Growing Alumni Giving

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Featured Presenters:

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Responses to Participants' Questions

1. How many times a year do you solicit your alumni?

Between five and six, depending on when they give. We have an annual campaign that has a series of solicitations, we start each September, October – in other words, the fall – and we ask every donor to increase their gift. That's the strategy and objective at the beginning of the annual fund year: to ask every donor to increase their gift.

The second phase of our annual campaign is our end-of-year phase. December is a huge month for philanthropy and the annual campaign. So, in December, as year-end and tax issues are upon us, we ask again for support for the foundation.

Then, in the spring – usually February or March, we ask again, and in that solicitation we talk about the importance of their last gift and the importance of renewing that gift.

All three of those solicitations are direct mail. If an alumnus fails to respond to any of those three solicitations, then that alumnus will receive a phone call through our telemarketing association. Again, this applies primarily to people who have given in the past.

And finally, if they have not given in the fall, if they have not given at the end of year, if they have not given in the spring, and they have not given through telemarketing, usually around March or April, we will send them what we call a "blue line." It is a last request. It says, "Dear Brenda, you were a meaningful part of our campaign last year, and we had your name in our annual report. If we have missed your gift this year, please let us know. Or perhaps you haven't had a chance to give to our annual campaign." And it gives them one last opportunity and a subtle reminder that their name is not going to be a part of our recognition for the current year. And that is our final effort.

So, it depends: It can be four, five, or six solicitations, or it can be only one if they just renew their gift and we never have to ask again.

2. How many alums are on the MCC Foundation board and how large is your foundation board?

Our board now numbers 50 people, it's a very large board. We meet three times a year and then hold an annual "Salute to Excellence," which we count as our fourth meeting. More than one-third of our foundation board are alumni, and that number is increasing. Our alumni are now of the age when they are becoming extremely successful, and we try to involve as many as we can as directors. We also have other alums on the alumni committee and, of course, a whole lot of alumni volunteers.

3. What do you estimate you spend per capita on alumni fundraising? What is your return on investment?

It changes dramatically. In the year that Brenda got a million-dollar gift from an alumnus, our ROI was extremely high. Last year, I think it was about eight or nine percent in terms of our fundraising cost, which is 11 percent.

We don't really look at it from the alumni perspective. We have some corporate giving, some very large donor giving, and we have an endowment. Our endowment helps us support our operations, so sometimes, depending on our results, our ROI could be low on our annual gifts from alumni. But at times when we have major capital campaigns our ROI is extraordinarily high.

Another thing: Many of the corporations that contribute to our special events or our major capital campaigns are headed by alumni. So even though it looks like a corporate gift, it has really been driven by the alum representing that corporation.

Also, when we do our telemarketing to alumni and call people who gave last year, our ROI on that segment is very high. But when we call on a group of alumni who have never given before, our ROI is very low and sometimes a loss.

You need to look at the whole package and, because we have a great many donors providing a great many resources, we sometimes can afford to spend a little money for donor acquisition. But the bottom line is, we have a very strong positive net coming from alumni now.

4. By making a gift, are your alumni joining an association?

No, they are not. They are joining our list of donors, they are noted on our annual report, and on our giving wall they are listed as alumni. But we don't believe in separating them, we believe in integrating them. When we did away with our separate 503c alumni association, we did away with the idea that alumni would be contributing to get something. Philanthropy is teaching people to give a gift without a return. The return has to be in the heart. We didn't want to teach our alumni something that was very different than we would teach any other philanthropist.

So, we don't have an association, however, we do give to young alumni. We receive a lot of requests from alumni to use the facilities at MCC – computer centers, workout facilities, pool, library, things like that. For alumni who make a $100 contribution, we will allow them to use certain facilities at the college. But we don't use that in our solicitation, we don't say, "Give so you get this." We have never done that, it is purely responsive. When alumni call and say, "Can I use this, can I use that?" – and this happens at least three or four times a week – we say, "Yes, if you make a $100 contribution to our annual campaign, we will be happy to allow you the use of that facility."

5. What is the average annual alumni membership fee?

We don't have an average annual alumni membership fee because we don't believe in the concept of alumni fees. We believe in teaching people about giving.

6. What are the elements you integrate when you reach out to potential givers?

For our annual campaign, we focus on a couple of things. One is student success stories. We talk about how students have been able to be successful at MCC, and about how a scholarship – usually a philanthropic contribution from a company or an alum – has made a big difference in their lives.

We also talk about our foundation funds, about $30,000 a year in faculty grants from the money we raise. We talk about the interesting things our faculty are doing with the money donors gave through the annual campaign and how it's going directly towards an educational expense.

So, we really focus on two things: excellence in teaching and student success. We focus on those two things when we reach out through the annual campaign.

7. How important do you believe it is for development staff to be grads of the institution they work for?

The most important things you need in a development officer is someone who is intelligent and can communicate well – and if they happen to be a grad of your institution, how fortunate for you. You don't have to instill the passion because they already have it. That's why, when Mark walked in the door with no development experience but a fiscal background in insurance – which I knew could ultimately be very useful in planned giving – and he was articulate, and he was an alum, I was on top of the world. Look for the best people you can find and, if they are alumni, it is really wonderful.

8. For your alumni hall of fame, do alums nominate themselves or do others?

The vast majority is others nominating. We have had some self-nominations.

9. What do you think about adding an optional student donation fee to their tuition bill?

We crossed this subject not too long ago. I can't remember the exact outcome. We graduate about 2,800 or 2,900 every year, and each of those students pays a $35 fee to graduate. It gets them their diploma and officially registers them as a graduate. We receive $5 of that $35 to fund an alumni program. That may not sound like a lot of money but 3,000 times $5 is a pretty decent amount to help get started with alumni programming. As far as adding it to their tuition bill and adding the optional donation, we know they pay their tuition, their student life fees, residence halls and books, so we haven't gotten to far into that area.

10. What is your budget?

About $500,000. And this year we are raising about $4 million. Hopefully, that tells you our ROI.

11. Can you tell us more about the donor wall? For example, is it changed annually, do you use giving levels, etc.?

We have a lot of donor walls. Some are interactive, they are beautiful, they have been designed by architects. Our very first one is quite modest. We also have an annual fund donor wall which we change on an annual basis – it was designed so we could do that. We also reflect that in our annual report.

Yes, we do use giving levels, and we think that is very important. Also, for those who contribute over $1,000 to our annual fund, we have a lovely event every year – usually a cocktail hour at our private city club – and invite these members. We call it the President's Circle. They get to meet the president, and the foundation staff gets to meet them. So, it's a very nice exchange and they get to meet each other.

12. How do you tailor your appeal messages to different segments?

It starts with the letter signer. When we are soliciting an alum, the letter will be signed by a fellow alum. When we are soliciting faculty and staff, it will be signed by a faculty or staff colleague.

We try to bring a message that makes the most sense to a prospect. With our leadership-level annual fund donors, we will deliver them a more expensive appeal, something done on nicer paper. We will deliver student messages to any group because students are one of the common interests all the groups share when they are thinking about giving to our institution. But it actually comes down to thinking about each target audience, finding a peer-to-peer solicitor, someone who has a natural “in” with that audience and a unique message that stands out from the rest.

13. Do you have to be a graduate of MCC to be an alum?

You do not have to be a grad to be an alum, you have to have only 6 credits. Webster’s Dictionary says that anyone who has ever taken course work at your college is an alumnus. We have the broadest definition, the most inclusive definition, of alumni.

We spend most of our resources on degree-holding alumni, and then drill down deeper, to degree holders who have given in the past. We test everything, and we have found that we get the biggest bang for our buck from degree-holding alumni.

However that means there are more than 200,000 people out there who we haven’t approached. And I can’t stand it because among that 200,000 might be someone whose life we’ve changed, just like the gentleman who gave us a million dollars.

14. How large is your staff?

We have a staff of nine.

15. What is the software package you use?

Banner. We’ve been on it for two years now, we upgraded from ADS. It has its strengths and weaknesses. It does give us the ability to sort and pull the data we want on a variety of characteristics for the purpose of managing our solicitation campaign.

16. Is your software package integrated with your student database?

Banner is and it isn’t. It is because we can very easily transfer the names, addresses, and phone numbers of this year’s graduating students from the student system to our system, which is an advancement oriented system. Once it is in our advancement system, the data becomes ours, and we are the only ones who use it with some regularity. It’s integrated but separate, and it works reasonably well for us compared to what we had before.

17. Regarding your online giving, I see that you use GuideStar for this. How useful has it been?

We do use GuideStar for online giving. It has been very successful for us. We don’t have a huge volume of people giving online yet. We are transparent and open to our donors in how we get our money, how much we get, and how we spend it. We went online because we needed to be able to offer online giving opportunities. GuideStar is a wonderful organization that is there to support charities. It is a simple and easy way to take donor contributions online. It is a lot less expensive than maintaining a system on your server and worrying about security and all that stuff. When we do our email solicitations, it gives us the ability to add a link and say, “Click here to give.” That is the role GuideStar fills for us.

18. Do you use blogs and podcasting for the younger donors? If so, how do you use them?

We really don’t yet. We have some cutting edge things, really unique things. We have a group of major donors, including one woman in Alexandria, Virginia, who gave us $50,000 not long ago. It is a unique challenge for those of us with a limited travel budget. How do you really engage and involve that alum who gave but lives several hours away? We actually sent her a video phone, which is unique technology. We each have one, and she is now a regular part of our organization. We see her for one hour each month, and she has agreed to host an alumni gathering in Alexandria, in her home. That is a product of having a strong relationship. So, we use cutting-edge tools when we can find them.

19. Does GuideStar take a portion of your gift?

It’s very, very low. I can’t remember what it is, it’s that low. It’s actually Network for Good. They are there to help charities. We do get checks from time to time from them. It’s a nice, easy way to do it.

20. How far ahead do you do your strategic planning?

Our college does strategic planning in five-year segments, just like the Middle States accreditation. We try to coordinate our strategic plans with the college because we exist to serve the college. We are presently in the last year of a very successful five-year plan which exceeded everything we set out to do. We are in a challenging position right now. We have an interim president for a year, and we are going to take a deep breath this year, work on our endowment, and wait for the new president to take ownership of the institution so we can begin to create the next five-year plan to coordinate with our president.

21. Do you have alum events in different regions of the country?

We have been in several states within the last five years. We have been very fortunate lately. A Fortune 500 CEO who is the husband of an alum has contracted across the nation to have jazz festivals in some of the major cities where he does business. He has allowed us to go to these festivals and invite our alumni. It’s something we probably would not have done on our own, but it has been an unbelievable opportunity, and it’s a good way to underscore how to get things accomplished when you are just getting started.

These events do not cost us a great deal of money. For the event we had in Chicago, if you were an alum in the State of Illinois, you got an invitation to go an event with Ringo Starr. That is a pretty cool thing to offer to your alumni. And we've done that in Baltimore, Tampa, Chicago and we are going to continue to do that multiple times a year. But we aren't spending a lot of money or time there. We are sending one alumni development officer to meet local alumni and enjoy the event with those folks, and try and move our plan forward.

When we go to a conference, we try and get a list of the alumni in the region, and sometimes it's just as simple as calling a few alums in the region and telling them you are in town. Some events showcase our president and board chair, and not just for alums – we invite faculty and retirees, too. It's wonderful to see the excitement that is built when you get this mix in the room.

22. Do you have ideas on how to keep costs low?

We have shared a number of ways we are trying to partner with other people. Inherently we understand, as everybody does in the world today, the importance of budgets and keeping budgets low. But I think the best thing for those of us just getting started in this world is to secure some resources from your institution. Without some resources you are not going to get too far. We are always focused on costs being low. When it comes to alumni events, we are always trying to partner with other alumni associations. We are always looking for opportunities, like our out-of-town alumni. We are finding ways to put on events and alumni engagement activities for which we are not footing the bill. If you have a lot of partners and you ask them, you will get these kinds of opportunities.

23. Do you have any international alums? If so, how do you keep them engaged?

I am certain we do. Are they known to us? Not really. Is it an area we should explore? Someday. But we have a lot of work to do in the United States before we expand. However, the State University of New York is taking young Chinese students who were victims of the earthquake – whose schools were destroyed – and bringing them to this country. So, we certainly are going to have international alumni in the future. For those of you in New York State, SUNY also does at least one activity a year to which all the schools and their alumni are invited, and we have participated in those programs – that's another way we have partnered with SUNY. It was in Washington, in a big ballroom, and there were flags of the different schools. We didn't get a huge turnout, but I think we made some good friends. And we are honoring one of them this winter in our Alumni Hall of Fame.

In closing…

Planned giving is where a lot of the money is. We have a former janitor of the college – who is also a graduate of the college – who left $700,000 to the college as a gift. Our alumni are young and they are continuing to age. And you will see, more and more, as they make their final plans, estate plans, and wills, that they will remember your institution, just as this gentleman who left $700,000 to us.

Just in the last three months, we got an extraordinary amount of trusts and wills being resolved and coming to us. One was $53,000, another was $63,000. That is an area where, as your alumni grow and they maintain their annual commitments, you are going to get a lot of additional resources. Also, do not forget your retirees. These people have had a wonderful life at your institution, and many have walked away with a wonderful nestegg. They have the ability to take your institution to a better place for the future. Don’t forget them.