

# Stewardship is Everyone's Job

**Darnell Hines, Jr.**

**Senior Director of Alumni Engagement and Donor Relations  
Northwestern Pritzker School of Law**

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# Overview

20 Staff

16,000 Alumni

\$275M Campaign (\$240M)

FY18: \$10M total (\$3.3M AF)

29 Major Gifts Closed (\$100k+)

11,000 Donors

37 Donors=at Least 2 Major Gifts

2 FTEs for SDR

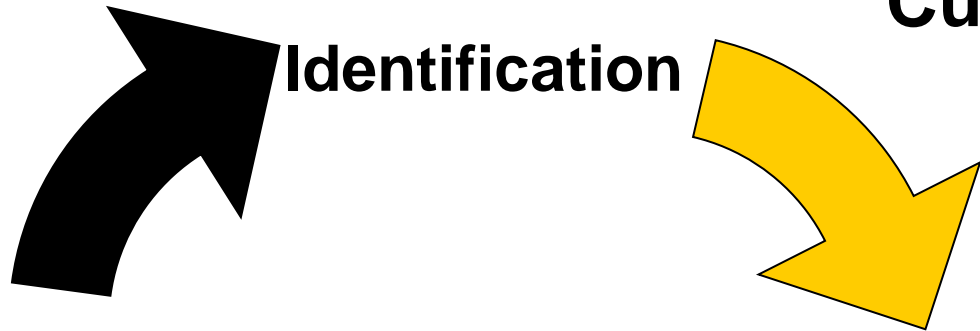
# Defining Terms

What is Donor Relations?

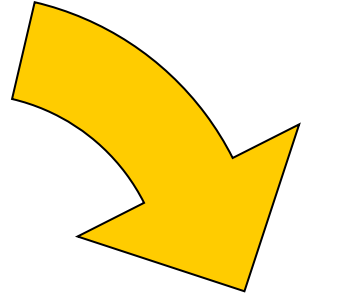
What is Stewardship?

Are they Different?

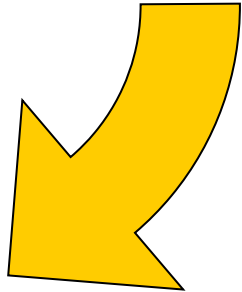
# Cultivation Cycle



**Identification**



**Cultivation**



**Solicitation**

**Stewardship/Donor Relations**



Donor Relations is the comprehensive effort of any nonprofit that seeks philanthropic support to ensure that donors experience high-quality interactions with the organization that fosters long-term engagement and investment.\*

Stewardship is carrying out the organization's fiduciary duty to the donor to use the gift as the donor intended. This is accomplished by gift acceptance and management and reporting.\*

*Misuse of Money*  
*Lack of Impact*  
*Lack of Privacy*  
*Mistrust*  
*Uninformed*  
*Unappreciated*



# Donor Relations

## Stewardship

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## 4 Pillars of Stewardship

### Gift Acceptance & Management (Accountability)

- Tax Receipts

- Gift Acceptance Policies/Committees

### Acknowledgement

- Personal, timely, meaningful

- Institution wide participation

- Thank you note writing sessions

### Recognition

- Meaningful

- Appropriate

- Events that show impact & recognize gifts

  - Scholarship luncheons, individual interactions, skype

### Reporting

- Trusting Building

- Impact

- Sound Investment Strategy/Results

**Northwestern**  
PRITZKER SCHOOL OF LAW

HOW TO READ YOUR ENDOWMENT REPORT

Northwestern PRITZKER SCHOOL OF LAW		ENDOWED FUND REPORT
<b>John Henry Wigmore Endowment 40000000</b>		
<b>Fund History</b>		
Established in 1901 by John Henry Wigmore to support the School of Law.		
<b>Total Giving</b>		\$250,000.00
<b>Fund Performance</b>		
<b>Fiscal Year 2018 Financial Summary</b>		
PRINCIPAL ACCOUNT	1 Market Value as of 9/1/2017	\$806,871.34
	2 Fiscal Year 2018 Gifts	\$0.00
	3 Payout to Spending Account	(\$36,366.00)
	4 Return on Investment	\$72,428.75
	5 Market Value as of 8/31/18	<u>\$803,032.09</u>
<b>Spending Account Summary</b>		
SPEND ACCOUNT	6 Initial Balance as of 9/1/2017	\$0.00
	7 Endowment Payout	\$36,366.00
	8 Fiscal Year 2018 Expenditures	(\$36,366.00)
	9 Income Reinvested to Principal	<u>\$0.00</u>
	10 Ending Balance as of 8/31/18	<u>\$0.00</u>
<b>Historical Market Values</b>		
11 Market Value as of 8/31/2016	\$825,008.68	
12 Market Value as of 8/31/2015	\$849,653.92	
<b>Endowment Management</b>		
For information on how endowment funds are invested and managed, please see the enclosed document, "An Investment in Northwestern."		

FUND PERFORMANCE  
LINE DESCRIPTIONS

- 1 The value of the fund at the beginning of the fiscal year, e.g. 9/1/2017.
- 2 Gifts deposited into the fund during the fiscal year.
- 3 The earnings transferred from the endowment to the department benefitting from the fund during the fiscal year. The enclosed investment brochure outlines the University's spending guidelines.
- 4 The result of the market performance of the fund during the fiscal year. The enclosed investment brochure outlines the University's investment performance.
- 5 The final value of the fund at the end of the fiscal year, e.g. 8/31/18.
- 6 The earnings available in the fund at the beginning of the fiscal year that have remained from previous fiscal years.
- 7 The amount transferred from the endowment to the department benefitting from the fund during the fiscal year. (Same as #3)
- 8 The amount spent by the benefiting department.
- 9 Any remaining funds that have been transferred back to the principal of the fund for reinvestment.
- 10 The remaining amount in the fund at the end of the fiscal year. This will be available for spending in the following fiscal year.
- 11 The value of the fund for the



# SDR With any Budget

- Donor Relations Example (\$)
- Thank You Video (\$\$)
- Scholarship Luncheon Follow-up (\$\$\$)

**Lauren Prihoda Weiner**  
The John Marshall Law School

**John A. Swartz**

The Ohio State University Moritz College of Law

**Alan Paberzs**

DePaul University College of Law

# Expectations

## Donors

- Prompt Acknowledgement
- Money to be used according to intent
- Report back on the impact
- Recognition

# “Let me tell you what I wish I’d known”

## Giving regularly

- Recognition

- Reporting

- Acknowledging

- Relationships/Trust

## Giving to priorities

- Donor Interests vs. Institutional Priorities

- Gift Acceptance Policy

## Giving in usable ways

\*Intentional Stewardship-Julia S. Emlen

## **“Let me tell you what I wish I’d known”**

Giving to capacity

Feeling recognized

Agreeing to participate

Spreading the message

Bringing others along

# 2018 Bank of America U.S. Trust Study of High Net Worth Philanthropy

CONDUCTED IN PARTNERSHIP WITH THE INDIANA UNIVERSITY LILLY FAMILY SCHOOL OF PHILANTHROPY

49% men, 51% women

\$200,000 > Household income and/or \$1M + net worth

Women more likely to support healthcare & research

African Americans support basic needs & religious based charities



## Motivations

54% Believe in mission of organization

42% Believe gift can make a difference

32% Personal satisfaction

17% Tax benefit

# Why do donors stop giving

## Unclear expectations

- 91% want sound business operations/trust
- 90% reasonable amount of money spent on administrations i.e. cost to raise a dollar
- 51% Gift Acknowledgement
- 28% too frequent solicitations
- 16% organization not effective and/or not good at communicating its success
- 9% asked for inappropriate amount

# Be Warned...

## University of Chicago

- Pearson brothers donated \$100m to form institute on global conflict (2<sup>nd</sup> biggest in UofC's history)
- Wants \$23m returned; Upset about social invitations, budget, and hiring practices-namely the institute's director
- Dean failed to meet with the donors per gift agreement
- Status: Ongoing

# Be Warned...

## The Ohio State University Moritz College of Law

- Moritz family donated \$30m in 2001
- Upset about 1.3% endowment management fee about which they didn't know
- Wants money put back into endowment

# Stewardship for Everyone

## Wake Forest School of Business

- Mike Farrell donated \$10m to build new building
- Not an alumnus; son was a student who got seriously ill
- Credited groundskeeper and residence hall staff with excellent care

# Building a Foundation

## Knowledge is Key

Know your donors/institution

Research top donors

## Build Institutional Support

## Focus on the basics

Acknowledgement

Reporting

Recognition

Events

# Resources

***Intentional Stewardship*** by Julia S. Emlen

***Donor-Centered Fundraising*** by Penelope Burk

**DonorRelationsGuru.Com**

**Association of Donor Relations Professionals**

QUESTIONS