FAMU Development Planning Conference 1/2004
What’s our game plan?

• Opening remarks
• Modular Overview
• Modules 1-4
• Lunch
• Modules 5-6
• Closing remarks
Kickoff

• Remarks/Greetings
• Introductions
• Color of Knowledge
• Ground Rules
Modular Overview
Modular Overview

1. Building the Case Statement
2. Campaign Goal
3. Timeline & Targets
4. Noah State University Intro.
5. Team Sessions
6. Case Presentations
Module 1
Module 1: Building the Case Statement

Learning Outcomes:
- Use the terminology
- Understand your donor audience
- Establish a list of needs
- Prioritize needs
- Answer the question “Why?”
- Write a case statement
-Use the terminology

Suspect → Prospect → Donor

Moves Management

Research → Cultivation → Solicitation → Stewardship

Discovery visit

Qualification visit

Gift Range Chart

Case Statement

Donor Pyramid
-Understand your donor audience

• Capacity 10
• Readiness 10
• Relationship 10

Total Rating (TR) 30

TR < 26 → Move
TR > 26 → Solicit
-Establish a list of needs and prioritize it

1. Scholarship
2. Programmatic
3. Facilities
4. Operating
5. Faculty Development
6. Technology
-Answer the question “Why?”
Why should I invest in your cause?

Step One:
Donor’s Interest = Your Needs

Step Two:
Donors Resources → Our Fulfillment

Relationship
- Write a case statement
- Who you are
- How you are different
- What you want
- What you will do when you get it
- When you want it
- Why should someone invest in what you will do......
“Located on the banks of the Mississippi River in Memphis, Tennessee, XYZ University produces bi-lingual leaders for America’s diplomatic corps. We are engaged in a $25 million three-year capital campaign to fund scholarships for XYZ University students from rural America. Your investment today in XYZ University’s ‘Campaign for America’ strengthens the nation’s global leadership for tomorrow!”
“Come share the excitement at ABC College, Manhattan’s oldest and largest producer of culinary graduates. Our five-year $100 million campaign will enhance facilities, increase scholarships and international internships. Expand your taste and reserve your place in our history by giving to the ABC College ‘Taste the Future Campaign!’
Module 1: Building the Case Statement

Learning Outcomes:

- Use the terminology
- Understand your donor audience
- Establish a list of needs
- Prioritize needs
- Answer the question “Why?”
- Write a case statement
Module 2
Module 2: Setting a campaign goal, creating a menu and establishing prospect base and donor pool requirements

Learning Outcomes:

- Understanding the difference between annual fund raising and campaign goals
- Prospect base and donor pool development
- How to translate needs into financial goals
- How to create a campaign menu
Campaign Goal Setting Formulation

Formula:

\[ AR \times 2 \times 5 = \text{Campaign Goal} \]

Components Needed:

- \( AR \) = Annual Revenues
- 2 = Stretch Gift Ratio
- 5 = Campaign Time Frame
- 10\% = Elasticity Percentage
# Gift Range Chart

<table>
<thead>
<tr>
<th>Prospects</th>
<th># of Donors</th>
<th>Gift Size</th>
<th>Cumulative Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>1</td>
<td>25M</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>8</td>
<td>2</td>
<td>10M</td>
<td>$45,000,000</td>
</tr>
<tr>
<td>4</td>
<td>1</td>
<td>5M</td>
<td>$50,000,000</td>
</tr>
<tr>
<td>40</td>
<td>10</td>
<td>4M</td>
<td>$90,000,000</td>
</tr>
<tr>
<td>60</td>
<td>15</td>
<td>2M</td>
<td>$120,000,000</td>
</tr>
<tr>
<td>120</td>
<td>30</td>
<td>1M</td>
<td>$150,000,000</td>
</tr>
<tr>
<td>400</td>
<td>100</td>
<td>500K</td>
<td>$200,000,000</td>
</tr>
<tr>
<td>400</td>
<td>100</td>
<td>250K</td>
<td>$225,000,000</td>
</tr>
<tr>
<td>Many</td>
<td>Many</td>
<td>26M</td>
<td>$251,000,000</td>
</tr>
</tbody>
</table>
Calculating Prospect to Donor Base

Ratio of prospects to gift needed is 4:1.

Formula:

\[ 4 \times (\text{Number of donors needed}) = \text{total number of prospects needed} \]
## Creating a Campaign Menu

<table>
<thead>
<tr>
<th>Strengthening Academic Programs</th>
<th>$70 Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty Enhancement</td>
<td>$15 million</td>
</tr>
<tr>
<td>Endowments</td>
<td>$20 million</td>
</tr>
<tr>
<td>Endowed Scholarships</td>
<td>$20 million</td>
</tr>
<tr>
<td>Graduate and Professional Fellowships and Assistantships</td>
<td>$15 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>New Facilities for Learning Research and Culture</th>
<th>$115 Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Library and Learning Resources Center</td>
<td>$45 million</td>
</tr>
<tr>
<td>Science Building</td>
<td>$35 million</td>
</tr>
<tr>
<td>College of Engineering Science Technology and Agriculture Building</td>
<td>$20 million</td>
</tr>
<tr>
<td>University Commons and Cultural Center</td>
<td>$15 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Renovations, Remodeling and Infrastructure</th>
<th>$66 Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lucy Moten Elementary School</td>
<td>$5 million</td>
</tr>
<tr>
<td>Bragg Memorial Stadium</td>
<td>$25 million</td>
</tr>
<tr>
<td>University Student Housing</td>
<td>$20 million</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>$16 million</td>
</tr>
</tbody>
</table>

| Total Campaign Goals                              | $251M       |
Important Points to Consider

• A higher ratio of dollars at the top is preferable.
• A pre-campaign study will often uncover genuine prospects for the top gifts.
• The campaign goal, menu and prospect base should reflect the size and maturity of the institution. (organizations with a narrow base of support will require a higher percentage of lead gifts.)
Module 2: Setting a campaign goal, creating a menu and establishing prospect base and donor pool requirements

Learning Outcomes:

- Understanding the difference between annual fund raising and campaign goals
- Prospect base and donor pool development
- How to translate needs into financial goals
- How to create a campaign menu
Module 3
Module 3: Establishing a timeline, revenue and annual fund targets

Learning Outcomes:

- Understand the phases of a capital campaign and how each relates to the other
- Establish revenue goals for all phases of a capital campaign
- Understand annual fund targets and performance measures
Why have an Annual Fund?

- Backbone of fund raising operation
- Unrestricted Revenues
- Creates the Habit of Giving
- Build Relationships
- Creates a pipeline for major gift donors
Calculating Annual Fund Goals

I Average Alumni Gift
- Total alumni dollars raised / Total number of alumni donors

II Formula
- \((\text{Current number of donors} \times 20\%) \times \text{(average alumni gift)} = \text{Projected Annual Fund Goal (s)}\)

III Annual Fund Prospect Ratio is 20:1
# Annual Fund Targets

<table>
<thead>
<tr>
<th>Year</th>
<th># of Prospects</th>
<th>Total Alumni Donors</th>
<th>Average Gift</th>
<th>Projected Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>26,000</td>
<td>1,300</td>
<td>$200</td>
<td>$260,000</td>
</tr>
<tr>
<td>2</td>
<td>31,200</td>
<td>1,560</td>
<td>$200</td>
<td>$312,000</td>
</tr>
<tr>
<td>3</td>
<td>37,440</td>
<td>1,872</td>
<td>$200</td>
<td>$374,400</td>
</tr>
<tr>
<td>4</td>
<td>44,920</td>
<td>2,246</td>
<td>$200</td>
<td>$449,200</td>
</tr>
<tr>
<td>5</td>
<td>53,900</td>
<td>2,695</td>
<td>$200</td>
<td>$539,000</td>
</tr>
</tbody>
</table>
Module 3: Establishing a timeline, revenue and annual fund targets

Learning Outcomes:

- Understand the phases of a capital campaign and how each relates to the other
- Establish revenue goals for all phases of a capital campaign
- Understand annual fund targets and performance measures
Module 4
“Noah State University”
Module 5
Team work sessions
(1 – 2 p.m.)
Module 6
Team Presentations
Thank you for your participation!