

# VIRTUALLY HUG YOUR DONORS AND KEEP THEM CLOSE

## STEWARDSHIP, DONOR RELATIONS AND DONOR ENGAGEMENT

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Presented By:

**DANOSKY ASSOCIATES**  
*Consulting for Nonprofit and Business*



The Community Foundation  
*for Greater New Haven*



# Introductions

**Presenter:**

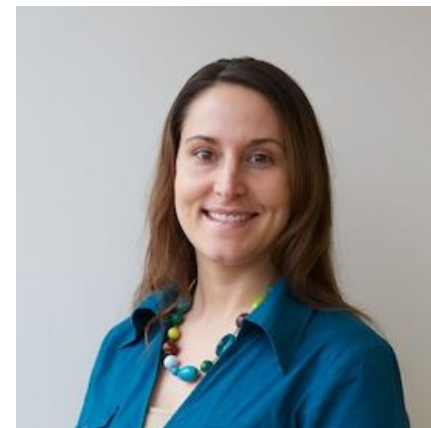
Sharon Danosky, President,  
Danosky & Associates, LLC

[Sharon@danosky.com](mailto:Sharon@danosky.com)

[www.danosky.com](http://www.danosky.com)



Jackie Downing  
Director of Grantmaking and  
Nonprofit Effectiveness



Stephanie Chung  
Nonprofit Relations Manager

# About Today's Seminar

- Housekeeping:
  - Everyone's devices are muted and videos should be hidden to diminish background noise and distraction
  - You will receive a copy of the deck and a recording of this presentation at a later time
  - If you have a question or comments, please type them in the Chat box and I will try to get to as many as we can.
  - If I cannot answer your question during the webinar, please e-mail us at [info@danosky.com](mailto:info@danosky.com) and we will answer your question off-line.

**How much time do you spend each week  
stewarding your donors?**



# The silent donor revolution

- Only 45% of donors give to the same charity each year
- 90% of donors who give for the first time don't come back
- For every dollar given to charities across the county, \$.96 is lost

## Did You Know That?

"... up to five out of every ten donors stop giving – or give less – because they feel, in part, that their giving isn't appreciated" (Burk).

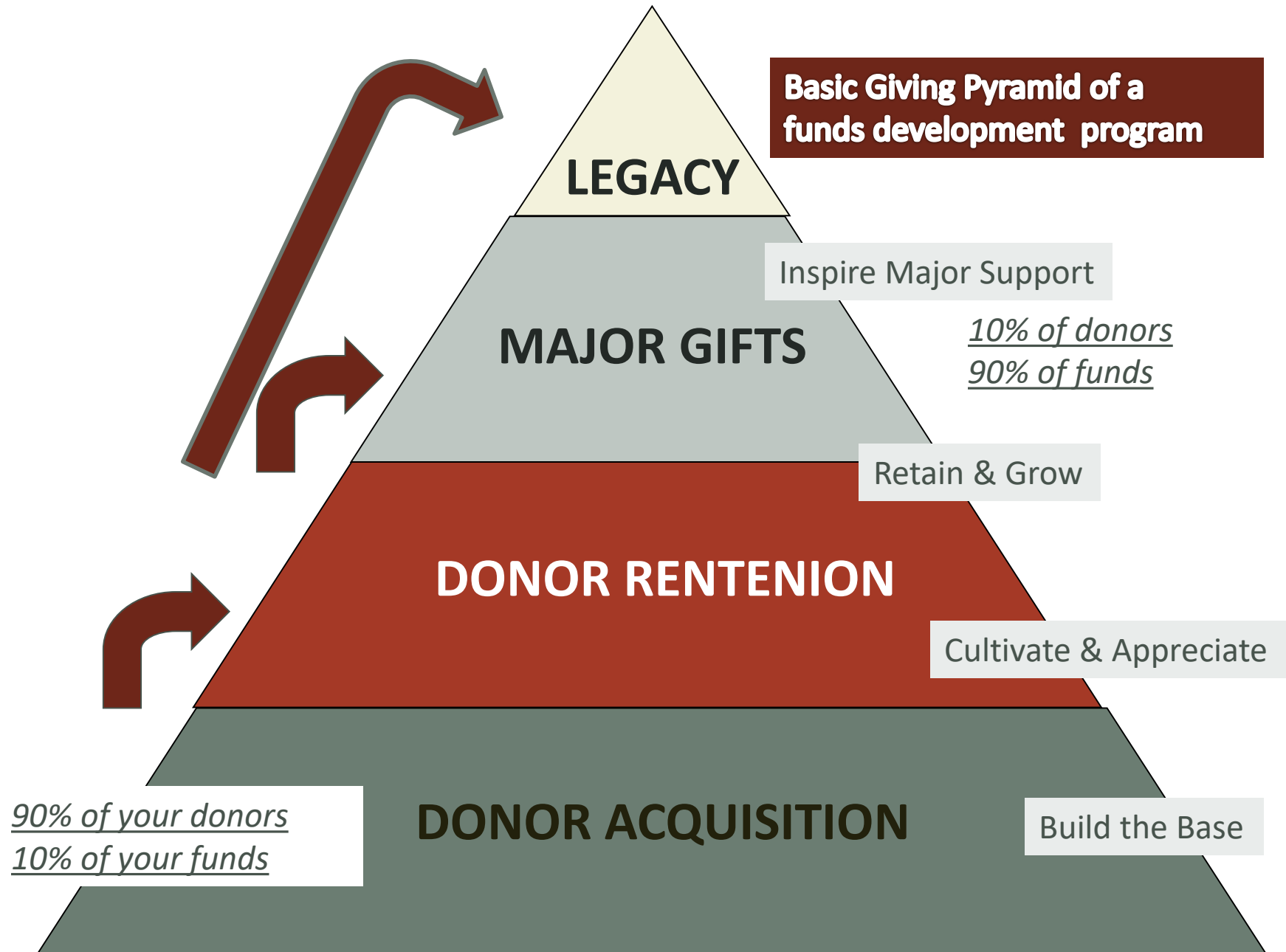
53% of donors  
leave due to the  
charity's lack of  
communication



# Chasing the Shiny Penny

- Most nonprofits focus on acquiring new donors
- Nonprofits are more concerned about reaching more donors than keeping the donors they have
- The shiny new penny does not work as much as the worn out dollar bill.







**A DONOR REQUIRES STEWARDSHIP  
BUT DESIRES DONOR RELATIONS.**



# Definitions

- **Stewardship** is related to the **gift**.
  - It is the outcome of comprehensive, gift-based activities related to ensuring compliance with donor and designed to build trust between the donor and the nonprofit they choose to support
- **Donor Relations** is related to the **donor**.
  - It is the comprehensive effort that the nonprofit extends to ensure that the donors' experience is a series of high quality interactions with the nonprofit that facilitates long-term engagement and investment

# Stewardship – the Basics

- Send personalized acknowledgement letters within 24-48 hours of when you receive the gift
  - Letters are personalized with name and gift amount (or description of gift if it is an in-kind gift)
  - The acknowledgement of how the gift will be used
- Record and tracking receipt of the gift within a structured system – such as a donor database
  - Proper name and address information
  - Amount of gift
  - How gift is to be used (unrestricted or specific purpose)
- Prepare formal gift agreement or pledge for larger gifts
- Ensure that the business or finance office understands the intent of the contributions received, facilitating regular reconciliation of records
- Report on the use of funds
- Conduct occasional spot audits

# Examples of good stewardship practices

- Annual report to donors on how their contributions were used
- Endowment reports that demonstrate impact of gifts
- Tax receipts to donors each year
- Regularly scheduled letters to donors saying how the funds were used

71% of respondents said they have much more money to give but are holding back due to fundraising practices



# Donor Relations

A dedicated process which builds anticipation of a gift, shows sincere appreciation for the gift and actively connects the donor by showing how the donor's investment has made a difference and actively engages the donor in a way to continue the investing

Donor relations assumes good stewardship and then goes beyond.

## 4 Pillars of Donor Relations

- Gift acceptance and management - policies and procedures so donors understand the parameters of giving a gift and how you assure they are being put to good use
- Acknowledgement – meaningful, sincere, authentic with useful information that makes each donor proud of contributing to you.
- Recognition – being welcomed into a community of people who share your values and promote the work you do
- Reporting – letting donors know the impact of your gift



# Gift Acceptance and Management

- Policies and procedures by which you accept and manage contributions made to your organization.
- Written down and available on your website
- Presented with your information during online giving campaigns – with the link to your website



**They should be followed scrupulously for every donor.**

# Acknowledgement

- Beyond basic stewardship
- Warm, meaningful, sincere with relevant information
- Include additional information that may be of interest
- Make thank you calls, write notes, send texts!
- And don't repeat the same letter for a second or third gift.



# Donor recognition

- The act of inviting the donor to become part of a community of donors who share values and dreams of a better world
- Societies, clubs, memberships
- Meaningful benefits of giving
- Opportunities to build comradery



# Reporting

## What the donor asks

- How has my contribution been used?
- Did it matter?
- Did it make a difference?



## How you respond

- Through your acknowledgement letter
- In your e-blasts
- Through zoom gatherings
- Your annual report
- On your website
- Letters twice a year saying "here is where your contribution went"
- Phone calls and personal interactions

# A Donor Bill of Rights

**PHILANTHROPY** is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the non-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

## I.

*To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.*

## II.

*To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities*

## III.

*To have access to the organization's most recent financial statements.*

## IV.

*To be assured their gifts will be used for the purposes for which they were given.*

## V.

*To receive appropriate acknowledgement and recognition.*

## VI.

*To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.*

## VII.

*To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.*

## VIII.

*To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.*

## IX.

*To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.*

## X.

*To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.*

### DEVELOPED BY:

Association of Fundraising Professionals (AFP)  
Association for Healthcare Philanthropy (AHP)  
Council for Advancement and Support of Education (CASE)  
Giving Institute: Leading Consultants to Non-Profits

### ORIGINALLY ENDORSED BY:

Independent Sector  
National Catholic Development Conference (NCDC)  
National Committee on Planned Giving (NCPG)  
Council for Resource Development (CRD)  
United Way of America

*Adopted in 1993*

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# DONOR ENGAGEMENT

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Good Stewardship + Strong Donor Relations =  
A blueprint for lifelong donor engagement

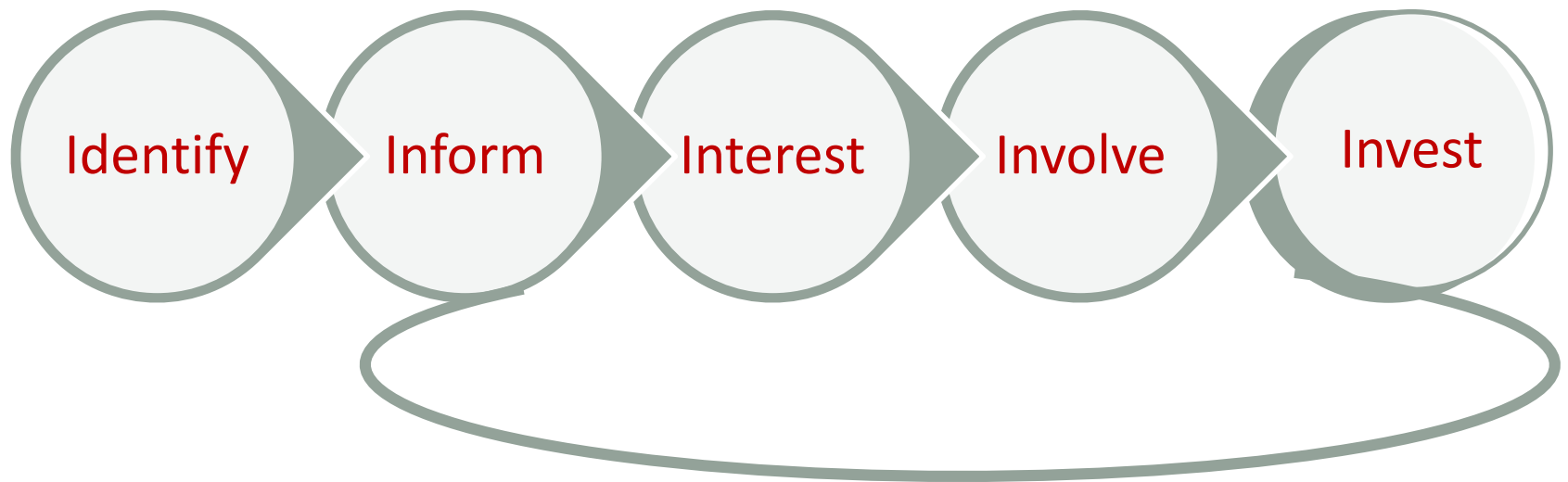


# Donor Engagement

- To develop a two-way relationship with your donors and respond to their desires and feedback.
- It is an attitude, a culture within the organization
- A donor who is more involved is more personally invested in the success of the organization.
- And gives more



# The Five “I’s”



*REPEAT*

# What the 5 “I’s” Mean

- **Identify** – knowing who your donors are; being able to segment and qualify your donors and their interest in you
- **Inform** – basic tenants of stewardship and donor relations; acknowledge and report on how you are using their contribution and the impact they have made
- **Interest** – build the donor’s interest. Survey their interests, note how they respond to you, find out about them.
- **Involve** – recognize, build the relationship, create opportunities for conversation, discussions and input.
- **Invest** – treat them as if they are an investor, seek advice, engage them in strategy discussions or changes your are considering.

# KNOW YOUR DONORS



# Develop a strategy for each donor segment

**Strategy means a plan for engagement; Not a tactic for asking**

**Major Donors -** *What will you do to fully engage and make your charity their premiere charity of choice? And what will you do to keep it that way?*

**Mid-Level Donors -** *What will you do for those who keep coming back to you, but are not at a major donor level – and may never be?*

**Lapsed Donors -** *What will you do to re-engage and show that you are worthy of their renewed support?*

**New Donors -** *What will you do to make them feel welcome and keep coming back to you?*

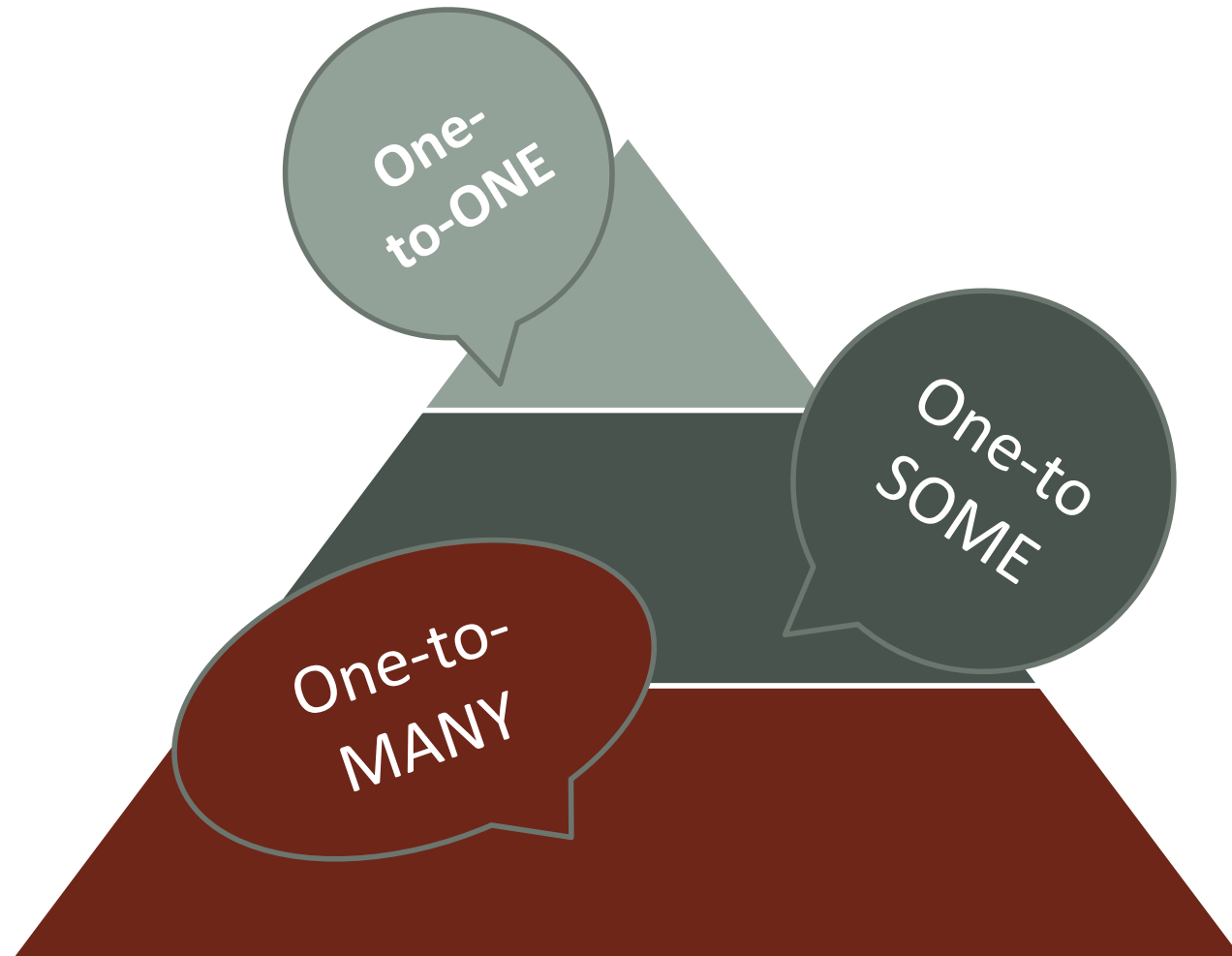
**Legacy Donors –** *How will you show your appreciation and inspire them to leave you in their wills?*

Have a written plan for each segment of your donors and follow it regularly

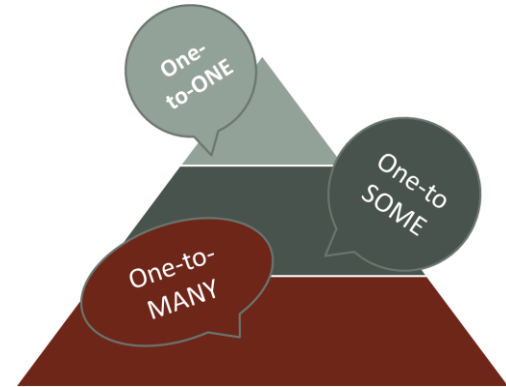




# Donor Engagement Takes Different Forms



# One to Many



## Basic Stewardship

- Good, timely Acknowledgements
- Sending e-blasts

## Basic Donor Relationships

- E-blasts
- Annual report
- Letters saying where your money went
- Invitation to videoconferences

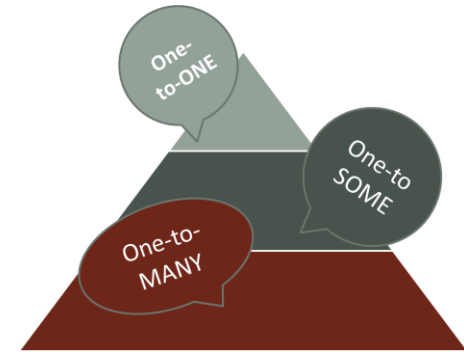
# Welcome New Donors

## “New Donor Welcome Package”

- Welcome letter
- What they can expect as a donor to your nonprofit
- Upcoming Zoom activities scheduled
- Details of how funds are used . Along with last letter to donors about how their funds are used
- Short donor survey – preferably online

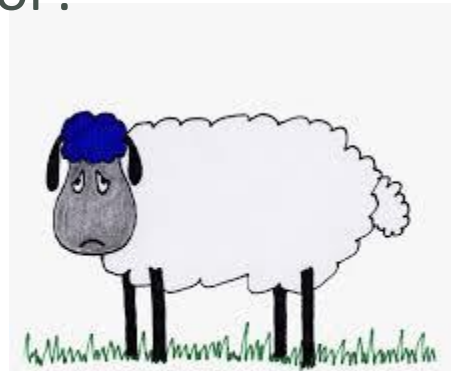


# One-to-Some – The current state of engaging mid-level donors



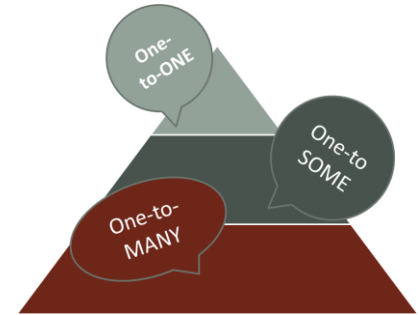
- Only 8% of nonprofits made a personal thank you call
- Only 31% of communications came from a real person
- Almost half (49%) of nonprofits sent nothing at all or stopped communicating after one month!

How would that make you feel if you were the donor?



# One-to-Some

## The potential to do more



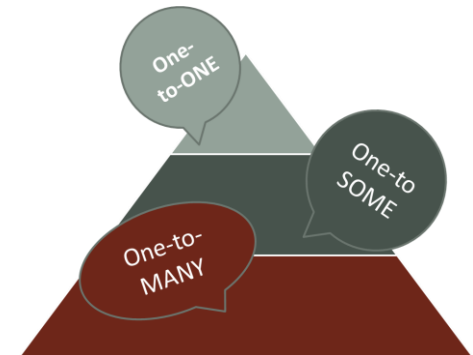
Same as one-to-many

PLUS --



- Phone calls from staff
- Personal notes
- Donor-versary cards
- Opportunities for recognition
- More personalized videoconferencing engagements
- Text check-in's

# One to Some Get to Know Your Donors



How do you know what donors want? Ask Them ...

- Survey your mid-level donors as a routine part of your donor engagement plan. Ask what parts of their mission interests them? Why did they make their first gift to you?
- By phone or by e-mail.
- The one to some engagement prepares donors for a one-to-one relationships with a major gift officer





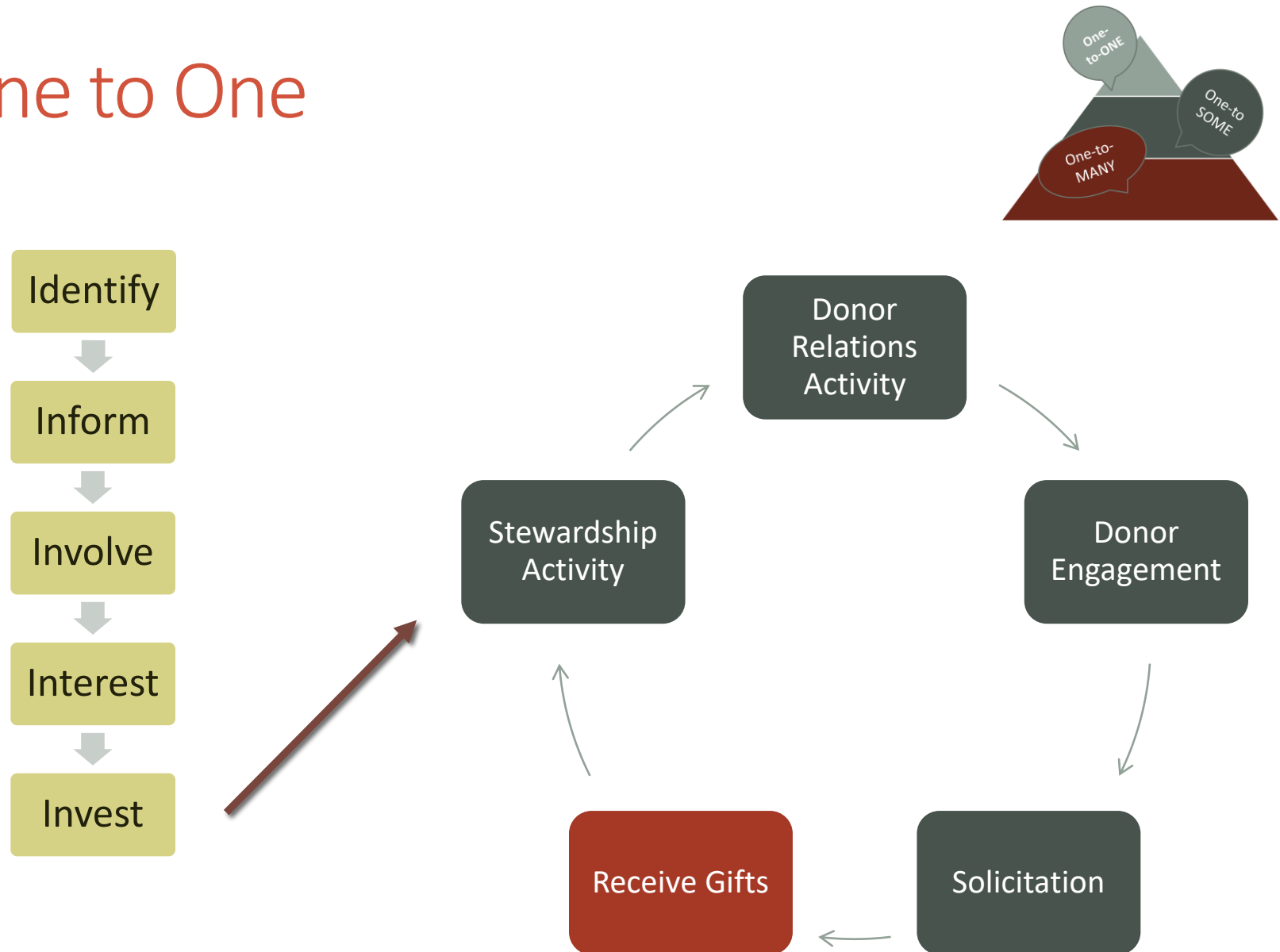
# One-to-One Engagement

## In addition to the basics

- Personally visiting with the donor at least once a year to have a conversation about the impact of their contributions
- Connecting with the donor throughout the year to seek advice and input about the direction of the organization and your philanthropy program
- Making the donor feel like a trusted advisor
- Inviting the donor to participate in strategy sessions
- Noting personal milestones in the donor's life



# One to One



# Moves Management Tracking

## Track and monitor activities

### Children's Community School

#### Major Donor Moves Management Grid

After each contact, Board is to report information and outcomes to the Development Office

Donor Name	Annual Capacity	Annual Gift Sought	Primary Board Contact	Lead Staff	Interest	Action # 1 - Jan.	Action # 2 - April	Action #3 - July	Action # 4 - November
Name					Operating Support	Sent video with note	Called to thank for gift	Personal video	Invited to video update
Name					Operating Support				
Name					Operating Support				
Name					Operating Support				
Name					Program				

# Building a Stewardship and Donor Relations Community Plan



- Embed the program
- Create structure and systems
- “This is How We Treat Our Donors” Culture
- Treat it with as much importance as you treat your solicitations

# Donor Stewardship Communications Plan

Donor Stewardship and Communications Plan								
To-do	Step	Who is Responsible?	When?	Major Donor	Sponsors	Mid-level donor	New Donor	Non-Donors
Acknowledgement Letter	Prepare letter	Development Staff	Within 24 hours	✓	✓	✓	✓	
Thank-you phone call	Provide phone numbers	Board Member/Development Staff	Within 1 week	✓	✓	✓	✓	
New Donor Welcome	Prepare "welcome kit"	Development staff	Within 2 weeks				✓	
Hand-written thank-you note with a relevant photo signed by Development Director	Provide a card, mail	Development Staff, signed by Executive Director	Send within 48 hours	✓	✓			
Impact letter: "Here's what we did with your contribution and look at the impact!"	Print and send	Development Staff	Twice a year	✓	✓	✓	✓	
Personal visit with donor	Schedule	Board Member	Once or twice a year	✓	✓			
Send video update of impact	Create and send via e-blast	Development Staff	Quarterly	✓	✓	✓	✓	
Send video individually with note	Send to Board with reminder	Development staff, forwarded by Board member	Quarterly	✓				
Donor Interest Survey	Email survey	Development Staff	Once a year	✓	✓			
Invitation to School Program	Send invitation	Board Member/Development Staff	Once a year	✓	✓			
Celebrate donor-versary	Send anniversary card	Development Staff/Board member	Annually	✓	✓	✓	✓	
Birthday card	Provide card, send	Development Staff	Birthday	✓	✓			
Videoconference update with ED or topic of interest where donors can discuss and ask questions	Prepare and Send invitation	Development Staff Prepares -- Board member sends	Quarterly	✓				
Monthly videoconferences on topics of interest --	Send invitation	Development Staff	Monthly	✓	✓	✓	✓	✓
Monthly e-blasts	Prepare and send	Development Staff	Monthly	✓	✓	✓	✓	✓
Mail Donor Summaries for Tax Season	Print and send	Development Staff	Annually	✓	✓	✓	✓	

# Culture of Philanthropy

- Everyone is engaged –
  - Board, Executive Directors, Development Office, Program Staff
- Challenges
  - Limited capacity of staff
  - Inter and intra departmental communications
  - Lack of system to track and gauge effectiveness





# Parting Thoughts

- What do you want stewardship to look like at your organization?
- What can donor relations look like?
- What does real donor engagement mean?
- Can you identify emerging philanthropists?
- And will you keep them?





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