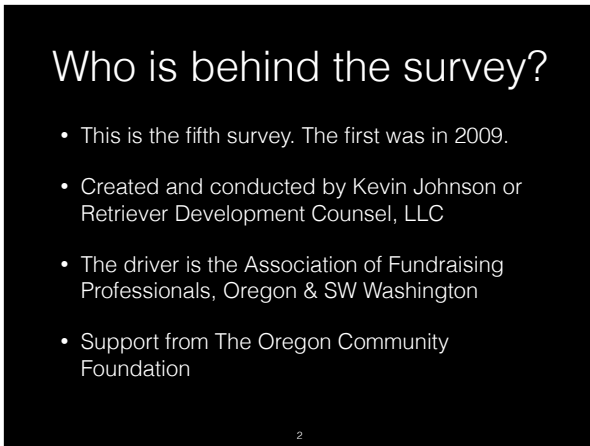


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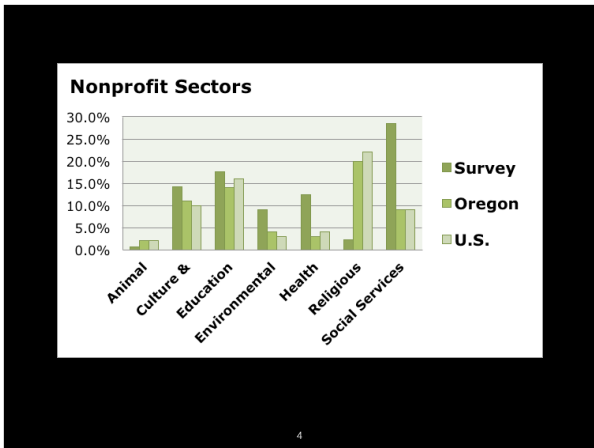
This is the fifth survey of philanthropy in our region. Kevin Johnson of Retriever Development Counsel, LLC created it in 2009 for the purposes of giving professional and volunteer nonprofit leaders a snapshot of the regional fundraising landscape and to identify opportunities for fruitful discussion about the sector. This most recent survey is sponsored by the Association of Fundraising Professionals, Oregon and SW Washington Chapter, with support from The Oregon Community Foundation, additional pro-bono assistance from Kevin Johnson of Retriever Development Counsel, LLC, and in-kind support from the Nonprofit Association of Oregon.

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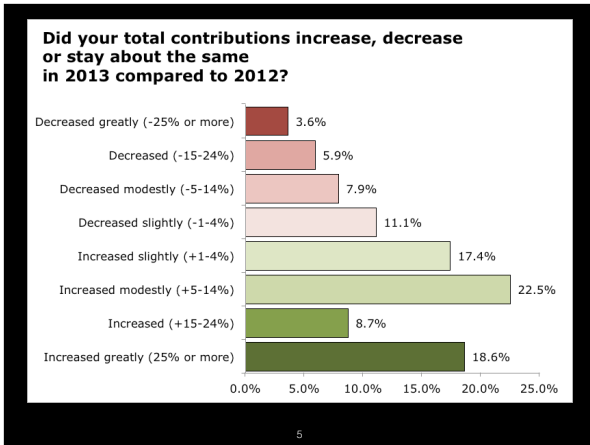


The survey was conducted at the end of January 2014 and more than 2,000 nonprofit groups in Oregon and SW Washington were invited to participate. The survey asked about calendar year 2013 fundraising experiences. In comparison to the total numbers of nonprofit groups in Oregon, survey responses represent a good sample. One hundred eighty respondents from a wide range of group sizes and types completed the survey. These figures are comparable to those from the previous fundraising trends surveys.

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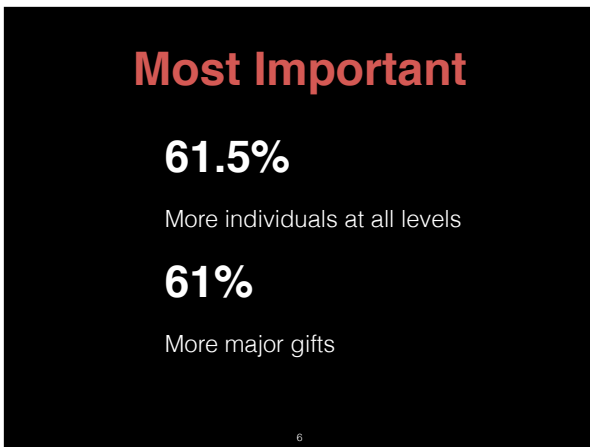


Respondents were primarily from Oregon (83%) and Washington (8%) and the majority represented independent organizations. Respondents were in positions of fundraising accountability. There was cross-sector participation, with the highest numbers in social services, education and research, and culture and recreation. These subsectors have been consistently the highest participants in this survey.



One standout for this year’s survey: of the organizations reporting that total contributions had increased greatly, health organizations were the most represented. These nonprofits comprised 12.5% of respondents, but represented 24% of groups that reported greatly increased total contributions. Other sectors trended as follows:

- Education and research: Modest increases
- Culture and recreation: Slight to modest increases
- Environment: Slight increases
- Social services: no clear trend



Factors for increased fundraising results: 1, More individuals at all levels gave (61.5%), 2, More major gifts (61%), 3, Major gifts were bigger (56.5%), 4, More members/more annual fund (47.8%), 5, Foundation grants were bigger (42.6%). This ranking is based on groups that responded that the factor was most important or important in their results for the year. When we look just at the most important rankings, the list runs like this: 1, Major gifts were bigger (22.1%), 2, More major gifts (21.3%).... (see full list in report).

# Board Giving Counts



# Legacy Gifts

Budget impact	Bequests	IRA rollovers
<3% of budget	15.1%	12.6%
3-7% of budget	5.0%	1.71%
8-15% of budget	4.5%	1.71%
16-25% of budget	2.2%	
>25% of budget	0.6%	

For gifts received in 2013, notice of a future, intended bequest or estate gift was most common (51% of groups), followed by realized bequests (34.7% of respondents), and IRA rollover gifts (23.5%). Other gift types (CGA, CRT, CLT, PIF) are much less common; if groups do get them, there are few of them. See lists of types of gifts, legacy gift trends and expanded discussion in full report.

## MORE Campaigns

\$461,500,000 = Low

\$819,250,000 = high

(NOT including campaigns of top 25 groups or OHSU campaign for the Knight challenge)

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9

About 39% report launching or continuing a campaign in 2014, and an additional 13% will start or continue planning a campaign. In 2011, we noted an uptick in campaigns; this seemed like a harbinger for the return of fundraising optimism. Looking at campaign size, and doing some quick math, this represents fundraising goals totaling \$461 million to well over \$820 million – and this is not counting a number of the groups with the largest annual fundraising in the state that were invited to participate in the Bellwether Case Study. See Campaign Duration, Reported Campaigns by Size and Number, and Estimated Campaign Size charts in full report.

## 2014 Goals UP

16.4% Increase greatly (25%+)

37.6% Increase modestly (5-14%)

22.2% Increase (15-24%)

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For last year's survey, 81% of respondents projected increases to fundraising revenue goals, with most increases projected in the modest 6-10% range. Having over a third of respondents this year project fundraising revenue goals over 15% seems to be a positive harbinger of better times ahead, but one has to wonder if these projected goals are realistic and data-driven. With so many groups projecting increases, where exactly is all the money coming from?

# How do you ask for more?

11

11

Group exercise.

## Social Media: Mixed Messages

12

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There is a definite gap in perceived importance or **expectations** of social media and satisfaction in social media being able to deliver. Reasons for using social media ranked as most important include:

1. Marketing and branding focus: 67.4%
2. Education: 61.2%
3. Engaging younger donors: 60.0%
4. Engaging existing donors: 59.5%
5. Connecting with new donors: 50.6%

## Government Cuts Matter to all kinds of groups

Belt tightening	35.2%
Competition for funds	35.1%
Cumulative budget cuts since 2009	33.2%
Budget cuts means more private fundraising to fill	27.6%

13

13

It is significant that government cuts will have a substantial effect on a quarter to a third of nonprofits. We expected to see skewed results in this section, due to the high proportion of social service groups that responded to the survey. **However, when we broke the data down by subsector, we found that the impact of governments cuts shows up across subsectors.** These cuts may also have a ripple effect across the sector, as groups that have relied on government funding have to raise more from private sources, whether individuals or grantmakers, thereby competing with organizations for whom government funding has been less important.

## Job Satisfaction Gaps

1. adequate support staffing,
2. salary,
3. adequate budget,
4. meaningful performance metrics, and
5. retirement plan contributions

14

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The factors with the largest gaps between importance and satisfaction were, in declining order: adequate support staffing, salary, adequate budget, meaningful performance metrics, and retirement plan contributions. In other words, these are identified as areas for improvement for nonprofit organizations. See charts for Most Satisfied and Most Important job aspects in full report.

## Bellwether Case Study

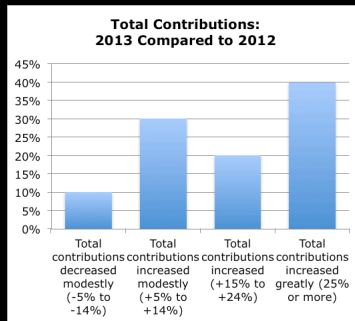
Lewis & Clark College  
The Nature Conservancy in Oregon  
Oregon Food Bank  
Oregon Humane Society  
Oregon State University  
Portland Art Museum  
Portland State University  
Reed College  
University of Oregon  
Anonymous

15

15

The Fundraising Bellwether Case Study invited responses from a representative group of sixteen “top fundraisers” in Oregon and southwest Washington selected by a number of top fundraising professionals in the region as among the “most important in the regional philanthropic landscape.” Ten organizations responded, a 63% response rate, providing an excellent case study on large fundraising organizations in our region. This sample represents a significant part of the total annual fundraising efforts in the region.

## They Beat National Trends



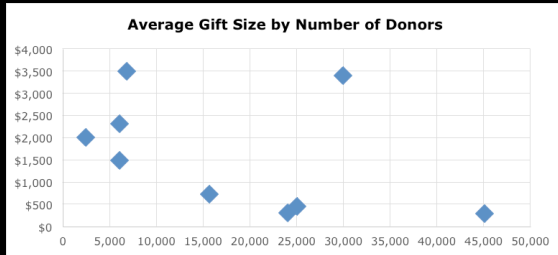
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The bellwether group was very successful in 2013 and outpaced national trends. Recent national research by Blackbaud reports a 2013 increase of 5.7% for large organizations (those raising more than \$10 million). And keeping true to the trends reported by Blackbaud, which reported a larger increase for large organizations than small (3.6% increase) and medium (3.8% increase) organizations, the bellwether group fared better overall than the 180 small and medium size groups represented in the broader 2014 Philanthropy Trends Survey, the companion to this case study.



## Volume vs. Total \$\$



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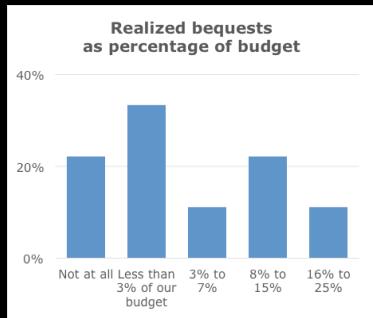
Looking at average gift size raises intriguing questions about the relationship between broad-based annual fund efforts and major giving. Are the organizations with smaller donor pools focusing sufficient energy on building tomorrow's major gift pipeline through annual giving efforts? Research by Lawrence Henze, a nationally recognized fundraising data expert, reveals that donors make gifts of \$1,000 or more after at least seven years of lower-level annual giving, and that those donors are 900% more likely to make a major gift than donors without this type of giving history. See the entire list of questions and discussion in the full report.

## Major Giving is KING

18

In a ranking of factors critical to 2013's fundraising results, every group chose the number and size of major gifts as important or very important to their success, dwarfing all other factors. Sixty-six percent of respondents planned to make more and larger major gift asks in 2014.

## Bequests. Period.



19

19

The majority of planned gifts were bequests (provisions in donors' wills), and relatively few came from more exotic vehicles. This is in keeping with national statistics, with an estimated 90% to 95% of planned gifts overall being bequests. Though bequests made up a small number of gifts received, some organizations did realize significant budget impacts from bequests, with nearly half of respondents reporting an impact of greater than 3%. See detailed discussion and breakdown of number and types of gifts charts in full report.

**More Staff =  
More Money**

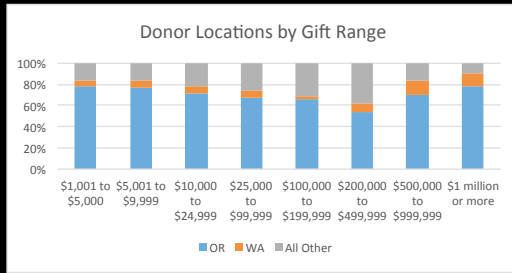
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How will these organizations accomplish their planned increase in major gift and foundation grant activity? Forty-four percent said that they would increase development staffing in 2014, and 55% thought that leadership changes would play an important role in 2014's success. Recent studies by the Association for Healthcare Philanthropy found that hospitals and medical centers that invested in major gift officers and support staff for major giving efforts had the best success in raising major gifts. Reducing fundraiser turnover was also key to their success.

## Big Gifts are LOCAL

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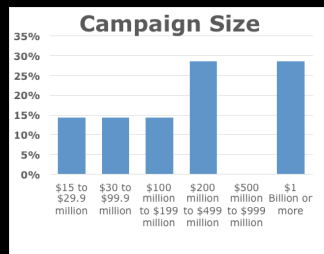


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Bellwether organizations do garner large donations from outside of Oregon and Washington, **though seven-figure gifts are still largely homegrown.** There is also a clear distinction between higher education institutions and the other respondents in the bellwether group. On average, respondents report that 83% of their donors of more than \$1,000 are from Oregon (78%) and Washington (5%). It is interesting to note that large organizations tend to have the most success with out of state donors at the mid-range major gift section of the pyramid (\$25K to \$499K).

## Campaigns: MORE

22



22

Eighty percent of respondents are either in a campaign, or planning for a campaign. The campaigns vary in size, but five organizations plan to raise more than \$100 million, with two focused on billion-dollar campaigns. This means a minimum combined goal of \$2.5 billion, including \$1.4 billion from new campaigns (pre-launch or in the planning phase). **Add in OHSU's \$500 million campaign (not including an additional \$200 million in state bonds being sought by OHSU) to meet its challenge from Phil and Penny Knight. Add in campaigns by all the rest too.**

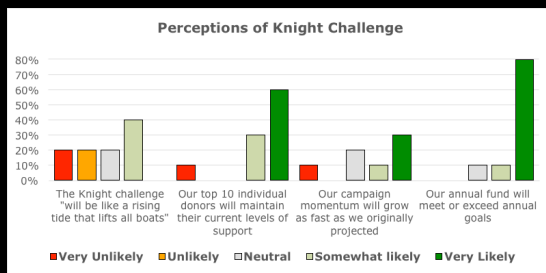
# How do we find the right mix of staff and fundraising?

23

23

Group exercise.

## OHSU Campaign for Knight Challenge



24

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Though confident in their own success, the bellwether groups displayed less confidence that the challenge would have widespread positive consequences. Forty percent believed that the challenge would be "a rising tide that lifts all boats", with the remainder feeling neutral or finding this to be an unlikely proposition.

25

**“\$500 Million.**

**All or Nothing?**

**What Does the Knight Challenge  
Mean for Local Philanthropy?”**

**Join us April 4**

25

Join the Association of Fundraising Professionals Oregon & Southwest Washington Chapter (“AFP”) April 4 at 11:30 a.m. at the Multnomah Athletic Club in Portland. The conversational program will feature panelists with a range of experience and expertise in philanthropy. Kevin Johnson, Retriever Development Counsel LLC, will facilitate the discussion. For additional information about this seminar or the local AFP Chapter, please contact: 503.715.3100 or email: [afp-oregon.comcast.net](mailto:afp-oregon.comcast.net).

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**We are all  
swimming  
in the same water  
but we make plans  
and think we play in  
our own silos**

26

## Evolving Landscape

- Major gifts count MORE
- More major gifts
- Staff + resources = MORE money (doing more with less is a false economy)
- Annual fund: participation may be more important than dollar giving totals

## Evolving Landscape

- Bequests - not complex planned gifts - are where the money is
- Board giving plays an important role for those who are most successful

29

## **Campaign totals are phenomenal.**

For enough to be successful, the community must give more, not shuffle money around.

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## **Reflections on key topics**

30

Group exercise based on topic(s) selected by group.

31

Group exercise.

**What is your  
next step?**

31

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