaches work, but they rarely, if ever, by themselves provide significant support for the institution, and in worst-case scenarios, they barely pay for the cost of the development department. Therefore, a compelling cause or vision that catches the attention and passion of the donor is the key to successful fundraising. Such donor-centered fundraising must be the starting point. It builds relationships, evokes passion, shares a vision for a great cause, and prepares the way for the “ask.” Naturally, without an “ask,” the gift will most likely not happen. However, enabling the donor to give at full capacity requires a shared and inspiring vision of what the gift can do for the institution and its educational mission. An inspiring vision nearly always precedes the gift and is key to donor-centered philanthropy.

I learned that lesson the hard way early in my fundraising experience. I met with a potential donor who was reported to be interested in one of our science programs, which we taught in a very old building with inadequate labs. So I asked him for quite a large amount of money that would take us a long way toward improving the science program. I asked him to do this for his old school at this time of opportunity. But I had misunderstood him. He was not just a generous alumnus ready to be asked for help. He was looking for a cause about which he had been passionate for a long time but had never been given an opportunity to embrace.

“Can we really achieve our goal with the amount you are proposing?” he asked me.

“No,” I replied, “I am counting on other partners to join in and provide the rest of the needed funds.”

“Give me your pen,” he demanded. It was a fountain pen. After I handed it to him, he opened it and scratched out the number I had put down. Splattering ink over the commitment page, he wrote a new number 30 percent larger than mine.

“Now that is better,” he said. His wife sat nearby and looked worried as she asked, “Can we really manage all that?”

“Oh, yes,” he replied. “This is what is needed. I feel much better now.” The right cause is its own “ask,” and the fundraiser’s job is to make it exciting for the donor to consider giving, and then make it easy to give.

Another way of saying this is to look at donors as enthusiastic partners in an exciting endeavor. Let me illustrate this with a very different experience. A donor family provided the university with a very large gift to achieve a goal they had dreamt about for years but were unable to reach on their own. The day after receiving that entire gift in the form of appreciated stock, I and our development director called on the donors at their home to thank them once again. Not knowing how to say thank you for so much, we stopped by a florist and bought all the roses in the shop to express our deep appreciation for this large gift. To my surprise, upon seeing me at the door with my arms full of flowers, the donor exclaimed: “No, no; it is not you, but we who are thankful that you have made it possible for us to support that splendid cause and thus fulfill our lifelong dream.” I thought of the words of Jesus, quoted by the apostle Paul: “It is more blessed to give than to receive” (KJV), and the advice by Winston Churchill, “We make a living by what we get, we make a life by what we give.”

These three anecdotes, all of them true stories, serve to make a single important point. Fundraising is not primarily asking for money but defining a great cause or challenge and sharing it with the right donors(s). That is where philanthropy begins. But that point, though very important, must not be exaggerated unduly to the exclusion of all else. For of course, donations also come in upon request. In fact, a donor once asked me: “Why do people give?” His own answer was simply: “Because someone asks.” Yes, that is also true. Even door-to-door contributions happen simply in response to someone asking for them. And significant gifts are sometimes received merely in response to an “ask,” as we say. There might even be occasions when a donor is hoping and longing to be visited by a fundraiser! However, the college or university should not just wait for this to happen.

FROM DONATION TO DONOR

This manual is not written primarily to assist with that traditional and certainly honorable approach of beginning with a phone call, making an appointment followed by a visit, concluding with an “ask,” and hopefully receiving a gift. To be sure, there are many things to learn about that direct and time-honored approach to raising money. To be successful, one has to ask the right way, at the right time, for the right amount. All serious fundraisers must learn to follow this approach and do it well. Excellent workshops and many books are available to help fundraisers succeed in this approach—and there is much every fundraiser, even those who are experienced, can learn to do better and with greater success. However, here in this manual, we are taking on a larger and more exciting challenge in fundraising. We are seeking ways to make the institution so full of compelling causes that it draws partners and supporters into its orbit, as though the campus were the preferred place for them to be. Our main focus, therefore, is not the gift (money), but the giver (donor), and the objective is not simply to solicit a gift to the college or university, important as that is, but to bring donors into the higher-education environment as enthusiastic partners, investors, and supporters. It is my experience that by focusing on the donor, rather than just upon the donation, fundraising will be more successful and durable for the institution and far more rewarding for the donor.

In short, this manual seeks to explore how a Christian university, college, or seminary can identify and foster a circle of supporters, partners, and donors who give again and again, sometimes in major ways because they are completely taken by the cause they have decided to support. These are institution-changing gifts, whether large or small, and they are infectious. Understood this way, effective fundraising can actually help a school achieve great accomplishments, simply because it works hard to keep up with the aspirations and dreams of its donors and partners and does not want to let them down. The question is, How can we articulate the cause or vision for which we work as educational administrators and fundraisers in such a way that our supporters link up with the institution to support it and drive it forward as though it were their own?

A donor once sat me down at the large table in his beautiful dining room to talk. He talked, and I mostly listened. (Most fundraisers talk far too much. I have never met a fundraiser who lost a gift because of listening too much.) He talked about his life—it had been long; about his family—there were many members; about his work—it had been rewarding and fruitful; and about the strong start in life he had received from his *alma mater*, the university where I worked at the time. Suddenly he stopped talking, looked me square in the face, and earnestly asked me a simple and direct question, "Can you assure me that in the future when my grandchildren, and their children, are of college age, they can come to this university from which my wife and I graduated and receive a first-class education, enabling them to become competent, committed Christian professionals? Is that the kind of university you represent? Can you promise me that?"

I thought for a while about the schools and departments in the university: English, history, religion, biology, social science, music, math, architecture, business, physical therapy, etc., etc. Would the professors of those departments, all of whom I knew well, would they educate this man's grandchildren and great grandchildren that way? As I turned his question over in my mind for a few seconds, and the faces of our faculty members passed before my mind's eye, I looked up and our eyes met again as I said, "Yes, I am confident that will happen, exactly as you say."

"Good," he said, and continued, "Here then is how I will structure the gift we have discussed."

FUNDRAISING AND GOVERNANCE

Every gift is accompanied by a promise that must be kept. That promise is made by the college or university, and it must be kept so that the cause that evoked the interest of the donor and inspired the gift will be honored by the institution and developed further until it becomes an integral part of the school's future. To make sure that happens, the institution must evoke confidence in its work on the part of the donor, and that comes from good governance. Therefore, effective fundraising begins with good governance, and that, as we shall see, is the work of the college or university board of trustees/board of governors/university council, hereafter referred to as the *board*. It promises that, through careful stewardship by the school, the gift will accomplish with integrity the objectives for which it was given and thereby pave the way for similar support in the future.

The donor in the illustration above, who asked me about educating his grandchildren and great grandchildren, did not expect me to predict the future of the university. No one should pretend to do that—it would not be believed by a thoughtful donor anyway, and most donors are smart and realistic people. He just wanted to know if the university was serious about its mission and would stick with it. That really mattered to him—more than I realized. And so it happened sometime after his gift was received and implemented on campus that he decided to make a visit incognito without telling anyone about his intention. He left his home very early in the morning, arrived on campus unobserved at the beginning of classes, and found a bench where without saying anything to anyone he could for several hours observe the students who were beneficiaries of his gift. He saw them running from one lecture room to another and into a lounge for group study and back again, with backpacks on their shoulders and notepads under their arms. At noon, he left quietly and drove all the way home.

A few days later, a student stopped by my office and told me about a strange, slightly familiar-looking, very old man who just sat there the whole morning observing, without saying a word. What was that about, he wondered, an inspector? The following week a note arrived from the donor. "Yes," he explained, "I just wanted to observe the students at study, so I did not inform you in advance about my visit, thereby giving you a chance to put on a show!" (Would I do that?) "I just wanted to know if this program we funded works as we hoped it would. And I concluded from observing and listening to the students that it does. The university had kept its promise." Good governance is about keeping promises, and that is why fundraising begins with it.

Good Governance at Work

Good governance is the responsibility of the institutional board. As we will see, the board meets regularly, perhaps three or four times each year. We may wonder why the work of the board (governance) is so important that even fundraising depends upon it. What does the board actually do? Here are some of the most important functions of the board.

Selecting a President

The board selects and appoints the chief officer of the institution (president/rector/vice-chancellor/principal, hereafter referred to as president). In one way, that is the most important of all the functions assigned to the board. In some institutions, the president is also the chief fundraiser.

But before that gets underway, the president typically selects (and the board approves or endorses) an academic director (dean, vice president, deputy vice-chancellor, provost), and other senior administrators. These leaders assemble a faculty for the schools, departments, or colleges in which students study a curriculum that is developed by the faculty under the guidance of the deans and department heads. That curriculum of study is also voted by the board, and subsequently published in the school's bulletin or catalogue. That document becomes a kind of binding contract between students and faculty. When students have successfully completed all required courses of study in their chosen curriculum, the faculty recommends those students to the academic administrator and on to the president for degree conferral at graduation time. The graduation of students in a timely manner, with good results and promising futures takes us close to the mission of the institution, and that is essential for getting the attention of donors. That is part of what we mean by good governance.

Finances

The president also selects a chief financial officer/bursar/treasurer (also with board approval) to prepare an annual operating budget, with provision for capital expenditures and depreciation, and a modest margin at the bottom of the budget page: *No margin—no mission*, it has been said. That budget must be voted annually by the board prior to the beginning of each new fiscal year. No expenditures should be incurred without a board-voted operating budget. In many institutions, this is one of the most difficult management jobs. It is therefore not uncommon for some donors to ask about the audited financial reports before getting involved with a cause about which they care so much.

A good board knows that and expects to receive a detailed report from the chief financial officer on the operating budget as well as capital expenditures when it meets two, three, or more times a year. Variances from the budget will be disclosed by administration and remedial actions put in place. How well the school managed its financial operations the past few years is an important fundraising question.

A donor once observed that she really would like to give the university a lift, put it on the map, as it were, make it beautiful, a place of pride and service, a preferred destination for students. I thought for a moment then exclaimed: "Wonderful, we have a really old building on campus, a signature building of great historic value, a jewel, but it needs help, a facelift, as it were. Would it not be wonderful to upgrade it, something we have not been able to afford for years, renew it inside and out—that would lift the whole campus."

The donor looked at me sternly and replied, "If you want that building upgraded, buy paint and brushes, and paint it. It is your building—you keep it up. What happened to your capital budget? My vision is for something new. What is your vision?" she asked. It put me on the spot and taught me a lesson about university responsibility and donor enthusiasm.

Paying attention to capital and depreciation (keeping up with the institution and its facilities) is also important for successful fundraising. Therefore, ordinarily we do not ask donors to patch up what management failed to do over the years, and the board ignored. Developing a vision and a strategy going forward is the primary responsibility of management, and it is essential for fundraising. An attentive board will insist that the chief financial officer maintain the institution's physical facilities—without which the chief fundraising officer may fail to find external support. That, too, is good governance.

DIRECTED AND RESTRICTED DONOR GIFTS

What areas are most likely to benefit from fundraising, and how should financial administration integrate restricted gifts into its financial operations? Fundraising generally is not best suited to fund campus maintenance, whether of the physical facilities or service activities. Of course, there are exceptions that we must not overlook. Occasionally, a donor simply wants to help where the need is greatest by providing an unrestricted gift, and that is sweet news for the chief financial officer, especially in a tight financial year. Here is money to spend!

However, increasingly, ever more donors are outcome-oriented rather than loyalty driven, and their gifts are restricted. There is a reason for that. Most donors wish to support causes or visions about which they feel passionate, as we noted above, and thus they restrict the use of their donation to a specific purpose—and by accepting such a gift, the school must honor that restriction, whether it is for a facility or a program, or to meet a special need. This does not necessarily imply that the donor seeks to interfere with management, or wishes to throw his or her weight around, or to micromanage the institution. Donors simply like to support special initiatives or promising causes. The best way to accommodate this kind of gift and donor wish is for administration to develop a strategic plan for the institution and within it to identify causes that excite and motivate donors. That, too, falls under the rubric of good governance. More about that below.

ADDITIONAL DONOR EXPECTATIONS

Finally, a word should be said about donor support of Christian colleges and universities, perhaps involving donors who have specific expectations of the institutions they support in terms of faith commitment and campus lifestyle. It is important in such cases for the school administration, supported by the board, to maintain its integrity at all time. Therefore, administration will acknowledge honestly that not everyone on campus sees everything the same way, and students do represent many different families, communities, cultures, and viewpoints. For instance, in the case of undergraduate students who come to the university generally at age 18 or so after having been brought up at home for nearly two decades, there are donor expectations to consider. In one sense, they are lent to the university by their families, who expect to have them back four or five years later, older, more mature, smarter, wiser, with a more distinct individuality and clear personal and faith values.

There should be no pretense with our donors about who we are and what we seek to do for students while they are in the college or university's care. Integrity and straightforward honesty about who we are and what we do is always best. That includes intellectual integrity in teaching and upholding ethical standards in campus life. To do that well, every Christian college or university has to place itself within the orbit of both its religious faith and honest academic aspirations. Furthermore, an Adventist tertiary institution affirms the religious vision that helped establish it and support the mission of its sponsoring church. Doing otherwise will gradually eat away at the institution's heart and leave it bereft of its soul. I know how difficult that can be in times of stress; but nevertheless, it is both essential and possible for an institution of higher learning to resolve, given its huge brainpower and its spiritual heritage. Good governance also oversees this aspect of the institution's profile, eschewing pretense and embracing honesty. Most donors genuinely appreciate fidelity to mission and open communication about institutional values.

STRATEGIC PLANNING AS THE FOUNDATION FOR FUNDRAISING

In summary, good governance—the responsibility of the board—and effective management by the administration, which is appointed by the board to drive the institution forward (see the next sections)—are both prerequisites for effective fundraising. Together they pursue a clear and compelling institutional mission of what the institution does, and together they promote an inspiring, forward-looking vision of what it hopes to become. That is where fundraising begins.

But there is one more thing the college or university administration needs to consider before knocking on the first donor door, or attending the first donor breakfast, or exploring a donor's interest in dinner-table conversation. Before taking part in any of these things, administration must develop, articulate, and implement an institutional strategy, sometimes called a strategic plan. There are many definitions of strategic planning for higher-education institutions, but key steps entail:

1. Moving the institution from mission to vision;
2. Combining financial and academic planning for improved educational quality; and
3. Integrating external needs and opportunities with internal resources.

Whatever definition we use, strategic planning has to do with big-picture developments of the higher-education institution. Borrowing from military language, some have suggested that strategic planning leads first to tactical planning, which is followed by operational activities. Strategic planning involves the whole institution, and ultimately the president—and of course, the board, which helps develop and then vote it. Prominent among those strategic-planning participants are the fundraising staff, whether that is just the president or includes a vice president or director of development with or without support staff. This type of planning is common in most tertiary institutions and takes on special importance when the school is contemplating a new fundraising initiative. It builds confidence. In fact, fundraising should not be contemplated without it.

Strategic planning in preparation for a fundraising initiative must involve representation from across the institution, including the chief fundraising officer and the student-enrollment director. Think for a minute of the three aspects of strategic planning noted above. The first of these—moving from mission to vision—must involve the president. Only he or she can effectively explain what the new plan is and what it will do for the college or university's mission. The detailed content of the plan may well start as ideas put forth by the faculty and staff (the best ideas tend to come from the ground level in any organization), but they have to be vetted and sorted by leadership and then explained by the president. The second part—combining financial and academic planning—must involve the chief financial officer, who has to find the funding, without which the whole plan ends as a mere desk document. The third stage of integrating external needs and opportunities with internal resources must also include the participation of academic directors, enrollment leaders, and fundraisers, for these three groups of individuals are assumed to be most attuned with what is emerging outside the campus among future students and their future employers. Therefore, these leaders ought to be able to inform the campus about what students seek in higher education, now and in the future, and identify what are the exciting causes potential partners will support with enthusiasm. Before plunging headfirst into such a fundraising plan, it is good to "dip a toe into the water first," as it were, with a feasibility study. That simply means to test the emerging strategic initiative with a potential lead donor, or a group of donors, individuals, or small groups, to make certain the strategic plan and donor interest match up.

THE POINT OF READINESS TO START FUNDRAISING

During the process of strategic planning, "opportunities are identified," "fires are lit," and "dreams are created" within the institution and among external partners. These will be in harmony with the institutional mission and further enhance it with a renewed and clearer vision. Meanwhile, management will sharpen its pencils, tighten up financial operations, and spiff up the facilities that serve academic, financial, and campus life. Board members will look forward to their meetings and feel a swelling of proper pride in their heart. When one or more catches this excitement and says, "Count me in; I would love to be part of this; that is the realization of my dream; I would like to get on this train before it leaves the station"—when that happens, the institution is ready to begin its new fundraising initiative. But how does everyone get to this point of readiness for a fundraising initiative?

To answer that question, we turn next to some practical details concerning the governance responsibilities of the board (Part II), followed by a discussion of the strategic-planning responsibilities of administration (Part III). Both are prerequisites for an effective fundraising initiative (Parts IV–VIII).

PART II. GOOD GOVERNANCE FOR FUNDRAISING: ROLE OF THE BOARD

The key concept in this section, which deals with the role of the college or university's board in fundraising, is building confidence in the institution and its educational mission. Investors place their money in companies they like and trust. Generals mobilize armies when they are confident of victory. Universities admit graduate students whom they believe will become successful. Manufacturers develop products for which they are confident a market is waiting. Supervisors hire assistants whom they believe will become the smartest associates around. In each case, action plans are motivated by a sense of confidence.

Similarly, donors to higher education are looking to colleges and universities in which they can have confidence—schools filled with lively students, quality programs, competent teachers, and forward-looking administrators—because such engender confidence. But above all, the board members themselves are confidence builders in the institution. Their voices are heard with particular clarity because (except for the president) they are not employees of the institution. They serve as volunteers or ex officio members on the institution's board because they have confidence in it. Members of the board do not appoint themselves, neither are they employed by the college or university, except for the president. So how are they selected? That brings us to the question of institutional ownership. In the Seventh-day Adventist Church, the owners of a tertiary institution are generally referred to as the constituents or the corporate members of that institution. They meet intermittently to hear reports, approve the constitution and bylaws of the corporation, i.e., the legal entity of the school, and make a number of other important decisions as provided in the bylaws.[1]

APPOINTING A BOARD

Since the constituents or corporate members cannot themselves keep an eye on the school from day to day, the first and most important task at the corporate membership meeting (constituency) is to appoint a board for the college or university, and task it with being responsible for the operation of the institution, making sure it pursues its mission and has the resources needed to succeed. That is what we mean by governance—it is what the board does. Nothing appeals to a major donor as much as good governance, resulting in a well-run college or university.

At this point in our discussion of fundraising, a busy reader in a hurry may prefer to skip the topic of good governance and rush directly to the discussion of donors and gifts (Parts IV–VIII). That would be tempting, but not wise. Putting a good governance system in place is worth the effort and time it takes, for it gives quiet confidence in the school to the potential donors, especially major donors.

We can now continue our discussion of the role of the board in confidence building by asking some clarifying questions about the board and the institution—questions donors sometimes ask.

1. Who owns the institution?
2. Who is legally responsible for what the institution does?
3. Who provides oversight for educational and financial operations?

[1] See General Conference Working Policy, FE 20 10 for a description of the purpose, composition, structure, and duties of a college or university board.

WHO OWNS THE INSTITUTION?

Most Adventist universities, colleges, and seminaries are owned and operated by a specific church entity and are listed in the *Seventh-day Adventist Yearbook*.[2] Currently, four institutions of higher education belong to the General Conference and are named as General Conference institutions. Others belong to and are listed under divisions, and still others under union conferences or union missions. Some Adventist institutions are owned and operated independently of any church entity, but they still consider themselves Seventh-day Adventist and seek to advance the church mission. Unlike regular church-owned universities, they generally will not be accredited by the AAA (Adventist Accrediting Association) but may be endorsed by public or professional accrediting associations or local government or regional agencies. And they usually are self-funded and do not receive financial support from any church entity. However, donors may support both types of institutions, and they sometimes want to know what the relationships between these independent and regular church sponsored-institutions are, since that may impact the portability of students' academic records between them, and thus determine students' ability to transfer, should they wish to do so.

Most of the Adventist universities, colleges, and seminaries (118 of them worldwide as of December 31, 2019)[3] operate under the umbrella of official church ownership. Naturally, the whole church—that is, all its members and leaders—cannot be the owner in any practical sense. Therefore, the executive committee of the respective church entity will be the legal owner when a constituency session is held for the school in question. Or that responsibility may be ceded to a corporate membership composed of individuals selected from the church executive committee, college or university employees, alumni, and others. The ownership of the school is generally spelled out in a set of legal documents (constitution and bylaws, articles of incorporation, or the like). These are filed in the office of the respective church organizational unit in question, and generally with a local government office as well. The documents of incorporation or government registration authorize the institution to "do business" in its stated location—that is, to admit students and grant degrees. In some places, this authority is granted by law—an act of government. The owners, whether in the form of a constituency or corporate membership, are required to meet regularly in duly called sessions, generally at least every three to five years or more frequently to carry out the duties of the college or university's "owner."

Therefore, in response to Question 1, "Who owns the institution?" neither the faculty, nor the institution's president, nor the board chair, nor the union conference, division, or General Conference president owns the school. The corporate membership or church constituency is the owner, which stands to benefit when the school prospers, and which loses if the institution falters or closes. Incidentally, that explains why the corporate membership, or constituency, or the church executive committee, as the case may be, alone can dispose of the institution's assets, for that is the exclusive prerogative of its owner.

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[2] *Seventh-day Adventist Yearbook*: https://www.adventistyearbook.org.

[3] *2020 Annual Statistical Report, Volume 2, Report of the General Conference of Seventh-day Adventists*; 2019 Statistics, Office of Archives, Statistics, and Research, Silver Spring, Maryland, U.S.A., 87: https://documents.adventistarchives.org/Statistics/ASR/ASR2020A.pdf.

A major donor to Adventist education once reported to me that he had been asked urgently for a large gift to a struggling college. He did not know what to do and asked me for advice, which I could not give (conflict of interest). But I suggested that he should have a frank discussion of the matter with a legal "owner" of the institution—in this case, represented by a union conference president who chaired the constituency and who therefore could speak on behalf of the owner. The potential donor simply did not know if the "owner" would back up his potential gift with a solid institutional strategy, or had other plans for the faltering institution, such as closing it down, merging it with another, or selling it. Thus, in this case, the church constituency in question, or a designated corporate membership, would be the legal owner of the college or university. And the potential donor would have good reasons to know the mind of the institution's owner.

WHO IS LEGALLY RESPONSIBLE FOR WHAT THE INSTITUTION DOES?

The college or university board is charged by the corporate "owner" of the institution to govern in such a way that it carries out its mission successfully in accordance with all applicable legal documents, charter of incorporation, constitution and bylaws, and internal policies. Since the board, as we have seen, has governance but not management responsibility, it immediately proceeds to put together a management team by appointing a president and other administrators to provide ongoing, day-to-day hands-on institutional leadership to get the job done. That is how the board carries out its legal responsibility for the college or university, and its individual members are generally indemnified through insurance protection should their board decisions be challenged in court. With this level of board responsibility for the welfare of the college or university, it is not surprising that effective boards often become deeply involved in fundraising activities, as we shall see.

WHO PROVIDES OVERSIGHT FOR EDUCATIONAL AND FINANCIAL OPERATIONS?

The board of a tertiary institution may meet only a few times each year, but its importance for the welfare of the school, for oversight of educational and financial operations, and specifically for fundraising, is far out of proportion to the relative infrequency of its meetings. But before we consider that further, we must ask how the board members are selected and appointed. That is generally spelled out in a legal document of incorporation, filed with a public office, authorizing the institution "to do business" in its declared location, as we have seen. In other situations, such an authorization may be included in a government act (a piece of legislation, as we noted). These types of documents may include bylaws that explain how the governance system of the school works, who and how many persons serve on the board, how they are selected, and for how long.

The underlying reason for all this is that the school is established to serve the "public good" by implementing its educational mission. The public for an Adventist college or university may consist mostly of church members, but also of individuals from the local community, or of a larger region, all depending on the school's mission and location. That explains why members of the board typically are selected to represent the interests of these various publics, never just their own interest, and to make sure the institution fulfills its obligations to those who depend upon its services. Such various publics that are served by the college or university also have the added benefit of extending the potential for fundraising. The more people the school serves, the more potential supporters it may identify. The board, under its governance responsibility, enlarges the reach of the institution's service, and thereby its reach toward potential supporters and donors. Some boards establish a fundraising committee of the board, which may include community participants with an interest in education philanthropy.

From a financial point of view, many tertiary-level schools (and certainly all Adventist colleges and universities) are "not-for-profit" corporations. This means that while their operations should show a gain at year's end (as we will see), they are not designed to make money for anyone. Their beneficiaries are not proprietors or shareholders looking for profit from the operations as is the case with for-profit entities. With non-profit colleges and universities, neither the administrator nor members of the board can benefit financially from the operations in the form of bonuses or perks as a reward for generating a financial gain. Incentives for an educational administrator to succeed in a Christian tertiary institution are never monetary, but the joy and satisfaction of serving a good cause. Wages and reimbursement for expenses associated with carrying out their assignment are established by board remuneration policies and limited to what those policies or board actions provide. The chief fundraiser in the institution should have a working knowledge of these financial matters and be able to discuss them with potential donors—anyone who has a stake and, therefore, an interest in and passion for the educational programs being offered. Good governance engenders public confidence in the school's financial management, and that is invaluable for fundraising.

Following a visit that eventually led to a very large gift to the university, a major donor once stopped me on the way out of his large house. "Tell me," he asked, "how did you get here from the airport?"

"I have a rental car," I replied, "and I left it down at the gate."

"Oh, that little thing," he commented with a grin.

"Yes, but it goes well," I replied.

"And where do you stay tonight?"

"With friends, in a nearby town," I replied. "They are good friends, and I try to keep up with them, and as a bonus, that helps keep the travel expenses of the university down."

He would not have criticized me for driving a big car and staying in a nice hotel in town. The president and the fundraising staff need not go cheap—that, in fact, might reflect negatively on the school being represented. But trust also matters, and the fundraiser should make clear that the institution serves the public good, which is the sole beneficiary of its operations; and those who work in it can be trusted to advance the interests of the school at all times, and not their own interests. This, too, falls under board oversight responsibilities.

RESPONSIBILITIES OF INDIVIDUAL BOARD MEMBERS

This may be a good place to reflect for just a moment on the responsibilities of individual board members in their governance work for a college or university. They fall into three distinct areas,[4] each of which impacts fundraising, namely (1) governance, (2) representation, and (3) financial support.

Governance. A first major board governance responsibility, as we have seen, generally begins during the very first meeting of the new board and occurs intermittently thereafter when there is a vacancy. It is to appoint (or reappoint) a chief executive officer (college or university president, rector, vice chancellor). That may well be the most important governance activity undertaken by the board, and it generally is made following a careful review of a number of candidates who are either recommended for or who have indicated an interest in the position. Among the qualifications of candidates for president is either experience in or openness to fundraising. We will return below to the responsibility of the president in fundraising.

Another crucial governance responsibility of the board is the annual budget, including capital, depreciation, borrowing, etc. The board votes the budget before the beginning of each fiscal year and after having been assured of its integrity by financial management (in common parlance, we may say that the budget has to be "scrubbed squeaky clean" before it is sent to the board for a vote). This may be the most difficult part of board governance. It assures that the regularly voted educational programs for which the students have registered will be funded and delivered as promised in the catalogue, and the students will be able to graduate when they have successfully completed all published requirements for their respective degrees and diplomas. Without this assurance, fundraising becomes extremely difficult. But with good management, mission-driven programs of study, and adequate budgets, donors will find in the institution exciting causes for which they may want to provide additional support.

These two areas of board member responsibilities for good governance, selecting a president, and approving a budget, apply only when the board is in session during duly called meetings by the board chair and/or secretary. At all other times, board members refer decisions and actions—and sometimes questions—to the president and other administrators who are elected (or confirmed) by the board to make the day-to-day decisions for the institution.

Representation. The second board member responsibility, representation, applies during the entire time the members serve, including between meetings. This responsibility means that board members must represent the interests of the school at all times in a positive and supportive way. Board members who fulfill that role well can also be great boosters to fundraising. If they are church administrators, they can help congregations and families have confidence in the college or university as a good place for their children to study; and if there are concerns, they can listen and help set up conversations between church and college or university. If they are community representatives, they can speak for the school in their workplaces and business dealings; indeed, wherever they have contacts in the community. That can greatly extend the contacts and influ-

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[4] For further reading, see Laughlin and Andringa, 2007, 4ff.

ence the effectiveness of the fundraiser. This responsibility also recommends that board membership is diverse so that together the board members can communicate well with as many potential donors as possible, from all walks of life. Diversity of age, gender, ethnic background, economic status, business and professional background can help the board members become advocates for the school in unusual places. This second responsibility may not come naturally to all board members. Orientations and/or workshops for new board members by a skillful facilitator may be helpful.

Some years ago, the university where I worked had raised most of the funds needed for a large building and expansion project, but there was not enough for the furnishings in lecture rooms, student lounges, and faculty offices. A board member who generally said little during meetings suddenly remembered something only she knew and spoke up. She reported that for more than 20 years, she had "gone Ingathering" for her local church and raised money for Christian missions, and the president of a large office-furniture business in her town had annually, without fail, given her a very modest amount. "Would you speak with him?" she asked me.

"Yes, if you can set up an appointment, I will be there," I replied.

Following a very early breakfast the next week, the company president took me to his office furniture exhibit room and made me sit in many different chairs so I could select a comfortable one for our students and faculty.

"What about cost?" I asked.

"Not now," he replied, "first find a good chair, and tell me how many you need for the 70,000 square feet of this education building." And that is how we got the chairs, desks, bookcases, etc. Board members representing the interests of the college or university by opening doors in the community to gifts in cash or in kind represent an underused fundraising opportunity.

Financial support. Providing financial support is the third board-member responsibility. All board members ought to provide some financial support, small or large, to the institution, from their own resources, from employer resources, or from business partners, as in the illustration above. Many funding agencies actually expect 100 percent board-member participation in financial support of the school on whose board they serve, before providing support of their own. Moreover, a board member can hardly expect administration to raise funds for the board-voted initiatives and projects without taking some personal interest in the funding. In this case, the percentage of board-member participation is more important than the amounts given.

BOARD MEMBERS AS MAJOR DONORS

Thinking of board members as donors, some institutions seek to identify wealthy board members who can make major financial contributions. This common practice has merit, and examples abound of major gifts received that way. However, there are drawbacks to this practice. The first two board responsibilities, governance and representation, are not for everyone, and some selfmade people of wealth simply do not like to spend their valuable time discussing faculty appointments, research initiatives, student-life issues, academic programs, etc., preferring instead to manage their business activities. “If you really like me, do not ask me to serve on the board,” a prospective board member told me; “ask me for support, and I will let you run the university.” So I did. Another who had expressed great interest in financial support of a large university became a little disillusioned with the nitty-gritty items of board governance—too much “down into the weeds” board agenda items, she said. Instead, she preferred to stay engaged from a distance, and so she redirected her philanthropic interest toward something less complicated than faculty governance and student life. Be prepared for that response when considering board candidates on the basis of their wealth. It can have downsides. In such a case, finding an alternate volunteer role where such individuals can help the institution without accumulating frustrations over the ways of higher education may be a good alternative. For example, such individuals may serve very effectively on a philanthropy advisory committee to the board.

On balance, the best way is to identify individuals who are willing to take up the three-part responsibilities of board membership. Some will be rich in ideas, others in funds, and some will be the best spokespersons for the institution. All are needed—and in their own way, all good board trustees will help with fundraising, directly or indirectly.

BOARD POLICIES FOR FUNDRAISING

In addition to the more general governance responsibilities resting on the board, a few important board actions deal specifically with fundraising. These should be readily available to the fundraisers in the college or university. They take the form of board policies that govern the fundraising activities and the disposition of gifts. One way to make sure these board actions and directives are followed is to include, them along with all other board policies and actions, in a board policy manual (BPM).[5] Such a document, developed by the board, sets out in great detail how the board functions and what policies it has established for the administration to implement. Here is a sample of some board-voted policies to govern fundraising:

1. All proposed fundraising initiatives whether for a facility, equipment, or educational program must further the school’s mission and be in harmony with its strategic vision. Some proposed gifts may not fit and could easily end up becoming a distraction rather than a help to the mission of the institution. They should be declined, hard as that may be. Therefore, donor support and institutional vision should be brought into alignment from the beginning.

2. It follows that the college or university president, with board support, may accept or in some cases decline a proposed gift by a donor. Further, the institution reserves the right

[5] For a full discussion and development of a Board Policies Manual, see Laughlin and Andringa, 2007.

to determine how a gift will be credited and/or how it will be recognized*, vis-à-vis* honoring or naming the donor. Such naming must not be allowed to become a distraction from the school's mission. To avoid any misunderstandings of this kind, the institution may establish a formal internal gift acceptance and naming policy that can be referenced in advance of discussions with potential donors.

3. Unrestricted smaller gifts below an established limit may be designated by the president, as determined by board policy. Wherever feasible, such a gift or a significant percentage of it should ideally be directed to a long-term fund or program so as to provide for donor recognition and appreciation, if desired. Such allocation by the president should be reported to the board. However, the designation of major unrestricted gifts (the limits to be determined by the board) must be voted by the board on the recommendation of the president.

4. An endowment funded by donor(s) to benefit the school, its students, faculty, or facilities will not be activated until the principal invested has reached a certain amount, as established by board action.

5. Gifts to the school that require expenditures, either at the time of the gift or in the future, of institutional funds (other than *de minimis* expenditures) shall be approved by board action or policy, on the recommendation of the president. Such gifts may include real estate, non-performing assets given to fund a charitable trust or annuity, or planned gifts of dubious residual value. All applicable details would be recorded in a gift agreement between the donor and the institution.

These predetermined provisions (others could be added as needed) protect the fundraiser from accepting, in a moment of enthusiasm, gifts that lead to expectations on the part of the donor that the institution cannot fulfill. It is best to explain these provisions up front and perhaps then restructure the gift in a more promising and realistic way.

OTHER BOARD MATTERS THAT MAY IMPACT FUNDRAISING

We have spoken about the responsibility of the board and its individual members. The board does not own the college or university; instead, it represents the owners' interests by providing good governance of the institution. It does so by appointing a president to provide day-to-day administration in collaboration with a team of associates in administration. It also votes and regularly monitors annual operating and capital budgets, thereby authorizing administration to meet expenditures required to deliver educational programs. The board has many more responsibilities when it meets in session. Most of these do not directly impact fundraising—with two important exceptions: educational programs and student life.

We will deal with these more extensively in the next section, so will say only this here: Educational programs are developed by a school's academic administration (provost, deputy vice-chancellor, rector, dean, department heads, etc.). The result is a series of curricula of study for students to pursue once they are admitted to the college or university. These curricula or programs of study are published in the school's bulletin/catalogue, which functions as a contract between student and school, a semi-legal document stating that when students duly admitted to the institution have successfully completed all requirements in a given curriculum of study, the school will confer on them their respective degree or diplomas. Failure to offer the courses of study in each curriculum of admitted students, or to provide teachers or a required laboratory, may make the institution liable to the students. Therefore, all academic programs offered in the institution should be voted by the board, along with a budget adequate to deliver them in a timely manner as described in the bulletin. By doing so, the board, working through the school's administration, assumes some moral and legal responsibility for the admitted students by assisting them to complete their studies. Failure to meet that responsibility makes fundraising very difficult and should not be attempted.

Similarly, the board approves a set of citizenship expectations and responsibilities on the part of both students and staff. Some of these come from church lifestyle expectations, whereas others may originate in public regulations. While not directly related to fundraising, failure by the administration or the board or both to take responsibilities for ethical conduct in both educational activities and campus life can cause disruption to the work of the college or university and its fundraising, and may lead to the loss of significant gifts to the school, or force it to forgo planned gifts. On the other hand, good governance that takes responsibility for high ethical standards in all educational activities and campus life gives the school a stronger position from which to deal with donor expectations.

PART III. EFFECTIVE ADMINISTRATION FOR STRATEGIC PLANNING: ROLE OF THE PRESIDENT

Some assume that the president must become the lead fundraiser in the college, university, or seminary. Indeed, the successful fundraising president is sometimes described as an undefeatable driving force, someone who spends long hours in airports, rental cars, and calling on donors, and who returns home with monetary trophies, such as scholarships for students, research support for faculty, funding for new facilities, and a growing endowment. I would not endorse such a single-minded approach to educational leadership. As a recently retired and very successful university president once observed, to lead a university successfully, the title sometimes given the president, CEO, should not stand for Chief Executive Officer, but Chief Education Officer. Through it all, the education part must not be forgotten by the president, and just raising money for the school does not necessarily make it a great institution—only good education does! Nevertheless, it is not unusual for university presidents to devote 30 to 40 percent of work time to fundraising—not just thinking about it, but actually doing it. Moreover, a successful fundraising program will need a director of development to coordinate planning and activities, but that barely reduces the time commitment of the president to this endeavor—in fact, it may increase it. Perhaps as a result of that, the average tenure of university presidents is said to be around six to seven years in the United States, due in large part to the work pressure. That is probably not good, for it barely enables a president to become well acquainted with the institution, strategize for its future, and share his or her passion with potential partners and donors.

So what role should the president play in the development of the college or university? And what responsibilities should be assigned to other members of the administrative team? In the following section, we will turn to the vice president/director of fundraising and any support staff, whether employed or volunteers, but first we will look at the responsibilities of the Chief Education Officer, the president.

How does the college or university go about identifying an effective fundraising president? That is the responsibility of the board, as we have seen, and yet the board does not always do its presidential selection work carefully and professionally. The result may be unfair to both the institution and the incoming president. To avoid that, as far as possible, the board should ask some hard questions of the candidates for that office. It will perhaps begin with questions about a commitment to faith-based education, good management skills, the college or university's mission, high-quality education, and the purpose for which the school was established. These are often the first questions the new president encounters even before arriving on campus, and the selection process by the board should prepare the incoming president for them. The answer to these questions likely will be found in past experiences having to do with the candidate's early development, education, family, work experience, beliefs, values, and interpersonal relations—all the things that make up a talented person and a principled professional. When I first became president of a university, the search committee that interviewed me for the most part knew little or nothing about me and asked few questions. They took a huge risk, I thought. Meeting with the faculty for the first time was far more insightful for me. At the end of a long session interacting with faculty and staff about higher education, someone asked me what book I was reading just then. I told them, and we spent a long time well into the night discussing it. Finally, I paused and suggested that with lectures scheduled for the next morning, it was bedtime, and we better go home and read the next chapter of our respective books. That experience helped a lot, as the faculty came to know its incoming president and vice versa. "We can read books and discuss them with our president," they said afterward with some glee. I think a college or university needs to know what its incoming president is reading and thinking about, listening to, and viewing. Before even considering the president as fundraiser, these are the more important questions about the president as person, educator, colleague, and spiritual and intellectual leader in the institution.

THE PRESIDENT AS VISIONARY

The next important set of questions the board needs to discuss with the incoming president has to do with the future—not the future of the president, but of the school. Where is it going, what will it become, how might it change in the process, and how does one decide what is the most promising direction for it to take? The board should ask those questions before appointing the candidate, because these are the next questions the newly appointed president will be asked almost immediately after arriving on the job, and a little preparation for that will be good because this involves his or her beginning to think about the future.

During my early years as president, I attended a conference of university presidents early in the academic year, and all wanted to know how we were doing where I came from. How is the budget; what is the enrollment? I replied that the enrollment was up a little, and we were in budget. But exactly, by how many and how much? At that point, a seasoned colleague came to my rescue by observing that the job of the president is not particularly to focus on the current stats (senior colleagues in administration will do that), but rather to look toward the coming years—three years from now, five years, and even 10 years out. The academic dean and the chief financial officer may look at the school's operations through a microscope, but the president looks through a telescope, so as to see farther. The president is the lead fundraiser because he or she looks out far. That may not be as exciting as traveling the country looking for donations, but that is where the wise president begins his or her tenure. What is the plan for the next three or five years? Where will the school be in seven years? How do we get there? And what will be the role of fundraising in reaching these goals? These are presidential questions that should be foremost in the mind of the board before selecting a candidate for president.

It is quite common for the college or university bulletin to open with a brief history of the institution, followed by mission and vision statements. Everything that follows deals with the process of applying for and receiving admission, selecting a course of study, meeting tuition costs, and other requirements and academic policies. It generally concludes with a listing of the faculty and staff. That history, and especially the mission and vision section in the bulletin, are vital for the college or university president. It should be memorized by the president and recited on demand at the drop of a hat. The history answers this question about the college or university: "Who are we?" The mission responds to a different question: "What do we do here?" The vision sets out the answer to a different question: "What will we become?" While the president is not solely responsible for formulating answers to these questions (that is done collegially), he or she is primarily responsible for articulating them, specifically: "What is the vision that will drive the institutional mission forward the next three, five, ten years?" That is where the president must begin, as CEO (Chief Education Officer), and only then can the fundraising work proceed.

Of course, there are exceptions to everything. And I have heard of and met very competent presidents who came to the job from the business world, who had their heads in the financial statements, and were reputed to be fundraising wizards. That made me a little jealous at first. One such president of a Christian college and a friend raised a lot of money for capital improvements. He knew bankers and business leaders from his earlier career, and, with a doctorate in economics, was good at talking with donors about expanding the college, while they gave and gave. Unfortunately, his ambitious projects far outstripped the amounts of money even he brought in. So the institution took risks by investing the money it had raised in the financial markets in hopes of a quick return, thereby growing the donated funds to meet the needs of the capital and other projects it had started. But the investments fell short of expectations due to an economic downturn, and the college lost huge sums. To keep the expansion initiatives going and not lose face over unfinished projects, they were completed with debt financing, saddling the institution with debt. Finally and belatedly, the board became vigilant and intervened, suggesting that the president retire, whereupon it turned the position over to a true Chief Education Officer. So I have concluded that the best way for the new president to get into fundraising is to begin by looking out three, five, or seven years into the college or university's future, plot a course, and develop a sound strategy for which resources can be found. We call it strategic planning, and that is what should always drive major fundraising initiatives.

STRATEGIC PLANNING TO DRIVE FUNDRAISING

Here are some sample strategic initiatives I have observed in several institutions that paved the way for effective fundraising. They are merely examples. Though they are quite real, here they serve for illustrative purposes only. Each institution should come up with its own.

Strategy 1: Consolidation

Consolidate existing programs to improve efficiency, educational quality, and ultimately increase enrollment and grow the institution.

Who would initiate such a strategy? Most likely it will be a dean, provost, or academic administrator looking for ways to lift the educational profile of several programs by bringing them together and effecting growth. The president would check if the resulting mega-program or department would strengthen or weaken the school's mission. The financial administrator would calculate the financial impact on the institution. A faculty committee with broad representation would look for efficiencies and improved academic quality by shared courses and cross-disciplinary teaching. If all this looks mostly positive, the president will eventually have the plan written up and discussed with the board. Consultation with accrediting associations and professional organizations will provide refinement, as will consultations with other institutions. Some red flags may go up—they nearly always do. This is just for starters.

Before proceeding further, the dean of the proposed combined programs must evaluate the marketplace in which the graduates will seek employment. Is it strong? Will it easily absorb the growing number of professionals being graduated? What is the multiyear outlook? The new program may be right in line with the college or university's mission, but economic factors might work against it. This has happened periodically with the business professions, health-care professions, architecture, engineering, etc. If the school does not face up to that threat, incoming students and their family and friends most likely will. Two institutional officers can be helpful at this point: the director of enrollment and the director of fundraising. They should have their ear to the ground outside the school and can help it match its internal resources to meet external needs. Therefore, the strategic-planning group should plan to hear from these two, to make sure the proposed expansion lines up with external perspectives on the matter. Are the incoming students excited to sign on, and are donors excited to see this new endeavor take off? A good strategic plan is the product or "deliverable" by the strategic-planning group. It can almost become an effective fundraising "ask" all on its own, as it combines the internal resources with external opportunities to fund new facilities, scholarships for new students, new faculty positions, and research to make a strong impact on mission. A clear strategic plan that brings all these perspectives together, including student enthusiasm, will speak to the heart and mind of donors. Such a strategy will drive the fundraising initiative (see Appendix A for worksheet).

Strategy 2: Growing the Institutional Profile Through Partnerships

Raise the overall profile of the college or university in the community and among its constituency for greater impact and create new partnerships.

What would be the purpose of such a strategy? At one time, tertiary institutions were rare places, intellectual fortresses, where children of prominent families or gifted individuals were sent to receive preparation for a life of prominence and privilege. During the past hundred years, that has changed, as higher-education institutions have opened their doors and walls by offering many new fields of study and extending their influence far beyond their formerly cloistered libraries, laboratories, and lecture halls. They have formed business schools in close association with the local business community, similarly with engineering, medicine, health care, social services, architecture, education, political science, ministry, etc. In many cases, these developments in higher education have been accompanied by generous financial arrangements between the institution and external agencies, companies, and communities. Fundraising has played a big role in helping higher-education institutions develop this way.

In the Seventh-day Adventist Church, such a partnership has brought about huge transfers of church money to departments of religion and education, schools of theology and seminaries, and health professional programs such as medicine in return for the preparation of ministers, teachers, physicians, and other workers for the church and its mission. Some funds are provided by regular annual appropriations, others through special one-time appropriations, as they are called. By all indications, this has been a highly successful partnership that has raised the profile of higher education in the church community. The National Science Foundation has provided something similar for science education and research in the United States. Medical schools, schools of engineering, social science, and many other programs have received extensive support from private gifts through fundraising or government grants, leading to effective partnerships.

A strategic plan developed in the college or university to raise its profile through such means could be a forceful jumping-off point for a major fundraising initiative. Public and private funding agencies and philanthropic individuals with a passion for making life better for individuals or classes of people often look to the higher-education institutions as places with the knowhow, intellectual capacity, creativity, and the resources to enable them to become change agents in the world. A good strategic plan like this may draw donors into the orbit of the school and offer them a chance to fulfill their dream with a gift. Even small faith-based colleges and universities can develop such a strategy, find funding for it, and raise their profile and witness to the community as a Christian change agent—and they should do so. Few of them may possess the intellectual capacities and human resources to eradicate a disease, eliminate poverty, or register a patent that will change the way we do things. But many can help develop new crops or better agriculture for food security, secure clean water, lower infant mortality through education, expand childhood education, either alone or in collaboration with Adventist Development and Relief Agency (ADRA), local service organizations, or NGOs. When such funding is secured, it raises the school's profile, which in turn will lead to more funding. The way to get started and succeed in such an initiative is through institution-wide strategic planning, which will provide access to a large number and variety of potential donor resources. Even the smallest college can create partnerships that will be a benefit to all by drawing on its unique strengths.

Strategy 3: Revitalization and Renewal

Small institutions—or units within them—in need of change can revitalize, even reinvent themselves, in order to obtain a new lease on life. This type of strategy may lead to a renewal of their basic mission—their heart and soul—matters that may have been neglected either unintentionally or through inattention.

While some private faith-based colleges and universities are large, with significant enrollments, facilities, and resources, many are small and struggling, and a few have closed. In some cases, the influence of these institutions, as judged by their alumni, is out of proportion to their modest size. Clearly, many of these institutions are educational assets. Can strategies be devised to keep them operating and even prospering? Finding sustained funding for such strategies is difficult but possible if donors are kept engaged during the strategic-planning process. Below are some strategic approaches.

Return to the core. A common challenge for a struggling program or institution is the loss of distinctiveness in pursuing its educational mission. Therefore, the first step in recovery involves a return to its distinctiveness, adapted to the current environment. That may require a rediscovery of institutional core values among faculty and students; but in some cases, it is necessary to bring in new people, at least new leadership with a vision of what that core should be. Once during a reaccreditation process for our revitalized architecture program, the visiting team called on me to ask only one question: Why does this faith-based university operate a small architecture and design program?

"Is there a problem?" I asked.

"No," came back the response, "architecture programs are common, but what specifically motivates this university to offer it?"

So I blurted out, "Well, Christians believe in God, Creator of heaven and earth, who gave us both space and matter, therefore Christians of all people have an obligation to design this space and material in the very best way for the benefit of all. That is why we offer it." They left immediately, sensing that they had touched the core of this program—and so they had.

Identify areas of strength. On the one hand, education is simple enough: Provide students with information, teach them to analyze and evaluate it and gain new understanding. And yet this simple formula easily leads to overreach by educators. For example, in some small colleges and universities, perfectly good but undersubscribed undergraduate programs get supplemented with graduate-level studies offered by the existing faculty, principally to increase enrollment. That can weaken the whole educational experience—and students are the first to notice it. The strategic initiative in this case is to identify what the institution is really good at—and focus on it. In education, quality beats quantity anytime. As a university president, I talked with hundreds, perhaps thousands, of graduates from the institutions I served. In speaking about their experience while students, they invariably would ask if a certain professor is still teaching or even alive. They never asked about the curriculum or the president! They only remembered the strength of their education by identifying with a very few highly effective teachers. A strategy to revitalize an institution is to identify these strengths and build upon them.

Reinvent and renew. A strategy to revive a struggling college or university may require something as dramatic as “reinvention.” This is the most difficult of all strategies for revitalization and renewal. It requires change, a new mission, and certainly a sharpened vision, perhaps a new name. It may focus on a different clientele, becoming inclusive instead of exclusive. I have participated in two such strategic initiatives to reinvent; one failed, the other succeeded. In both cases, donors were watching closely and stayed engaged and interested in supporting a good outcome.

These three strategies are merely examples of how a college or university may approach fundraising through strategic planning. The purpose is not to corral potential donors to help meet the needs of the institution, but to corral the school’s programs into something larger and promising within the institution’s mission that donors can embrace with passion and excitement. Most donors do not like to put their funds into the big black hole of unmet needs that a college or university’s chief financial officer seeks to fund. Donors are much more likely to support new strategic initiatives that prepare students for their lifework and build the school at the same time. In fact, it can be said that a fundraising initiative (a campaign) and strategic planning must go hand in hand. Here, in conclusion, are some things to consider in developing such a strategic fundraising campaign.

1. The educational and academic officers must take the lead in development of the strategic plan. Fundraisers, recruiters, and sports programs, where they exist, serve the educational/academic sectors of the institution, not vice versa.
2. Nevertheless, the strategic plan must have broad-based input within the institution, especially from these who connect mostly with the external environment, such as fundraisers, recruiters, and financial managers. No strategic plan can be developed without a realistic and supportive financial plan. The development office may assist by probing donor interest in the emerging plan, ascertaining its feasibility among external supporters.
3. The resulting strategic plan must be based on mission and driven by vision. In a faith-based institution, it should overtly reference the faith commitment on which the institution is founded.
4. The plan for new programs must ascertain if there is an adequate student pool to fill these programs and ready employment opportunities for the graduates.
5. An impact study of the specific plan upon the entire institution and its environment must be made ahead of implementation.
6. The plan must be subject to campus-wide discussion, review, and modification if necessary.
7. The plan needs board discussion and approval prior to implementation. This is followed by its first public introduction by the college or university president, who becomes its principal advocate. This will include a financial plan for its implementation and anticipated donor support.

In summary, it should be assumed that any good strategic plan in a not-for-profit college or university will need special funding, usually start-up money, but perhaps also ongoing support during the early growth phase. It may include capital for facilities and equipment. It will surely require additional human resources, both for faculty and staff, often in step with early expansion. The plan then becomes the talking document for the fundraising director and in other institutional communication outlets. Everyone who follows the school—students, families, board members, faculty and staff, church leaders, alumni, and employees—should know what is transpiring in the institution and be ready to make a comment or offer an explanation. Ideally, this is also how potential donors learn about the opportunities to support Christian education. And that takes us to the next section.

PART IV. GUIDING PRINCIPLES AND GOOD PRACTICES OF FUNDRAISING

We have already introduced the "fundraising department." It may consist of a director (Chief Development Officer), staff, and some volunteers. Depending on the size of the institution, the lead role may be played by the president of the institution, but this would be somewhat unusual. We have noted that the fundraisers participate in shaping and articulating the strategic plan that, in turn, will give direction to their work. What responsibilities and opportunities does that place on the development officers? Implied in this question is the need for professionalism on the part of the fundraisers. Such professionalism is more important for long-term success than the size of the department.

Accordingly, fundraising should not be reduced to a few ad hoc activities in addition to someone's regular work, something that gets attention only when time allows. Rather, its work must be regular, central, and deliberate, following best practice, and be monitored regularly to assess progress. Time must be assigned and money allocated in the budget for fundraising, and the fundraising director must be held accountable for its use. In return, the fundraising activities are subject to annual review and outcome assessment by senior administration, perhaps with help by a consultant, and the findings reported to the board in the president's annual report.

How should the development department be structured, and what is a reasonable budget allocation for it? Some will answer this question by referencing its ROI (Return On Investment). How much do the department and its activities cost as a percentage of what they bring in? Some will want to keep it under 10 percent, others under 20 percent. There is no absolute standard. But it is worth remembering that the money raised will naturally vary from year to year, while the fundraising costs may remain quite constant. Furthermore, most donors give restricted gifts, meaning that the money raised, generally speaking, cannot be used for departmental operating costs, unless specifically authorized by the donor. And most donors like to know that their entire gift is for direct education, not for overhead. Therefore, fundraising really represents a long-term institutional commitment of time and money! Some gift commitments will be staggered over a period of time or consist of planned gifts realized only in the future. That explains why successful fundraising cannot be "turned on and off" according to budget availability, with the expectation of long-term results. Once the school opens a fundraising program, it must stick with it, or it will waste both time and money.

Nevertheless, despite such protections, the development department must use its budget responsibly in order to justify its size in relationship to other institutional cost centers, e.g., recruitment, student services, research, etc. Therefore, whether the development budget minimally provides for some back-office support and travel for the president, or supports a regular department with professional fundraisers, the cost allocation should be included in the annual operating budget and used in a responsible way, approved by the board. Furthermore, it should be ongoing from year to year with the option of review and thoughtful adjustments from time to time. Finally, in addition to the normal funding plan noted above, unrestricted gifts may be used to offset the department budget early on, with the understanding that most donors prefer to see even unrestricted gifts used for the school's educational mission.

We will now look more carefully at the actual work fundraisers do, what motivates them, the principles they work by, how they connect with donors, the proposals they present, and the type of gifts they bring home. At this point, it is worth remembering that fundraising has become a profession whose members can develop their skillsets by study, attending conferences, reading, achieving certification, etc. Colleges and universities like to hire experienced and licensed fundraisers with a good track record of successful fundraising, but that is not always possible. And so beginning fundraisers sometimes start simply with strong social skills, a passion for education, and little formal preparation. Nevertheless, every fundraiser ought to seek opportunities to learn, grow professionally, and follow best practices—which may include professional certification.

INTEGRITY IN FUNDRAISING

Fundraising deals with money. Some will say that fundraising is a kind of redistribution of money from donors to recipients. Ideally, at the end of the gift process, both donors and recipients will feel fulfilled, thankful, enthusiastic, hopeful, and grateful. But in dealing with money, things can go wrong, leading to disappointment or worse. To achieve the former outcome and avoid the latter, fundraisers must always do their work with the highest level of integrity, with pure motives, and without conflicts of interest.

As we noted in previous sections, fundraising can achieve success only if it has a clearly stated vision leading to donor confidence in the strategy outlined by institutional leadership and endorsed by the board of trustees. And secondly, integrity in all its dealings is the best foundation for ongoing fundraising success. It goes without saying that an institution operating on the highest ethical principles must extend these to all aspects of the organization's activities. This includes the fundraising office. By its nature, fundraising can at times find itself in a compromised situation that tests, perhaps unintentionally, the fundraiser's commitment to ethical principles. Pressure to be successful in bringing home the money and thereby enhancing the fundraiser's reputation rather than the institution's strategic plan could compromise a gift. At times, the donor—with fundraiser encouragement—may wish to fund fanciful campus initiatives that are not viable. A major donor may seek to place restrictions on a gift that are not in the best interest of the institution or are out of harmony with its mission—and seek support from the fundraiser to facilitate such a plan. Or, in return for a gift, the donor may expect certain favors, recognitions, or benefits that are inappropriate. A donor once proposed a gift to a program to be directed by a relative, and further, declared that this was a condition of the gift. That was unacceptable, since the appointment of a program director and raising funds for the program follow different pathways.

As we will see next, fundraising frequently leads to a close relationship between the donor and the institution. Sometimes fundraisers mistake such institutional relationships for personal ones. It is important to relate to every donor both professionally and appropriately. To be sure, these complexities in the work of fundraising are not always perfectly clear. For example, when a donor generously offers to host a meal, provides travel, or arranges attendance at an event, it is important that such invitations are viewed in the context of work for the institution, and not personal benefits. It may be tempting—but is never appropriate—for the fundraiser to receive personal gifts from the donor, nor to partner with the donor in a business or investment opportunity. In rare cases, a donor may promise gifts whose funding was derived from business activities or professional services that are out of harmony with the ethical or religious standards of the college or university. Such donations can cost the institution more in the long term than the value of the donor's gift, and occasionally a school has been pressured to return a gift derived from resources that raise ethical questions.

The fundraising department—both the staff and its communication—must always align itself with the institution's mission, abide by the highest ethical standards of fundraising,[6] and pursue only what is in the best interest of that institution, no matter how tempting it is for the fundraiser to compromise and bring home a new big gift. One way to avoid such mishaps is through a "gift document" that outlines clearly the expectations of the donor and the institution regarding the transmission and disposition of the gift. The director of development and the college or university president will both sign the agreement, and in some cases the board may be asked to approve it.

DONOR RECIPROCITY

When appointing a development director or officer, it is important to ensure that this individual understand relevant state/province and local government laws and other regulations pertaining to philanthropy. Each country (or regional government) may have unique tax laws allowing the donor to deduct philanthropic gifts from tax obligations. Other regulations may govern planned gifts, legacy gifts, or trusts, the beneficiaries of which may include family, friends, and heirs in addition to the school. When discussing a gift with a donor, it is important for the fundraising staff to understand these tax laws and other financial regulations governing philanthropy and be able to convey accurate and truthful information to the donor; or if there is any doubt, to refer the matter to a legal or financial expert who can represent the donor. I have found that it is always best to remind donors who wish to set up a legacy gift or an estate plan with the university that there may be family or friends who can make moral or legal claims upon part of the estate. The

[6] For further information on a code of ethics, see the Association of Fundraising Professionals Code of Ethical Standards and Donor Bill of Rights:
https://afpglobal.org/sites/default/files/attachments/2019-03/CodeofEthics.pdf;
https://afpglobal.org/sites/default/files/attachments/2018-10/YIPCareers_DonorBill.pdf.

faith-based college or university should as far as possible avoid securing gifts that may become entangled in legal claims.

On the other hand, it is important for fundraisers not to depend on tax or other financial benefits coming to a donor when arranging for a gift. As a matter of fact, most major donors make very clear that their decision to support the institution is made regardless of any benefits that might come to them. It is the shared vision, the opportunity to develop the institution, or enter into a genuine partnership with it that motivates them to make the gift. This is no more evident than with the largest donors, whose gifts exceed any limit allowed for tax or other benefits to their personal finances. They give to benefit others, not themselves, because they are committed to what they wish to support. That is the best premise upon which to negotiate and secure a gift.

DONOR RELATIONSHIPS THAT COUNT

At the core of all fundraising is the relationship and ultimate partnership between the institution and the donor. In many cases, the donor may enjoy several concurrent relationships within the institution and the broader community. This is not a sign of competition that the fundraiser ought to resist, but an opportunity to broaden the base of good will. Such relationships can last for decades, but they must be genuine, not opportunistic.

After receiving one million dollars for an endowed chair early in my fundraising career, I would return to the donor at least once a year, sometimes with a flower for his wife. “You do not need to come back, I have no more money to give you,” he said each time. I explained that I knew, but that I still had a good many “thank-you’s” to give him. So we became friends. In return, he spoke to his business partner, who added three more endowed chairs during subsequent years. I kept visiting him until he passed away. So relationships count. The maintenance of such donor relationships must always be genuine, and that can be accomplished by including the donor in ongoing discussions of the school. Thus, it is not uncommon that a past donor will remain interested in the institution he or she has helped support by reading up on current developments by being ready with questions and even suggestions.

As stated above in this manual, a good ongoing relationship between fundraising staff and donor is greatly enhanced when the fundraiser learns the skill of listening while taking an genuine interest in the donor’s life, family, and business—indeed, all aspects of the donor’s life. One must keep in mind that these relationships are not personal but on behalf of the institution. And like ordinary personal relationships, these professional relationships are excellent ways to explore a shared vision for higher education. Practical ways of maintaining donor relationships include spending time together and remembering birthdays, anniversaries, and special holidays. Accordingly, it often takes many visits and a period of time to get to know the donor before it is appropriate to ask—especially for a large gift. Up to 10 visits would not be uncommon.

Even when fundraisers state up front that their job is to solicit gifts in support of the college or university, it doesn’t mean that the discussion about giving happens right away. And once the gift is given, the relationship does not come to an end. A professional fundraiser will institute an appropriate plan to recognize and honor the donor. Therefore, "friend raising" precedes fundraising, and that leads to ongoing relationships that will in time indicate when the donor feels right about engaging with the institution and entering a conversation about a gift. Once, after a number of relationship-building conversations that crossed great geographical, cultural, and generational distances, a donor stopped me as we said farewell. "I think it is time for me to give a gift to the university," he said matter-of-factly as we stood at the entrance to his house, and then added, "How do I transfer the funds from my overseas account to the university?" I thanked him profoundly for this surprise announcement and promised to make it easy for him to make the transfer. The more personal and authentic these moments of engagement, the stronger the bonds of the relationship will be if—and when—the time comes to resolve any misunderstanding over the donation, clarify the vision, and finalize the gift.

PART V. THE GIFTS AND THE "ASKS"

ANNUAL GIVING

Annual gifts refer to donations that are made annually and come from a donor's regular income. In a way, they are similar to the Christian practice of tithing and giving offerings in church. Donors are encouraged to get in the habit of giving regularly at least once every year and also to budget for these gifts in their financial planning. Annual gifts are usually smaller and based on a donor's discretionary financial resources. Because of the size of these gifts, they are usually solicited by mail, phone call, or through social media, and may be set up as electronic transfers annually or monthly. Another important concept of annual gifts is that because of their smaller size and the manner in which they are solicited, the gifts are often unrestricted, and can be pooled together in support of a larger program or to meet a special need, perhaps even supplement the annual operating budget. Managing a very large number of smaller gifts with very restrictive designations can be time consuming and costly, and should be avoided if possible. However, whenever annual gifts, whatever their size, are restricted by the donors for a specific purpose, such as scholarships for students, the institution must scrupulously allocate these funds according to the restriction, no matter how modest the amount and how restrictive their allocation. It is important to thank donors individually in a timely manner, even for modest annual gifts.

MAJOR GIFTS

Major gifts typically come from a donor's accumulated financial assets held in financial institutions or invested in financial markets. The donor relationship leading to a major gift generally takes longer than with annual gifts. And given the larger size of such gifts, the donor usually seeks more information about the school, especially its governance, operations, and strategies, and the decision-making process may take detours along the way. At times, major gifts are divided into a multi-year pledge commitment or promise, enabling the donor to pay or even finance the gift commitment over time. And in almost all cases, a major gift will come with a very specific designation or purpose. This restriction should be in alignment with the strategic vision and core mission of the school.

It is essential for the fundraiser to be clear and transparent with the donor throughout the gift negotiations. Donors who make these kinds of commitments are often motivated to start new programs or build new facilities. And they generally don't want to be the only donor in support of a large project. In fact, they may ask for a fundraising plan to meet this expectation. It is their hope that others will participate with them to complete the project and may make this a condition for giving, such as in the case of matching gifts. They rarely will make these types of major commitments in support of existing programs (except supplementary funding for an expansion) or for ongoing general operational needs, considering that to be the institution's responsibility. It may take considerable time and multiple visits by a fundraiser for a prospective donor to settle on a major gift in support of a college or university project or initiative. Involvement by the president or a dean may be helpful, Notes should be kept of each visit as the relationship between the donor and the school is moved forward.

TRANSFORMATIONAL GIFTS

These gifts are so large that they are able to fundamentally change the trajectory of the college or university into the future. Sometimes they represent a capstone gift by a lifelong major supporter of the school. They are institution-changing gifts. Their size varies with each situation, but it is generally understood that their impact can be felt across the entire institution. Unlike a gift for a new facility or building or to support a student program, a transformational gift may be large enough to establish a new school of medicine or law, for example, or reorient the entire physical campus, provide permanent budget relief in a major way, or be equivalent in size to a third or more of the institution's annual operating budget. Such a gift often comes with a major naming expectation (of the whole institution, a school, or major program) and requires involvement of the board. In the process of negotiating such a transformational gift, a comprehensive communication plan will help explain to its many audiences its anticipated impact on the entire school and allay fears that it will threaten its mission or central educational focus. A gift document setting out mutual expectations of such a transformational gift will be drawn up and approved by all interested parties, both legal and financial.

ENDOWMENT VS. EXPENDABLE GIFTS

An important fundraising strategy distinguishes between expendable gifts and endowment gifts. Generally, expendable gifts, regardless of size, are meant to be spent fully in the fairly short term. These gifts have an immediate and direct impact on the institution's needs, strategies, and priorities. Endowment gifts are invested in an endowment or trust fund providing both financial growth and payout far into the future. Once invested, a proportion (generally three to five percent of the principal, calculated over a three-year period) is withdrawn annually to support the institution's needs and priorities—for example, student scholarships, faculty positions, or research activities, even for operating new costly facilities. Donors who wish to establish such endowments like for their gifts to grow at the rate of inflation to preserve "purchasing power" at a minimum and provide ongoing support of the school. Institutions should pursue endowment gifts only if they have a well-established strategy and written board-approved policy to oversee the investment practices of such gifts, using professional investment managers and advisers.

THE COMPREHENSIVE VS. PROJECT CAMPAIGN

During recent decades a widely accepted best practice has been established for campaign fundraising. Generally speaking, a "comprehensive campaign" refers to a fundraising initiative that impacts the whole institution by incorporating a number of strategies under its umbrella goals. A "project campaign," on the other hand, seeks funding for a single limited initiative of high importance, a priority, but falling outside the normal fundraising efforts. It could be for a specific facility or unique opportunity that has presented itself. The key idea is to pursue this limited project campaign in a manner that doesn't hurt the annual fundraising activity or a comprehensive campaign that may be underway (though it may be incorporated under the latter). Donors generally will not stop giving to the annual fund, nor to the comprehensive campaign, but may provide additional gifts to a project campaign. At times the project-specific campaign will appeal to individual donors with a unique interest in or passion just for it.

The typical comprehensive campaign, on the other hand, brings together all the ordinary fundraising efforts noted above into one single grand plan, stretched over a period of years with a large comprehensive goal. This is what may be called a mega-campaign, an attention-getting fundraising initiative bigger than anything attempted before, and intended to bring together all of the institution's priorities and strategies under one roof, stretched over an extended period of time, e.g., five to seven years. By including everything into a comprehensive campaign, donors have an opportunity to be inspired by bigger ideas, expansive goals, and activities, and to watch their gifts accumulate over the period of the campaign and add up to a large sum. As it develops, it tends to unite donors into a band of supporters with a common set of priorities and fundraising goals. An additional benefit of a comprehensive campaign is that for the institution to be successful, it will have to take a disciplined yet expansive approach to setting priorities and adopting a "stretch" goal. This typically is preceded with a feasibility study that will inform potential philanthropic support as well as strengths and challenges the organization should consider. Establishing a comprehensive, multi-year campaign has the added benefit of sometimes lifting the annual giving goals from pre-campaign levels to new higher post-campaign levels.[7]

The big goal is set during a quiet phase of the campaign. It begins with a feasibility study during which time the institution will engage potential donors and volunteers in the goal-setting process and ends by asking how much the school can realistically raise in a stretch. The public part of the comprehensive campaign should not be announced before the feasibility study is complete and at least 50 to 70 percent of the proposed campaign goal has been reached. Often, fundraising offices hire campaign consultants to work with the staff, president, and board to complete the feasibility study and secure the support of major donors during confidential conversations about

[7] Rather than threatening the annual fund, a large capital campaign can sustain or even increase annual giving. "Could a capital campaign be the perfect time to bolster your annual giving program? Absolutely," writes Kathy Giles in "Importance of Annual Fund in a Capital Campaign," *Allegiance Fundraising* newsletter (August 28, 2018): https://allegiancefundraising.com/importance-of-annual-fund-in-a-capital-campaign/.

their interests, passion, ability, and willingness to get involved. In most cases, both the comprehensive and focused campaign goals will depend to a very great degree on a small number of lead donors. It is not unusual that ninety percent or more of any major campaign goal will be provided by five percent of the donors. A gift pyramid or model of the relationship between donors and donations will illustrate this (see Appendices C1 and C2).

PART VI. ORGANIZATION, VISITS, TACTICS, AND CLOSURE

ANNUAL GIFTS (APPROACH, ORGANIZATION, TACTICS)

As previously noted, annual giving refers to a type of gift that promotes habitual giving by encouraging donors to think about institutional needs year by year. Some larger annual donors may in time move on to providing a major gift if their disposable resources allow for it. As with church tithing, annual donors are encouraged to keep the institution at the forefront of their giving thoughts. Often such donors look to a certain time of the year or to a specific method of solicitation when making these gifts. Again, these gifts are often smaller in size and represent funds that are provided from donors' annual income, not from their accumulated assets. They could be completely unrestricted/undesignated or directed toward a specific purpose or project—for example, student scholarships. But how are they secured?

Direct Mail/Letter Appeal

The most common method of soliciting an annual gift is through an old-fashioned letter appeal, which is usually personalized with the donor's name at the top and is signed by the institution's president, a fellow donor, or sometimes by staff. The letter sets out the importance of making an annual gift this year and explains how the gifts will be used to support the institution or its students. It should be positive and show impact of support, not be a list of "have nots" or problems. Best practice suggests that the letter should be short (one page is ideal), clearly written, with short sentences, easy to read, concluding with a simple appeal to the donor. Included with the letter is a reply card for the donor to fill out with name and address for easy processing, or to provide e-mail contact information. There should be set boxes on the card to fill in the amount of the gift, credit-card information if applicable, and instructions on how to complete a gift via check, by phone, or online. It is quite common to ask donors to indicate how they would like for the gift to be recognized and receipted. If the donor is invited to indicate a designation or purpose of the gift, there should be an easy manner to make that known.

The development office should track the responses to the letter appeal, including how many were sent, how many were returned with gifts, updates on addresses or other donor information, and how the results of this year's solicitation by letter compares to previous years. Recently, I responded to a letter solicitation for an annual gift to a university by sending my gift online. Within an hour, I received via e-mail a thank-you note and receipt. Within a day, I received a longer letter of appreciation with an update of the database of my relationship with the university; and within a week, an invitation to a university function near my home. Never allow annual fund donations to linger on a staff person's desk for weeks or months! Best practice is to send acknowledgement within a week.

Telefund/Telemarketing

Annual gift programs may also use telemarketing by calling names on a donor list at their homes, businesses, or mobile numbers. These programs can use students, part-time staff, full-time staff, volunteers, or paid outsiders (not the best option) to make the calls. Various technologies and communication tools can automate these calls for efficiency, but telecommunication laws must be adhered to. Best practice in telemarketing programs includes ample preparation. In addition to a clear request for a gift and explanation of how the gifts will be used, a script should be prepared to assist the callers with developing clear and effective communication skills. Therefore, callers should be carefully selected and trained to overcome the natural resistance donors may have toward telephone solicitation. Callers should state their names, where they are calling from, why they are calling, and at the appropriate time, they should be comfortable in making the "ask." At this point it may be encouraging to remind repeat donors of their past giving history. Often callers have a menu of giving levels they can provide the donors and note any applicable recognition or appropriate benefits the donor may receive at the different giving levels. This generally includes invitations to special events or information about the institution.

Telemarketing programs can run for a limited time or be year-round, depending on the size of the donor population. It is no longer viewed as a year-end event. Because many people screen their calls, the trend of holding telethons has decreased. Some organizations send an appeal letter to donors in lieu of a call. This method of response is decreasing over time for the industry. Some institutions only call those who give through this method.

Texting/Mobile

New technologies can increase the number of annual donor contacts, especially with younger and busier donors, by using mobile phones. They text for quick communication and are comfortable using their smartphones to make financial transactions. Texting mobile phone users to solicit annual gifts is still an emerging fundraising strategy. Ordinarily, this approach drives the donors to a link/website where they can make their gift via credit card. Alternatively, the donor can text a gift back by way of a charge to his or her mobile provider. This may require a partnership/-contract with the mobile provider. A text message can also serve as a reminder for the donor to make a gift through the normal process (mail or website). This approach is best utilized with a known previous donor, given the limited amount of messaging that can be included in a text, but it may be just right for a young or busy donor on the run!

Online Giving and Use of Social Media and E-mail

By far the fastest-growing approach to securing annual gifts is to encourage online giving. Typically, a donor receives an e-mail from the institution with a written appeal/request for a donation, including a link to a secure giving site where he or she can make a gift via credit card. The e-mail can include a version of the direct-mail letter, a special message from a student, donor, or volunteer—or even a video message. At the end of the e-mail, the donor is asked to make a gift via an online link. Technology platforms or vendors can provide an online giving portal or process to monitor and track the number of donors who open the e-mail, how much time they spend on the e-mail, and how many ultimately make gifts. Good data are needed for an effective online giving program. Another benefit of online annual giving programs is that an e-mail confirmation with a receipt can be sent immediately to donors to reassure them that their gift was processed. In the e-mail confirmation a thank-you message can easily be incorporated. Appeals from organizations are on the rise through social media, where peers share with their circle of influence and encourage them to join in supporting the cause. These are often smaller gifts, but the appeal is made to a larger group to whom the organization generally does not have access. This is a newer way of donor acquisition.

MAJOR GIFTS: IDENTIFYING AND ENGAGING THE DONOR

Annual gifts are generally small, as we have seen, but with a growing donor base, the total amount coming to the institution from annual gifts can be significant. If managed carefully from year to year, it can grow into quite a reliable source of income for the school. Even more important than the amount of funds is the number of donors. They represent a huge asset, a resource of individuals with an interest in the welfare of the school, and they should be nurtured and placed on the development department's "drip system," meaning kept in contact with by the development office and informed about the institution. In time, if good engagement is maintained, some of the annual fund donors will grow into major donors who may be ready to give a larger gift.

Major gift fundraising is based upon strong relationships between donors and the institution. Such relationships are built over a period of time and often include multiple connections with the donor by fundraising staff, the president, and other administrators. A major donor may already have strong relationships with other donors and volunteers. A major gift is typically given from the donor's accumulated assets and not from annual income. In some institutions, a major gift value might start at US$25,000 dollars, while for others it could be a significantly larger amount. For practical planning purposes, the major gift value would depend upon the local economy and the history of giving to the school.

Due to the size of these gifts, the process of securing them takes significantly longer time, sometimes several years. Once a donor is identified as having this level of giving capacity, a good strategy will involve that donor in a series of engagements with the institution. This might include invitations to the campus for special events, a guest card to the library, pool, or even cafeteria; or meetings with students, faculty, and staff. The donor is engaged in discussions related to the vision and mission of the institution where future opportunities and needs are shared. That could include a membership in a "donor society," institutional development council, "president's circle," or the like. In the course of this engagement, the donor will gradually begin to consider major financial support of the institution's vision or one of its special needs. Once this initial ask is made and the donor responds positively, a formal proposal is developed and then shared with the donor. Any delay in bringing closure to such a proposed gift will reduce the likelihood of it being implemented.

Major Gifts and the Development Department

In a multi-staff department, a professionally trained major gift officer (normally a senior fundraiser) is assigned a list of potential donors with whom to work toward major gift levels, including presenting the proposal, making the "ask" when appropriate, and bringing it to closure. Since these are major gifts, generally provided from accumulated assets, the donor list should focus on individuals who have significant assets. A typical MG (major gift) officer will maintain a list or portfolio of 25 to 50 names, depending on the individual and the institution. Each MG officer (if there is more than one), in coordination with the fundraising supervisor or development office, should establish an annual plan on how to meet with, engage, solicit, and thank the donors in the portfolio. This annual plan identifies the actual individuals earmarked for a visit in the coming year. The MG officer (in a full-time position) completes between five and fifteen visits per month, with an annual total of at least 50 visits. In smaller institutions, that will be scaled appropriately. As we discussed above, these visits will help establish an appropriate relationship between the donor and the institution. The ultimate purpose of these MG officer visits is to make "asks." This means donors must be asked by the MG officer if they are willing to support the institution with a gift of a certain amount, as indicated on a formally prepared proposal and gift document. A common problem in fundraising is to complete donor visits without coming around to the "ask." A large "ask" may require the participation of the president or other school officials.

The MG officer is expected to keep accurate records of these visits, including important next steps, follow up, and preparation for the solicitation/proposal. At the end of each year, the supervisor/development office will evaluate the MG officer's performance against the stated goals and objectives in the annual plan to encourage improved performance in subsequent years. Determining whether a potential donor belongs on a major donor list can be difficult at first because it depends upon the donor's financial net worth, and that is confidential. Suggestions by friends and colleagues may give some indication, and at times donor candidates themselves may talk freely about this with the fundraiser.

TRANSFORMATIONAL GIFTS: ROLES OF THE PRESIDENT AND BOARD

Transformational gifts are the rarest of donations. Most institutions likely will never receive them, but some have been blessed this way. When they do occur, they come about because a donor with extraordinary giving potential is inspired by a bold vision to fundamentally transform the institution for the better. Both the extraordinary size of the gift and its purpose directly alter or significantly enhance the future trajectory of the institution. To develop such a concept, the president, the board, the development director, and the donor must be in full alignment with the vision of the institution—no matter how tempting any large gift offer may be, whatever its purpose or proposed designation. Perhaps the president will invite a small group of faculty or staff to work on the development of the transformational idea that truly advances the institution's mission in new directions. It will most likely take significant time to thoroughly explore the possibilities, the challenges, and the risks of such a gift.

For example, if the proposal is to open a new school or program, in addition to determining the needed resources to successfully launch such an initiative, the institution must inquire about the underlying risks to the current programs and the long-standing mission of the school. For example, even if the proposed gift covers a significant portion or all of the costs associated with the new initiative, those costs (not just in money, but also in time) can become a major distraction from the rest of the institution's needs and have to be anticipated. Conversely, the donor must have confidence in the institution's commitment and leadership to successfully implement the new idea/initiative. Lack of such confidence is the greatest obstacle to a transformational gift. Furthermore, the donor may have expectations that the president and board leadership stay in place during the implementation phase of the effort, which may create a challenge. Finally, from a development office perspective, if a transformational gift is a likely possibility, an implementation team should be put in place to work on the various donor expectations to ensure that the best outcome is delivered to the donor and the recipient institution. That may require some temporary reassignments of development staff. Big gifts are wonderful, but take time and money to implement, and could easily overwhelm the institution if care is not taken.

PLANNED GIFTS AND ESTATE PLANNING

Planned gifts or estate giving are planned before, but implemented after, the donor's death. These often-complex gifts are subject to local (state/country) tax rules and regulation and therefore often involve legal counsel representing both the donor and the school. Here donors enter into an arrangement with the institution that upon their death, a specific amount or percentage of their estate will be given to the institution. Some organizations have a minimum percentage requirement to accept management of a trust. Such planned or deferred gifts, like most other major gifts, generally come with a restriction established by the donor and agreed to by the receiving institution. At times, the donor or the donor's lawyer, heirs, or representative will provide the appropriate documentation to the institution for its review and agreement.

Early on, a major gift officer would typically have worked with the donor on the idea and purpose of such a gift and will have secured the concurrence of the institution. In such cases, the development office may also include legal expertise to work with the donor's lawyer or heirs on draft language or specific gift arrangements that will fulfill the donor's wishes and the institution's expectations. It is particularly important that the planned giving or major gift officer is sensitive to the feelings of the donor's family and heirs, and clearly explains to donors the implications of the terms of any legal agreement they enter into with the school. This would especially be true of people who live in states or countries where policies regarding these types of gifts are not the same as in the country where the school is located or for those who are not knowledgeable about these issues. Hard negotiations concerning the gift should always give way to maintaining good relationships with all parties: Friends come ahead of funds in a faith-based institution!

NON-CASH GIFTS IN KIND

For some donors, a gift of valuables, materials, equipment, or technology can be beneficial to the college or university. They can also include highly valuable assets like real-estate property, art, precious metals, or special collectibles. These non-cash gifts can be sold (unless otherwise stipulated in the gift agreement) and the proceeds used to support the institution. Other non-cash gifts like construction materials, equipment, or technology may be given to support a building project or program. In all cases, non-cash gifts should be appraised by an independent appraiser—whether the donor requests it or not. The appraisal ensures that the donor and institution agree on the value of the gift. Gifts of services, transportation, or similar non-cash considerations are typically not considered gifts for the purpose of donor recognition, tax-reduction purposes, or fundraising reporting. A good gift-in-kind acceptance policy will address these issues.

PART VII. CAUSES WITH BROAD APPEAL

The previous discussion of the many aspects of fundraising may seem overwhelming to small or new institutions. How does one establish a development program to do all of that, find enough resources to fund it, assign the right persons to carry it out with "talent management" as staff deployment is sometimes called? In answering these questions for a new program, it may be best not to attempt everything at once. Small steps to success are more valuable than large strides leading to failure. Some questions may help to get started: What is the current total fundraising potential? What are the most promising types of gifts at this time—annual giving, major giving, or planned gifts? Indeed, when starting a new development department, it is best not to approach all levels of giving as described in this manual at once. Instead, one could begin by determining if the college or university has a good number of potential annual donors or a limited number of major gift prospects. Is there a lead donor waiting to be asked? And how much money can the school realistically allocate annually for fundraising activities over the next five to six years? Are the president and the board ready to take on such a challenge, or do they need some time for preparation and orientation to it? What is the best way to align the strategic initiatives of the institution with known donor aspirations? Philanthropy is a long-term commitment, not short-term. Once relationships are built and gifts received, stewarding those gifts and securing new ones are critical for long-term success.

If the school has had a development program for some time, other questions may be important. Has the program been successful, or was it abandoned due to failure or too few gifts? Is the program evaluated annually and redirected as needed? Does the board believe in it? What areas of fundraising should not be attempted in order to focus available resources on the most promising initiatives? Has the school considered a multi-year comprehensive campaign? What could be done to expand the annual fund participants, or increase the size of the average annual gift? Regardless of where the organization is in the fundraising area, it is important to set realistic and attainable goals aligned with the board-approved strategic plan for the school. Sometimes it is easiest for both new and existing programs to get started by looking at fundraising that nearly always appeals to the heart of many donors. Below are four such suggestions for an easy way to start fundraising.

SUPPORTING STUDENTS

One of the most successful approaches to fundraising for education is to seek support for students. Donors, especially annual donors, often respond most generously when inspired to support current and even future generations of students. Though the institution may have other priorities, it is important to recognize that donors are nearly always inspired to support students. So let fundraising begin there.

Current scholarships are the simplest way to support students. Many donors may have been recipients of scholarships themselves and know firsthand the positive impact a scholarship can have on completing a college education. Some donors like to apply their gifts broadly to support many students; others prefer to support a few students with larger scholarship amounts that really impact their lives and learning. Make giving opportunities available in both ways. Such donors like to hear back from the scholarship recipients about their progress toward graduation. Although it takes some effort, it is best practice to ask students to write a thank-you letter to be shared with the donors. These communications should be recorded in a donor database that helps manage the continuity of the relationship.

Another common way to support students is to provide for academic advising and student success counselors. This includes a wide range of support services in academic, social, professional, spiritual, and personal development, along with job readiness. Some donors may be motivated to give to new programs or services that were not available when they attended college. Others may wish to fund existing programs that once helped them succeed. Recently, a donor inquired about students who run out of money during their studies. “What happens to them?” she asked. We talked about their dropping out of college and perhaps never returning. Months later, we met again and returned to the same question: What happens to those students—do we have statistics on them, and what can be done to help them? Clearly, she was deeply concerned for those students. It was her birthday by then, and she announced that she had written a one-million-dollar check on her investment account to establish an endowment for students who drop out for lack of funds. What a novel idea! She laughed and asked me to come by her house to pick up the check—“We do not want it to get lost in the mail, do we?” she said in humor. It was a check straight from the heart.

CAPITAL PROJECTS

Raising money for new facilities can also be a good way to inspire new donors to give from the heart. Unlike programs, a new facility is something donors can visualize, follow during the construction phase, and think of as giving permanence to the institution. Additionally, new facilities also provide a great opportunity for naming recognition of the donor. Recognizing donors or their families on or in the facility also makes it easy to discuss different giving levels relative to the size and cost of the space to be named. A good practice for naming the entire facility is to secure a gift that is equal to half of the total cost of the project.[8] This gives donors a sense of "fairness" in assigning donor recognition and provides a transparent way to raise different levels of gifts in support of the project (for a room, a wing, a lab, or the whole structure). An effective way to inspire donor support of a campus facility is to involve students, faculty, and staff in the presentation and solicitation.

It is important to be clear and confident about the completion of the facility in a timely manner. During the early stages of fundraising, donors may have some concerns about supporting a capital project too soon in the planning process for fear it will falter along the way and construction will be delayed. Typically, a new facility cannot be fully funded by donor support alone. The institution will have to help. In fact, many donors gain confidence in a project whenever the school is willing and able to provide some internal capital resources to see the project to completion. Such institutional resources can come from the capital budget, debt financing, a subsidy from the church, or some combination thereof. Furthermore, schematic designs and elevations along with good cost estimates for construction and furnishings, plus some contingency funding, and ideally some funds left over for a facility endowment to help support its operation and upkeep, will inspire donor confidence in a capital project. Finally, securing a large lead gift at the outset often brings a strong level of momentum to the fundraising effort. Therefore, when starting a fundraising effort for a new capital project, it is critical to have a full and thorough plan completed before making the first "ask." This will pave the way for donor enthusiasm for and confidence in the project.

Similarly, a fundraising effort to support a renovation or expansion of an existing building requires many of the same planning efforts. Donors may have nostalgic feelings about an old building, but they rarely get inspired by deferred maintenance or general upkeep needs. However, an old building that is repurposed or expanded to support student and faculty activities may rally donor support. As with a new facility, donor naming/recognition can become important, but existing-named spaces must be carefully protected or taken into account. For example, if an existing building/space was named as a result of previous gifts from different donors, it cannot be renamed in recognition of a new gift unless the previous donors (or their descendants) agree to the change. Some donors have little interest in naming opportunities; they only want to see the project completed. A standard gift agreement is key to good donor relationships. A major donor was given a tour of a large new facility he had helped fund. During the tour, university officials impressed upon him how important this new building would be for teaching and research while renewing and upgrading the entire campus. At the end of the visit, before leaving in his car, the donor was shown the construction plans and progress. It was on time and within budget! The university had managed his gift well, and that mattered more to him than all the future research activities in the facility and the name on the outside!

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[8] The board may wish to retain the right to change or revoke a name, for good cause. See for example, https://www.lsu.edu/policies/ps/ps_70.pdf.

FACULTY AND RESEARCH

A more difficult type of fundraising is for faculty or research programs. Donors tend to assume that the institution should provide the necessary support for its teachers and programs. It is easier to find support for senior faculty through named chairs (for example in religion, history, or biology), or for junior faculty-awards programs (teacher-of-the-year awards, etc.). Such gifts generally are placed in endowments that provide income in perpetuity, give donor recognition, and support quality education.

It is important when cultivating prospective donors in support of faculty chairs to demonstrate the exemplary impact of the professor's work through research, teaching, or community service, since for many donors, the work of academics beyond their teaching assignment can be a mystery. Therefore, it can be quite effective to bring the potential donor and faculty member or academic dean together in discussions relating to the faculty member's work and the value of the anticipated research activities. Conversely, faculty members are typically unfamiliar with the fundraising process and may need some tutoring from the development team before being invited to a donor conversation! One important concept for donors to understand is that a gift in support of a faculty chair cannot be used by the donor to influence the faculty member's research interest or conclusions. A donor once funded a chair in economics with the expectation that the occupant of that chair would advocate for economic policies espoused by the donor, or else give the money back. While such research expectations may be feasible within the donor's area of responsibility, it is inappropriate within the higher-education environment. It militates against academic freedom for the professor and educational integrity in the institution. Both must be respected. Therefore, funding with such expectations attached should not be accepted. But support for exemplary teaching and research can warm the heart of a donor.

FAITH COMMITMENT AND SERVICE LEARNING

Finally, Christian education enjoys a special place in the heart of donors who are motivated by faith commitment and service learning. For Seventh-day Adventist colleges, universities, and seminaries, they are generally but not always members of the sponsoring church and deeply committed to its mission. In some cases, members of other churches or former members of the Seventh-day Adventist Church who have abandoned active church membership become donors. Some eventually find their way back to active church membership once they have supported Christian education. They may respond especially generously to appeals for financial support that directly benefit students preparing to serve as ministers, teachers, or Christian workers. Others may wish to support programs that will advance Christian mission, development, and relief work in places of human suffering.

Education, along with health and human services, are often the most effective "hands and feet of Christ" in places of need in the world, and the Christian college or university overtly prepares graduates to become these "hands and feet." Therefore, such initiatives and strategies generally meet with broad appeal among donors, who are motivated from the heart. Fundraising initiatives in a Christian college or university will include faith commitment and service learning in their appeal for support. It is a good place to start.

PART VIII. A FEW FINAL SUGGESTIONS FOR FUNDRAISING

VOLUNTEERS: HELP OR HEADACHE?

Using volunteers can be a very effective way to increase fundraising success. Carefully selected, these volunteers are typically very knowledgeable about the institution's mission, goals, and challenges. In addition to providing valuable advice, volunteers can identify potential donors who belong to their business and social networks. Additionally, they can offer helpful knowledge about the giving capacity of other donors to assure the most effective "ask." And finally, volunteers can often speak directly to donors about their own giving practices, which will inspire the new donors to expand their support

It is important to support and encourage volunteers in their efforts on behalf of the institution in ways that make them feel included and appreciated. For example, they can serve on advisory councils and fundraising committees, or become school ambassadors in their spheres of influence. In creating a volunteer structure, perhaps headed by a volunteer director, it is helpful to communicate with participants on a regular basis, bring them to campus for group engagement, and assign them specific donor activity. One practical step is to provide volunteers with lists of potential donors and ask them to review the list to see whom they may know, assess their giving potential, and indicate if they would be willing to assist in the cultivation and solicitation of a gift. It is sometimes referred to as "peer screening" and can be very effective in making the right "ask."

While most donors do not really enjoy becoming fundraisers themselves, there are a few exceptions, as we have noted above. One major donor who wanted to give more, but could not, asked for names of other potential donors and set out to see some of them—university friends, business partners, even neighbors. It is an underused source of fundraising partners who can extend the institution's donor relationships, but only when there is complete trust between volunteer and fundraisers.

DONOR SOCIETIES

The creation of donor societies according to gift levels can be an effective way of recognizing past donor giving and encouraging it to continue. These societies can be created for annual giving, lifetime giving, or both. Members of a planned giving or legacy gift society might bring together likeminded individuals who have arrived at a stage in life where they face similar decision making. By these means the institution has the opportunity to thank, celebrate, and encourage donors in the company of their peers. In addition, special programs and communication can be provided for each donor society in a way that creates a sense of community and shared commitment. Finally, forming donor societies makes it possible to name each giving level/society after a notable individual associated with the institution (past presidents, board members, faculty, or donors).

SETTING FUNDRAISING GOALS: REVIEW AND ASSESSMENT

A successful development office or department will adopt, evaluate, and revise regular measurements of fundraising effectiveness. Whether it is a newly created office or a long-established one, the president, the development leader, and staff should understand how their work in fundraising is evaluated. Annual reports will be prepared on quantifiable activities, including visits made and gifts received (number of gifts and total amounts raised), fundraiser activities (events, major gift proposals, and annual giving campaign), data quality (updated and new information), and finally expenditures (the fundraising budget). With these data in hand, a development office can then compare annual goals and results against previous years and peer institutions. Furthermore, in a multi-staff department, all staff persons should set annual goals and use them to evaluate and improve their own professional performance. The board and president should receive a comprehensive report annually of the development office/department goals, activities, and performance. Non-monetary, data-driven goals can also be set, including the measure of effective communication, transparency, and integrity. In short, goal setting contributes to a transparent and motivational culture in the development work. Based upon data and outcomes evaluation, these goals should be realistic but also aspirational, leading to encouragement rather than stress.

TALENT MANAGEMENT: HIRING, TRAINING, AND REWARDING

In any business or human-services function, the very best recruitment process, training, evaluation, and pathways to promotions for development staff contribute to successful outcomes. A mistake often made in building a development office is to recruit a person or team with good institutional knowledge, external relationships, and perhaps a winsome personality, but no formal fundraising training or experience. Workshop and in-service training are readily available and can remedy that. It is always helpful when building or expanding fundraising activities to ensure that the right staff is hired and compensated in an appropriate manner that reflects upon the fundraising work. And that work is more art than science—a curious blend of professional skills and personal passion, both rooted in best practices and in the institution's strategic vision.

THE CRITICAL ROLE OF TIMELY FOLLOW-UP

One of the most common challenges or obstacles to success is a lack of timely follow-up with donors. Regardless of how good the cultivation and relationship-building efforts have been, if the development officer does not follow up on a donor interest with a timely proposal, the gift will not come. Distractions or just complacency can derail any good donor relationship. Usually even the most committed donor will not initiate a gift discussion unless the institution drives the process. Once a donor indicates an openness to consider a proposal, a follow-up meeting must be scheduled as soon as possible and within the timeline indicated by the donor. With a careless delay in communication, prospective donors may change their mind, or even make their gifts to different organizations. The development office leader must instill a culture and expectation of timely responsiveness and a healthy sense of urgency with all donor engagements, not only when handling a gift proposal, but also when responding with a receipt and thank-you note to donors who have already given.

DATA-DRIVEN DECISION MAKING: FUNDRAISING IN THE 21ST CENTURY

Like many sectors of services and industries, fundraising has experienced a huge change in dealing with data. Exponential growth in the amount of data available in the public domain has complicated what was once a simple task in fundraising: meeting donors, asking for support, and receiving monetary gifts. It can now seem quite overwhelming, especially as fundraisers seek to take full advantage of the social network and donor data, such as giving patterns. Donors increasingly expect the organizations they support to know their interest areas as well as the manner and frequency of how they like to be solicited. Furthermore, donors expect that the institutions will ensure data security to safeguard their personal information and the privacy of their giving information. As new technologies evolve for online transactions/business, donors expect the same level of sophistication and ease in receiving their information about the school and making their donation. Furthermore, fundraising leaders must learn to analyze the effectiveness and outcomes of various fundraising efforts. New data analytical tools and artificial intelligence can bring a targeted and personalized approach to each fundraising effort. These industry changes have a special impact on annual giving and broad-based solicitation efforts.

Development offices will seek to recruit and train staff who understand and are comfortable with data analysis and are able to mine that data for information needed in a successful development office as it deals with donors, donor interests, and donor passions. That is happening already in many settings and will surely spread before long wherever there is communication about ideas, visions, and dreams, and the financial transactions needed to make them happen.

The appendices below contain worksheets and practical exercises to prepare for fundraising, and include sample fundraising charts, reports, and a variety of letters.

APPENDIX A. WORKSHOP EXERCISE: GETTING READY FOR FUNDRAISING BY DEVELOPING A STRATEGIC PLAN

1. Select one of the following three sample definitions of strategic planning (or develop your own), explain your selection, and show how it applies to your institution. Give it a name.
   a. Moving the institution from mission to vision.
   b. Integrating financial and academic planning for improved educational quality.
   c. Matching external opportunities to internal resources.
   d. The definition of your choice.

2. Select one of the sample strategies noted below (or identify one of your own), give reasons for your choice, and explain why it fits your institution.

   My plan is to. . .
   a. Consolidate existing programs to improve efficiency, quality, and enrollment.
   b. Raise the profile of the institution for greater external impact and new partnerships.
   c. Revitalize the institution through renewal or reinvention.
   d. Describe another strategy of your choice.

3. Imagine a strategic-planning committee/process for your institution. Indicate terms of reference: Who will lead it? Who will serve on it? What is the time frame, deliverables, and approval process?
   a. Chair (by position).
   b. Members (by position).
   c. Terms of reference.

4. Describe your hopes and expectations from this strategic initiative. Imagine what it will do for items *a* through *g* below in the next five to seven years. Try to quantify your expectations realistically.
   a. Students.
   b. Faculty/staff.
   c. Parents, constituents.
   d. Sponsoring church.
   e. The campus.
   f. Institutional finances.
   g. Community.

APPENDIX B. WORKSHOP EXERCISE: DEVELOPING A FUNDRAISING PLAN

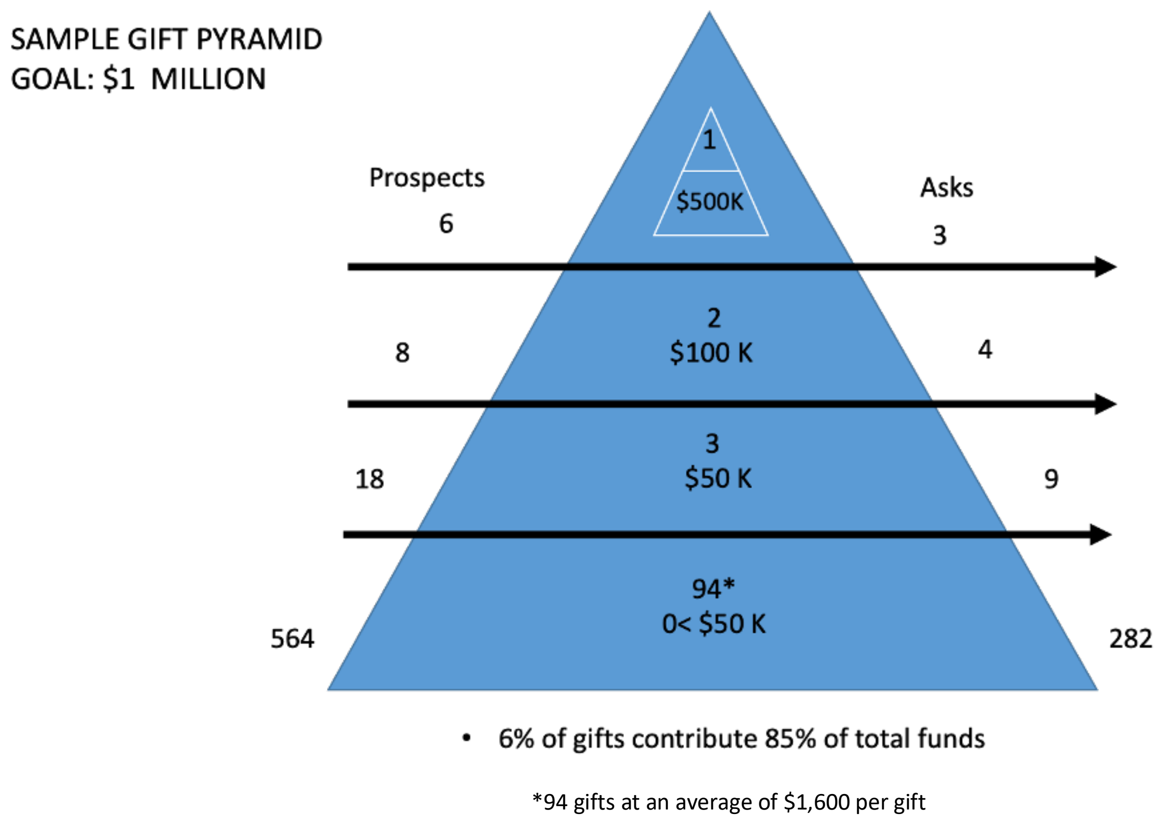
1. Beginning with your institution's mission, state in outline form the strategic plan you hope to develop and the vision motivating it. What are its overall goals? What is the estimated cost of the plan? Does the plan have several components? If so, what are they? Establish priorities within the plan and evaluate the feasibility of securing funding for each of these from potential supporters, partners, and/or friends of the institution.

2. Describe the improvements this plan will make to the college or university once implemented during the next three to seven years as they relate specifically to one or more of areas *a* to *f*.
   a. Programs of study.
   b. Students and enrollments.
   c. Teaching and learning resources.
   d. Campus facilities.
   e. Community or church engagement.
   f. Other.

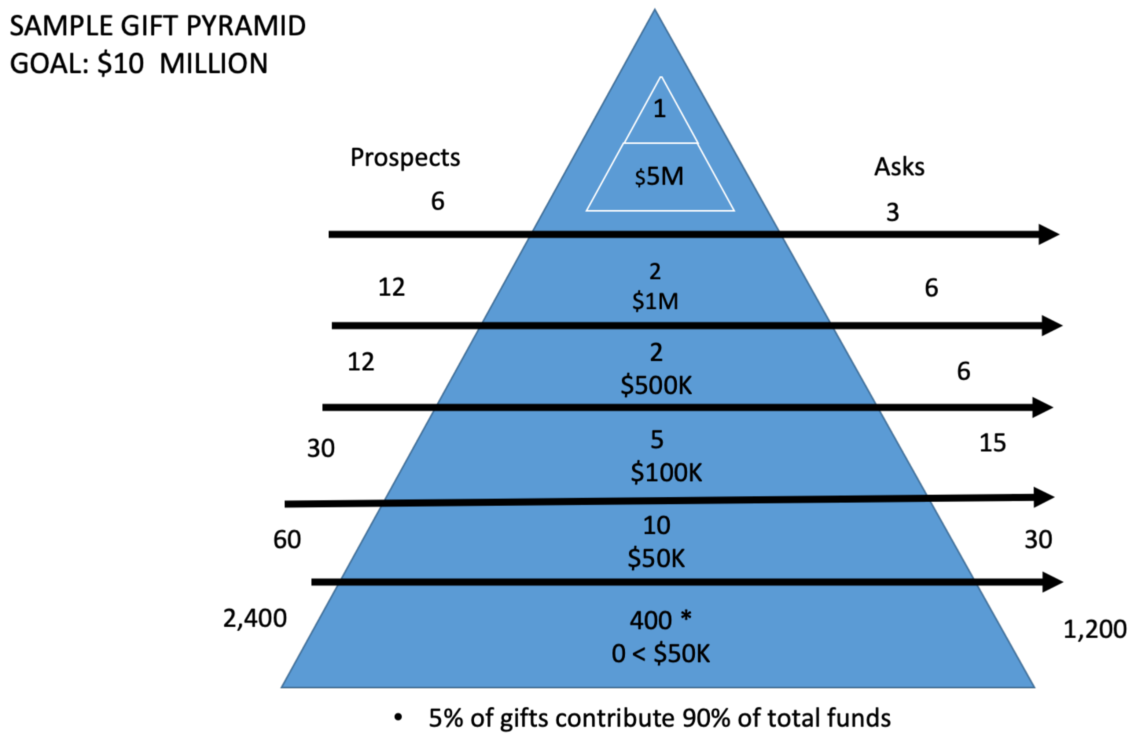
3. Outline your proposed funding sources for the whole plan and each of its components. Identify all potential sources of funds that could be considered:
   a. Church subsidies.
   b. Institutional self-funding.
   c. Government support.
   d. Non-Governmental Organization (NGO) support.
   e. Corporation and foundation support.
   f. Funding by individual donors.
   g. Local business and community support.
   h. Other.

4. Develop a fundraising pyramid for the campaign by thinking about donors and their capacity in relationship to this project. Begin by identifying potential donors among individuals, institutions, and organizations (*a* to *g* above) that are familiar with the institution, have expressed some level of interest in the proposed plan, or could be solicited for engagement. Indicate the possible, potential, or known level of interest in the project by each entity. Start building the giving pyramid, remembering that typically around ninety percent of the funds needed will likely come from five percent of donors. Refer to Appendices C1 and C2 next for completing this assignment.

APPENDIX C1. SAMPLE GIFT PYRAMID FOR US$1 MILLION



APPENDIX C2. SAMPLE GIFT PYRAMID FOR US$10 MILLION



*400 gifts at an average of $2,500 per gift

APPENDIX D. SAMPLE APPEAL LETTER

Date

Name
Address
City, State, ZIP Code
Country

Dear (first name):

I am pleased to share with you an opportunity to support our institution of higher learning. At (Name of Institution), we are strongly committed to helping our students pursue their highest educational goals built on a foundation of the Word of God and the grace of Jesus Christ. Our key objective is to help these students prepare for their academic, professional, and vocational aspirations on a Christian campus with the support of Christian teachers.

As you may know, this is an important time in the life of our campus. Now more than ever, financial support from people like you will enable us to fulfill our promise to deliver a quality Christian education within a strong Christian learning community. We embrace our students and join them in their hopes and dreams of a life lived in service to God.

To that end, I invite you to make a contribution to the Annual Fund [or restricted fundraising project] in support of the shared commitment to the school's mission. The Annual Fund [or restricted fundraising project] provides and invaluable resource to assist where the needs are greatest and the opportunity for improvement is most compelling. Funds are used to support student scholarships, faculty development, and general operating activities [adjust beneficiaries of funding as necessary].

I thank you for considering our request. If you have any questions about the Annual Fund [or restricted fundraising project] or how you might support our school in additional ways, we would welcome an opportunity to discuss this with you personally.

Sincerely,

(College or University President, Volunteer, or Head of Fundraising)

APPENDIX E. SAMPLE THANK-YOU LETTER

Date

Name
Address
City, State, ZIP Code
Country

Dear (First Name):

I am delighted with this opportunity to thank you for your recent gift [amount is optional] to our Annual Fund [or specific fundraising project]. Your gift will ensure that (Name of Institution) will continue to deliver on its promise of a quality Christian education for every one of our students.

In supporting our school, you lived out your faith through this expression of care and commitment toward others.

At (Name of Institution), we strive to build a broad-based and lasting foundation of donor support that will enable generations of students to complete their studies here before leaving to serve God through their chosen life work.

Sincerely,

(College or University President, Volunteer, or Head of Fundraising)

APPENDIX F. CAMPAIGN FEASIBILITY STUDY

An important early part of developing a multi-year comprehensive fundraising campaign is to perform a feasibility study or campaign plan. The following are key steps and strategies in completing such a study. A common practice is to hire an external campaign consultant to help facilitate the campaign feasibility study, but it can be accomplished internally by staff.

Key elements in a campaign feasibility study:

- Identify fundraising priorities. These should be identified in the strategic plan.
- Engage the board and seek its endorsement early in the process.
- Evaluate the need to hire an external consultant (optional).
- Evaluate prospective donors and their giving capacity for the duration of the campaign using the following:
    - Database electronic screening for giving capacity;
    - Volunteer peer screening (confidentiality must be respected throughout);
    - Confidential top donor/prospect interviews.
- Donor database evaluation:
    - Technical systems;
    - Gift recordkeeping/receipting;
    - Data quality.
- Evaluate the institution's fundraising operations or department: Is the development department adequately staffed, experienced, and supported to carry out the campaign in terms of:
    - Programs;
    - Staffing;
    - Budget.
- Develop a volunteer engagement plan/structure where feasible.
- Set goals and a timeline with interim reviews of progress.
- Develop communication and marketing plan.
- Initiate quiet/leadership giving phase, followed by a public campaign when 50 to 70 percent of the goal is reached.
- Develop campaign reporting and metrics.

REFERENCE

Laughlin, Frederic L., and Robert C. Andringa. *Good Governance for Nonprofits: Developing Principles and Policies for an Effective Board* (New York: AMACOM, 2007).

ENDORSEMENT

Philanthropic support is more important now than ever in providing financial resources for Adventist colleges and universities to fulfill their mission. A strong partnership between institutional leadership and the chief development officer is vital to developing and maintaining relationships with alumni and others who are inspired to support this mission through philanthropy. Thank you to the Andreasens for sharing their perspectives in this vital area. I hope this monograph encourages others to initiate or expand their professional philanthropic programs.

> Rachelle Bussell, RN, MA, CFRE, Senior Vice President for Advancement, Loma Linda University Health, Loma Linda, California, U.S.A.