

Fundraising Basics for Community Cancer Centers

by Susan L. Stern, CFRE, and Shirley Fessell

Every charity or nonprofit organization faces the same dilemma in uncertain economic times: how to not just survive, but also thrive and grow. Fundraising in today's world is a special challenge. Each week, for example, we learn more about the detrimental ripple effects that proposed estate tax changes may pose for nonprofit organizations, including the development departments of the nation's hospitals. The crunch that managed care has placed on health care organizations has reduced reimbursement and required shorter hospital visits. Under-reimbursement by Medicare is threatening the bottom line.

Regardless of what laws are passed, and often before the small print is deciphered, a new legislature or new administration brings changes. The old adage, "Nothing is constant but change," is especially true in fundraising. What worked for health care five years ago (or even last year) may not work today. Development is no exception to this rule. Like successful business people, development officers have to anticipate market needs and changes and stay ahead of the curve, or be left behind.

While every health care organization is unique, we all share common characteristics and have similar challenges to address. Often, late in the fiscal year, foundation offices are seen as the magic bullet

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that can help put organizations "in the black" by showing a bottom-line profit. How often have you been asked to seek a donation from ___ (fill in the blank of a leading local philanthropist or corporation) to bridge the fiscal gap? Fundraising should be regarded as an integral part of the institution rather than just a sideline. Just as important, development officers must educate faculty, senior management, and staff about the importance of philanthropic support and show them how their involvement with development efforts will ultimately benefit patients, research, and community education. We cannot call on our coworkers only when we need something, for instance, during faculty/employee campaigns or volunteer efforts. We must show staff the same respect and interest that we expect ourselves. Successful fundraising is a combination of a comprehensive strategy implemented with thoughtful planning. The two should not be mutually exclusive.

PLANNING COMES FIRST

To advance patient care and, if applicable, research efforts, your institution has to make a commitment to development. As an organization, everyone who shares your vision for a cancer-free future should be regarded as a potential donor, including corporations, foundations, associations/organizations, and most of all, individuals. Many of us have the mistaken belief that corporations or foundations contribute the largest percentage of gift dollars. In reality, *individuals* give the vast majority (nearly 84 percent) of philanthropic donations.

Each donor group is important and unique, and each must be

approached in a different way with specific goals, development plans, and follow-up. Common to all groups, however, is building a relationship and sharing your vision.

Just as businesses have strategic plans, a successful development office should have both an annual operating plan and a multi-year strategic plan that are integrated into the overall institutional plan. Such planning encourages participation and support from faculty, senior management, and volunteer leadership outside of your normal support base and helps you position your department as an integral part of the entire institution. Your operating plan should clearly illustrate how you are going to meet your annual goals, specify the staff needed to do so, and increase management and board involvement. The entire development staff should take part in developing the operating plan. At the Moffitt Foundation, an integral part of the H. Lee Moffitt Cancer Center & Research Institute in Tampa, Fla., we project revenue and expenses for five years based on historical data, anticipated trends, and areas of focus, such as major and planned gifts and foundations.

Our strategic plan is more broad-based than our operating plan and aligned with the overall mission and goals of the center. Thus, if the center's goal is to have 10 new faculty chairs in five years, we need to address the funding of the chairs in the foundation's strategic plan. This long-range planning helps avoid any surprises in terms of dependence on foundation funding for unanticipated needs. Both the operating and strategic plans of your foundation should be "blessed" by your board to ensure buy-in and ownership of the plans and the outcomes.

A STRONG TEAM AND OPEN COMMUNICATION

A development program needs strong central leadership. At Moffitt, our vice president of institutional and business development is the bridge between the public relations/marketing and development departments, since she serves as vice president of both. Her double role has served us well, since the two departments work closely to promote the cancer center and its activities. Delegating responsibility and providing accountability are ongoing.

A strong team is as important as strong leadership. The development team should include an annual gifts specialist, donor relations/researcher, financial supervisor, and development specialist. A management assistant, data processor, and other support staff may assist in the day-to-day duties of the department. Build your team by promoting professional and personal growth. Encourage each individual to use his or her unique skills to serve the organization. Training, networking, and attendance at national conferences and local seminars should be encouraged and will help staff to stay current and learn about future trends.

Open and consistent communication between the operational and development teams is important. Weekly meetings of the entire development staff provide a time for communication, updates, and training and should lead to breakout staff sessions to discuss particular issues or work on quality improvement in processing workflow.

INDIVIDUALS: THE LARGEST DONOR GROUP

Individual donors are the most important asset to your cancer center's future and vision. Building relationships by sharing your mission and vision should be your passion. When prospective donors—whether they are patients, grateful family members, or interested individuals—learn what you have accomplished and where you are going, they begin to share your vision. They, too, will want to make a difference in the lives of cancer patients. Health care institutions are fortunate in that donors can see the tangible benefits of their gifts, for

instance, a new operating suite, piece of equipment, or faculty chair.

Informing potential and current supporters about your mission and needs should be a priority for everyone involved in your organization. This message does not mean a yearly call or generic thank-you letter, but rather a well thought-out annual plan that incorporates birthday cards, phone calls, invitations to events, tours, and informational sessions. Review the gifts received

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weekly, and assign thank-you phone calls for large and consistent donors to key staff, board members, and senior management. If you want the donor to see your institution as a priority for his or her giving, you must make the donor a priority.

Moffitt recently instituted a Grateful Patient Program where development specialists help patients who want to "give thanks" for what Moffitt has given them in terms of a new lease on life or extra precious time with their families.

At Moffitt we receive approximately 13 percent of our annual contributions from memorial gifts. We are pleased to be designated by family members as the recipient of gifts in memory of loved ones. These gifts are a lasting legacy and

will benefit our research work for years to come. Any gift, regardless of the size, may be just the amount that allows our researchers to find the cure for cancer. Promoting honorarium gifts in recognition of a birthday, a physician, or a nurse, for example, are also a great way to encourage giving.

Don't discount direct mail efforts. While at first glance direct mail may seem an archaic way to raise money, it serves an important purpose. Direct mail keeps friends and new supporters informed about your successes, growth, and future plans, while it helps to solicit funds. Direct mail also allows you to inexpensively venture into other geographical areas that you could not reach via more expensive publications or through visits. Careful testing of mail pieces and analysis of the recipients and their response will allow you to tailor future packages for content, style, and zip code.

The Internet has become "the tool" for quick dissemination of information. To help individual donors contribute online in a secure setting, Moffitt has a link to the development department on its web site (www.moffitt.usf.edu). Many nonprofit organizations are beginning to benefit from the real-time access that a web site offers. Your hospital should take advantage of this opportunity, too. While donors at first may be reluctant to give their credit card information, they will become more comfortable with secured sites over time. Your web site can provide a wide variety of people (potential patients, donors, and others) with information about your programs and opportunities for involvement. A web site allows you to update information more quickly and inexpensively than through publications and other direct mail.

CORPORATE GIFTS

Although there is no one-size-fits-all manual on raising funds, nor should there be, a successful development effort should focus on the greatest potential return. While individual gifts and direct mailing have a place in a comprehensive development plan, corporate and planned gifts will lay a strong foundation for future development. Recent surveys have found that

95 percent of an organization's revenue comes from 5 percent of the gifts. Businesses focus their efforts on areas of greatest return, and so should development officers.

At Moffitt, about 15 percent of our gifts come from corporations and through corporate foundations, corporate matching gift programs, and key corporate individuals who may sit on other foundation boards. Although Tampa does not have a strong corporate base, the area has a number of regional offices.

Our Corporate Partners Program, a subcommittee of our board, is comprised of local corporate leaders and executives who bring a greater awareness of Moffitt Cancer Center to other corporate leaders who may be new to the area or unfamiliar with all that we have to offer.

Before developing a corporate relationship or inviting a corporate

representative to tour your facility, find out whether their employees can access your organization through their insurance carrier. Nothing is more embarrassing than touting your program during their visit and finding out that your institution is not included in the corporation's health care plan.

The holiday season is a good time to promote corporate giving. Encourage companies to revise their gift giving practices by making gifts in honor of employees and clients. You will solidify your relationship with the corporations as well as make new friends from those being honored. Send corporations sample cards to show them what will be sent to their honorees.

PLANNED GIVING

The news media are providing extensive coverage about the "great transfer of wealth" expected in the

next few years. By the year 2017, as much as \$26 trillion will be transferred from one generation to another. Health care institutions have an unprecedented opportunity to garner large gifts through bequests, charitable remainder trusts, and gift annuities.

Planned giving opportunities should be included as part of a comprehensive giving plan. Good candidates for planned giving are donors who have significant public wealth as well as the smaller, consistent donor who probably has the greatest interest in a planned gift. Through long-term, careful relationship building, information sharing, and nurturing, you can educate your repeat donors. Regardless of the amount given, repeat donors demonstrate a strong commitment to the organization and are ideal candidates for planned gifts.

Inspiring Donations of \$1 Million

Anne Arundel Medical Center's Capital Campaign

by Lisa Hillman, CFRE

Telling your story—what's new, what's different, what's heartwarming—is the first step to a successful fundraising campaign to benefit your hospital's cancer program. Get your story in the hospital's publications as well as the local media, and tell them why you matter. Make everyone fall in love with your organization. Then, give grateful patients a chance to give back.

Individuals comprise the largest percentage of contributors to non-profit organizations. They are often the people who are right in front of you. And if they can't give to you today, they might consider making a bequest.

Getting the "big gift"—donations of \$1 million or more—requires special planning through the coordinated efforts of your leadership and the development and public relations staff. After you have identified a potential

"big" donor, tell your story and involve the individual in your organization. Invite the potential donor to join a committee or offer a tour of your facility. Be sure to include the spouse.

It's also wise to build a peer-to-peer relationship. Introduce the potential donor to someone who has already made a big gift. When you are ready to ask for the gift, do so in a personal way and in a private setting—not over breakfast or lunch in a restaurant.

The leadership and staff at Anne Arundel Medical Center in Annapolis, Md., successfully raised more than \$21 million for a new hospital and \$2 million for a breast center over four years. While donations were received from a multitude of sources, more than one "big" donor pledged \$1 million.

One of those was Pat Sajak, host of "Wheel of Fortune" and successful media businessman. In the early 1990s, Sajak settled in

Annapolis with his wife Lesly. No ties or relationship had been established between the Sajaks and the hospital until the day their baby was delivered. A development staff member began a friendship with Mrs. Sajak and gradually involved her in campaign activities. At the time, the Sajaks were cross-country commuters and unsure of their long-term residence. Although they did not commit to a gift then, the hospital's development office continued to stay in touch.

During one of their stays in Annapolis, the Sajaks were invited to a hospice gala, and hospital leaders had an opportunity to say hello. About the same time, the Sajaks made friends with one of the hospital's board members who was a generous donor and active in the campaign. Recognizing their interest in the hospital, the board member invited the Sajaks to his home for a private party to thank major donors. There the couple learned

Here are some steps to make your planned giving program a success:

- Be sensitive when speaking with supporters about planned gifts, which are often equated with posthumous gifts.
- Encourage gifts of stock or real estate.
- Have a policy in place that addresses how these gifts will be credited. Will planned gifts (donations to be made as bequests) be credited for their full value or for the present day value?
- Listen carefully to determine donors' needs, such as whether they anticipate needing additional income in their retirement years or have appreciated property they "are not sure what do with."
- Don't offer advice in accounting or law unless you have the education, qualifications, and experience.
- Develop planned-giving commit-

tees comprised of accountants, attorneys, and trust officers who will serve as advocates and ambassadors for your program to colleagues, clients, and friends. Ask these professionals to give you guidance about estate-planning issues.

- Mail planned-giving newsletters, which can be purchased through an outside vendor, to your planned-giving donors, repeat donors, and estate planning professionals.
- Consider linking your web site to one of the planned-giving web sites that are now available online. This link allows supporters and professionals an opportunity to review planned-giving and recognition opportunities, and run planned-giving calculations based on their own information, 24 hours a day in the privacy of their home or office. Such a link also frees you and your information technology

staff from the burden of constantly redesigning the planned-giving web page based on, for instance, changing tax laws.

FACULTY AND FOUNDATION GRANTS

Obtaining research grants from cancer advocacy organizations, large foundations, and state or federal institutions, such as the National Cancer Institute, can be a laborious process that often doesn't yield funds for your efforts. Yet grant writing is a wonderful opportunity to reach funding sources outside of your geographic area. Focus the majority of your time and resources on the larger grants. Then, as time permits, address obtaining smaller funding.

Discuss grant applications in advance with your compliance and accounting office so gifts can be accurately credited toward your development efforts and will comply with new regulations. Also, remember that communication between departments will help prevent two different departments from applying for grants from the same funding source.

At Moffitt, our greatest success in obtaining grants has been with foundations that have a relationship with us. Many of their trustees have been to Moffitt to see our research laboratories, hear from our researchers and physicians, and learn about our vision. They support our programs, and they trust us to use their funds wisely.

SPECIAL EVENT PLANNING

Management, boards, and staff tend to rely on special events because they bring tangible results and are a good way to involve donors and their friends. Yet, when actual costs of events are determined (including the cost of staff and volunteer time that might have been spent developing major gifts), special events turn out to be expensive endeavors.

Instead of committing valuable time and resources to special events, encourage civic clubs to host outside events for your organization. Fundraising activities may include golf tournaments, gala balls, fishing tournaments, boating regattas, car washes, and walks/runs.

Designate someone in your organization to serve as a liaison

more about the campaign and the community effort that had made it so successful.

Shortly thereafter, the couple was invited to tour the existing breast center, where the director greeted them and talked about the services and facilities. Later, the couple joined the hospital's president for lunch in his office, and the director of oncology spoke about his dreams and vision. The Sajaks reviewed plans for the new breast center and learned more about the campaign.

Then the chairman of the capital campaign, himself a \$1 million donor, turned to the Sajaks and asked them to consider pledging \$1 million over five years. The couple was quiet for a moment, then said that they would think it over.

Two weeks later, Pat Sajak called to say they would pledge \$1 million. Although no family member had a history of breast cancer, the Sajaks wanted to be involved. The couple was impressed with the hospital's leadership, liked the expansion plans, and decided the organization was fiscally stable. Pat Sajak also said he wanted to learn more about breast cancer. So, a dinner with key staff physicians was arranged. The sincerity and genuine interest expressed by the Sajaks

kept the process moving and reassured all involved that making this generous gift was the right thing to do. The thank-you calls and notes of appreciation from the staff and the community began immediately and continue to this day.

This gift took six years of development effort. The staff recognized the Sajaks' appreciation of the hospital and their ability to make a large gift—then nurtured that seed. In honor of their gift, the pavilion that houses the breast center was named *The Lesly and Pat Sajak Pavilion*. About 1,200 community leaders, major donors, and breast cancer survivors attended the dedication ceremony in March.

Receiving a "big donation" is a win-win situation for your program and for the donor. All it takes is *finding* the right person and *asking* the right person for the right gift at the right time. Then be patient and let it happen. ☺

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with any individual, corporation, foundation, or association/organization that wants to hold an outside event for your organization. Make certain that you have a signed agreement detailing your expectations about the use of your logo, the marketing campaign for the outside event, and reporting and recognition procedures. All aspects of the event should fit your organization's mission.

After each event, devote time to a careful debriefing, analysis, and follow-up plan. Your work is not finished at the end of an event; an event's true value is realized only when you add attendees to your

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marketing departments.

mailing lists, invite them to your facility, and continue the donor cultivation process.

FACILITY TOUR AND OUTREACH

All the above-mentioned efforts are important, but they can't replace face-to-face meetings with your supporters. Having a facility to show to supporters is an advantage that many fundraisers don't have.

At Moffitt, we invite our guests to one of our quarterly on-site receptions, which always includes an update by our center director on our current research and future plans. Guests are given a behind-the-scenes tour of our research laboratories, digital medical imaging, and our research center.

Bringing guests to your institution allows them to see first-hand how their gift can have a positive impact on your institution.

If it isn't convenient for potential supporters to come to you, take your message to them. To build awareness of your organization in other areas of the state and nation, ask key donors or leaders in other cities who have an affiliation with you to host an outreach event for local community members. One of your key physicians can give the group an overview of how your organization serves the community and complements local health care efforts. First-time efforts should focus on information, not fundraising, with the aim of being invited back again. As with any development effort, before you ask for a gift, you need to *tell your story* and establish a relationship, especially with people outside of your normal service area.

DONOR RECOGNITION EVENTS

Preparing for and receiving a gift is just the beginning. To build on the relationship, you need appropriate recognition events. Donor recognition should be an integral part of your efforts. Whether the donation is \$10 or \$1 million, a donor has said that he or she cares enough about your organization to make a gift. So, we should show each donor the same courtesy in acknowledging each gift in a timely and appropriate manner. Every gift, visit, and inquiry should be followed up with some type of thank-you to acknowledge the giver's generosity and open the door for future support.

A good way to thank donors is through special recognition breakfasts or dinners. These events can feature presentations by your CEO on how philanthropic support has helped the institution. Patients can provide testimonials about their care and how they benefited from access to experimental treatments or state-of-the-art equipment. At Moffitt, "Partners" who have donated \$1,000 or more are invited to a breakfast featuring a well-known corporate leader. This is a chance for us to thank our current donors and reach potential supporters who attend the event to hear the keynote speaker.

Donors who make "signature" gifts (those that make some type of major difference, improvement, or addition to the organization) can be invited to a dinner or home recep-

tion, which makes the thank-you as personal and special as their gift was to your institution. Ask yourself how you would like to be treated and then proceed accordingly.

Work closely with your public relations and marketing department to recognize and thank donors (who don't wish to remain anonymous) for their support. Join the editorial boards of your publications to make sure that development efforts receive editorial space, are viewed as an important part of the institution, and are a priority for the institution.

Health care and research institutions always have a fresh story to tell, whether it's a new discovery in the lab, a successful "against all odds" patient story, or a new community educational outreach program. Potential supporters like to see stories about other people. They can put themselves in the individual's shoes and see how they, or a loved one, could be helped by your institution. At Moffitt, we inform our constituency about new research breakthroughs, world-class staff appointments, and exciting happenings at our institution. We tell the stories of some of our patients and what Moffitt has meant to them and their families.

All development departments must take special care to involve staff and faculty in fundraising events and keep them informed about ongoing projects. Make it a priority to meet with new faculty members and host events, such as Doctor's Days and Nurse's Breakfasts, to talk about what you do. Explain the purpose of your department, and assure everyone that the clinical staff will not be asked to raise funds. Express your appreciation for what your clinical staff does. At the same time ask them to stay attuned to grateful patients and family members who want to "thank" them or your center for their efforts.

In today's competitive world, there is a scramble for fundraising dollars. To gain support for the important work your nonprofit organization is accomplishing, it is crucial to build relationships with the patients, community, corporations, and foundations that can help make a difference. Tell your story and share your vision. ■