In its 11th year of an $88-million capital campaign that has so far raised $71 million, Please Touch Museum, the children’s museum of Philadelphia, lays claim to “where learning is child’s play,” but their capital campaign to support a new site didn’t start out as easily as Silly Putty picks up images off a newspaper.

Outgrowing its space for the third time since its 1976 founding, the museum launched a capital campaign in 1997 for a new site on the city’s waterfront. That’s when the problems started. The developer pulled out a few years into the campaign. Without having secured a new site, the museum had to put the campaign on hold. Then, once back on track with a new site, it seemed the deal was off when a corporate donor no longer had a naming opportunity because of landmark status restrictions concerning the new site.

A few conversations later, the museum convinced the donor to allow the museum to keep the funds already paid toward the pledge and add its name to the list of corporate sponsors.

“Pure transparency is essential. Our relationship with donors saved us from losing pledges,” said Kelly Resinger, the museum’s vice president of development.

“We were very transparent with our donors with regular communication. Even the developer sent letters to donors and prospects,” Resinger said. “Because we communicated so well, we had raised $40 million at the five-year mark.”

Despite tough economic times, nonprofits are still raising big bucks for capital campaigns. The tactics vary from a virtual video tour of a historic architectural landmark being converted to a popular children’s museum to a creative case statement that uses metaphoric images to convey the potential impact of stem cell research for a biomedical research institution.

“It’s hard to point to one strategy or tactic and say that’s what brought in these dollars,” said Roger Sametz, president of Sametz Blackstone Associates, a Boston-based, brand-focused communication practice that provides strategy and integrated communications for capital campaigns. “People will give $50 in response to something that lands on their kitchen table but not $50,000.” To get to that level of commitment, explained Sametz, organizations need a deep connection with donors and prospects at both the personal and institutional levels to convince them that their organization is the best investment through which they can realize a shared vision.

In the case of the Please Touch Museum, the campaign continued in a new direction with the selection of Memorial Hall, originally constructed to be the Art Gallery of the 1876 Centennial Exhibition and first home to the renowned Philadelphia Museum of Art. The organization signed an 80-year lease on the National Historic Landmark in 2005.
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"Restoring Memorial Hall has been phenomenal in inspiring people who care about children, early childhood education, inner city and underserved populations, art, history, and architecture," said Resinger.

Last year, Please Touch Museum launched the public phase of the campaign. With $17 million to go, Please Touch has not been a textbook campaign.

"Because the campaign had fits and starts, some donors had a wait-and-see attitude. From the inside, it was frustrating, but understandable," said Resinger.

With the increasing cost of construction, a $60-million bond with a strict payment schedule, and $17 million left to reach goal, the museum could not conduct a typical virtual tour to prospects after taking them through the building for tours," said Resinger. "In the early stages, when the building was being gutted and renovated, this was a huge help in getting folks to see what we had planned for the spaces they'd just seen." The museum also made DVDs and sent them with packets. The Virtual Tour has also been on YouTube.

Convincing donors to support the renovation of the beau-arts landmark that had served as a police station was made easier by getting donors to stand in the Great Hall – dust and all. "Doing tours has been invaluable. As donors and prospects see the building being restored, the museum's phones have been ringing off the hook," said Resinger. "People see who has signed on. They want to know how to get their name on an exhibit or on a room in the building."

A virtual tour narrated by Lesly Attarian, the museum's vice president of external affairs, has been a great tool for fundraising. "Our development team usually showed the virtual tour to prospects after taking them through the building for tours," said Resinger. "In the early stages, when the building was being gutted and renovated, this was a huge help in getting folks to see what we had planned for the spaces they'd just seen." The museum also made DVDs and sent them with packets. The Virtual Tour has also been on YouTube.

"Raising funds for biomedical research organizations requires a lot of communication with donors. Donors have to see the building being restored, the museum's phones have been ringing off the hook," said Lesly Attarian, the museum's vice president of external affairs. "People want to know how to get their name on an exhibit or on a room in the building."

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And, the campaign has continued to receive major gifts. Last month, the campaign announced a gift of $5 million from an individual who already had given $2 million. "We knew we wanted to go back to this individual for a major gift. We took the donor to see the Great Hall, and she saw the museum's importance to the community in this spectacular space," said Resinger.

Such a gift is why such campaigns are not just about raising money. "Of course you need financial resources, but the goals of the organization must be the primary focus. From the earliest planning stages, your organization's long-term goals should be imbedded and drive your campaign efforts throughout," said Robert Hartsook, chairman and CEO of the Hartsook Companies in Wichita, Kan., and Wrightsville Beach, N.C.

"I can't count how many times I've heard, 'We can raise $40 million' or another number," he said. "When asked how that figure was decided, the laundry list of answers includes: A similar institution raised this last year in their campaign. We think this will meet our needs and give us some reserves; it is our 40th anniversary and that number fits."

"Setting a campaign dollar goal is a process that cannot be taken lightly. While it might or might not require a feasibility study, it always takes into account what you are raising money for – the goals of the organization; and who is going to give it – those who care about these goals." said Hartsook.

Please Touch is scheduled to hold its opening gala on Oct. 3, prior to opening its doors on Oct. 18. The museum expects to raise additional major gifts after the doors open.

"We are committed to raising the full amount of the campaign. They call it 'development' for a reason. It takes time," said Resinger.

WHITEHEAD INSTITUTE FOR BIOMEDICAL RESEARCH

In contrast to Please Touch Museum's more than a decade-long campaign, the Whitehead Institute for Biomedical Research is less than one year into the quiet phase of a $100-million Stem Cell and Regenerative Biology Initiative, $40 million of which is to come from private philanthropy.

Businessman and philanthropist Edwin C. "Jack" Whitehead provided $35 million to construct and equip a new building, $5 million per year in guaranteed income and a substantial endowment in his will for a total gift of $135 million.

Whitehead's gift for a strong launch and healthy cushion did not anticipate that funding for embryonic stem cell research would be cut off by the Bush Administration, forcing Cambridge, Mass.-based Whitehead and other similar institutions to scramble for private dollars after having depended largely on government support.

Making up for the gap in federal funding is just one bucket to fill. There's also the cost of today's more collaborative and cross-disciplinary research. And, there's the ironic result of Whitehead still receiving some federal funding the cost of its stem cell research is actually made more expensive since federal funding requires that separate facilities be maintained for those stem cell research projects not funded by the National Institutes of Health (NIH).

Because of its initial endowment and government funding, Whitehead has to overcome the notion that they have enough money. "Working with mouse cells and human embryonic stem cells is expensive. It costs $100,000 per year for special serum to feed the stem cells, and the purchase and care of mice for just one of our investigators costs $720,000 per year – that's a lot of Swiss cheese," said Patricia Denn, director of development at Whitehead.

"Raising funds for biomedical research organizations
 isn’t the same as raising funds for a hospital or medical institution. You don’t have grateful patients,” said Denn. “We need to find donors who can become passionate about the potential outcomes of this research. Since this is basic research, we need to convey that a donor’s investment will not just benefit Whitehead, but help create advances at hospitals, medical schools, and research institutions the world over.”

“One of the challenges is to present basic research as urgent and compelling,” said Sametz, whose team worked with Whitehead to produce a case statement that uses metaphoric images, such as dabs of paint, paint tubes, a brush and a blank canvas; a ball of yarn and needles; and a block of clay with sculpting tools to evoke the potential that stem cell research has to address the worst diseases that plague mankind.

Though early into the campaign, Whitehead’s donors are “hugely intrigued,” said Denn. “Because of the size of our organization and the intimacy of the place and excellent stewardship, we’ve been able to connect with our donors. We might not be as successful if we were a huge medical center.”

Denn recently received a bequest from someone with whom the institution had no previous contact. Whitehead was one of seven beneficiaries of a $1 million estate from the donor. None of the other beneficiaries were related to Whitehead.

The unexpected gift, said Sametz, speaks to the importance of brand-building for fundraising. “A strong brand and brand-focused communications can get your messages out in a way that your Rolodex can’t. If your meaning and value are well known, a conversation starts at square two rather than square zero,” he said. “Donors and prospects will take calls because they’ve heard of you and want to be associated with you. This is particularly important in tight economic times. A strong reputation decreases risk people are associated with you. This is particularly important in tight economic times. A strong reputation decreases risk people might feel and encourages investment.”

**Mass Audubon**

Educating donors to better understand their investment is one of the many strategies involved in Mass Audubon’s first comprehensive campaign since founding in 1896.

A relatively new concept, a comprehensive campaign rolls an organization’s annual fund, planned giving, major giving, and other fundraising projects into one overall campaign. For organizations with separate development staff on each of these giving tracks, a comprehensive campaign could seem like the game Twister, as staff members sometimes find themselves in precarious positions.

Sondra Madison, campaign director at Mass Audubon, acknowledged that the level of coordination required for a comprehensive campaign could be a challenge for some organizations, but it has not been a stumbling block for Mass Audubon.

“The level of difficulty in a comprehensive campaign is directly related to the planning you do prior to launching,” said Madison. “It’s about knowing the importance of annual giving and not sacrificing this. It’s about telling these donors already connected with annual giving what this successful. “Because of the complexity and comprehensiveness of this campaign, the campaign staff needs to be integrated with staff handling other aspects of development to make this successful.” Staff was brought on to also work with membership and annual giving.

While most people understand that unrestricted giving for operating expenses and funding for specific projects are both needed, a comprehensive campaign can be confusing for donors, acknowledged Madison. “It’s easier for people to understand that their money is going toward one goal. A comprehensive campaign requires educating the donor.”

In addition to donor education, Mass Audubon is involving non-development staff in the campaign. “The sanctuary director is the person who has the closest relationship with the donor. They live, teach and make a community for Mass Audubon,” said Madison.

Training non-development staff in the cultivation of prospects and donors has been essential to the campaign. “Getting sanctuary directors to be part of the campaign initiative has been instrumental in bringing in gifts,” said Madison. While Mass Audubon has had success in landing named endowments, the organization just began to offer naming opportunities to endowed sanctuary directors, a tried-and-true strategy for academic and medical institutions. Of Mass Audubon’s 45 wildlife sanctuaries, 22 have a sanctuary director and staff who run programs that are open to the public.

Aside from the dollars raised during the quiet phase, the organization has witnessed growth in donor understanding, an increase in passion, and an increase in volunteering, said Madison.

When the public phase launches sometime in 2009, the organization will reach out to annual supporters, asking them to continue their annual support and buy into a special ask. “It’s one ask, in proportion to what they can do. This is the right way to do it. To do it right, however, you do your homework first,” said Madison. 

Mass Audubon put together a matrix to help guide the organization through its campaign.
5 Things NOT To Do In A Capital Campaign

No matter how long you've been in the fundraising business, you can always be surprised at a new approach to a capital campaign. There's nothing wrong with creativity and innovation. However, there are common elements of every successful campaign. At the same time, in almost every failed campaign, one or more of the following five “don’ts” can be found.

1. Don’t believe the volunteers will do all the work.
   As Americans, we have a rich tradition of volunteerism and certainly many worthy ventures have succeeded because of volunteer efforts. But the demands of today’s volunteer are unlike those of 30 years ago. Today, multiple homes, businesses and jobs can keep volunteers from being able to set their own appointments and write their own letters. Your campaign will very likely require additional staff, particularly administrative. Also consider that even if volunteers have the time, studies are showing that the organization’s leadership and fundraising staff are having increasingly more influence in securing gifts.

2. Don’t announce the campaign too soon.
   A big fundraising myth is that the announcement of a campaign will generate dollars and create momentum. Don’t believe it. Who thinks the chief executive officer of a major company happens on a public broadcasting appeal, thinks “we ought to give;” scrambles to find a nearby quick print shop to produce a big check, runs down to the studio and presents it? While this telethon is not a capital campaign, it is a long-term, planned effort. And like a campaign, is an orchestrated event that is months, if not years, in the making. You will want to raise 50 to 60 percent of the goal – sometimes even more, depending what you have left to raise and the number of prospects you have – before you announce your campaign.

3. Don’t hire the nice person who knows everyone as the campaign director.
   Too often, a well-known community person or volunteer is hired for this important position without regard for campaign experience or skills. Unfortunately, the fundraising profession is still in the process of developing reliable tools to assure an employer that the person hired to raise money is qualified. The turnover rate of fundraisers is 1.8 years per job. While there are multiple reasons for the turnover, frequently it is incompetence. This might be considered heresy, but it needs to be said: Campaign staff might be more important than volunteer leadership. As your organization steps out publicly with a campaign, much is on the line. Ask tough questions, validate the answers and hire a professional.

4. Don’t think you are going to raise the money from small gifts.
   You are no doubt familiar with this misguided suggestion: “All we need is 10,000 donors to give us $1,000 and we will meet the goal.” While this might sound like a good idea, raising small gifts is a lot of work that can cost as much as 50 percent of the funds raised. More importantly, capital campaigns are major gift efforts. While campaigns certainly provide an important opportunity to get your message out and raise money, they add to your major gift pool. Your long-term goals depend on this element. According to the Bank of America Study from the Center on Philanthropy at Indiana University (CoP), 67 percent of all giving comes from 3 percent of the population. Think of the small gifts – the $1,000 and less range – long after the large gifts are secured.

5. Don’t take your donors for granted.
   Your donors give because they care. But don’t think for a minute this means they don’t need to feel appreciated. In cooperation with the University of Michigan, CoP surveyed some 8,000 families for several years and found that only 56 percent of Americans give to something annually. In America – the most philanthropic country in the world – just slightly more than half of us give to something.
   The primary reason philanthropy has not grown is because of the underappreciation of giving in the nonprofit world. Donors are saying, “If it doesn’t matter, then we don’t need to give.” By communicating your appreciation and the impact of gifts, philanthropy can be changed. Think about it: If American giving can be increased by 10 percent, roughly an additional $30 billion be available. This short list is by no means comprehensive, and it is certainly not intended to discourage your efforts. Campaigns are often the solution to many problems. If you have a need and a cadre of supporters who have the resources to support those needs, a campaign could very well be in order. Just don’t jump in thinking these “don’ts” don’t matter.

Robert Hartsook is chairman and CEO, Hartsook Companies, Inc., a 21-year-old full-service fundraising consulting firm with an emphasis on major gifts. It has offices in Wichita, Kan., and Wrightsville Beach, NC. His email is rhartsook@aol.com

CALENDAR
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29-April 1 The Association of Fundraising Professionals will hold its annual conference at the Ernest N. Morial Convention Center in New Orleans. Info: www.afpnet.org

APRIL
15-17 The Social Enterprise Alliance will hold its annual summit at the InterContinental Hotel in New Orleans, La. Info: www.se-alliance.org
19-21 The Association of Healthcare Philanthropy will hold its AHP Pacific Regional Conference in San Diego, Calif. Info: www.ahp.org
26-28 NTEN will hold the 2009 NTC (nonprofit technology conference) at the San Francisco Hilton, San Francisco, Calif. Info: www.nten.org

MAY
4-6 The Council on Foundations will hold its annual conference in Atlanta, Ga. Info: www.cof.org
17-19 The Association of Healthcare Philanthropy will hold the AHP Midwest Regional Conference, Bloomington, Minn. Info: www.ahp.org
31-June 2 The Association of Healthcare Philanthropy will hold the AHP Mid-Atlantic Regional Conference, Richmond, Va. Info: www.ahp.org

JUNE
7-9 The Association of Healthcare Philanthropy will hold the AHP Southeast/AHP Rockies & Southwest Regional Conference in Nashville, Tenn. Info: www.ahp.org
11-12 The American Institute of Certified Public Accountants will hold its annual National Not-For-Profit Industry Conference at the Marriott Wardman Park Hotel in Washington, D.C. Info: www.cpa2biz.com
15-17 The DMA Nonprofit Federation will hold the 2009 Nonprofit Leadership Summit at the Naples Grande Hotel, Naples, Fla. Info: www.the-dma.org

JULY
15-17 The Alliance For Nonprofit management will hold its annual conference at LaQuinta Resort and Club in Palm Springs, Calif. Info: www.allianceonline.org

AUGUST
15-18 ASAE & The Center for Association will hold its annual meeting and exposition in Toronto. Info: www.asaeanualmeeting.org

SEPTEMBER

OCTOBER
5-7 The Fall Conference for Community Foundations, sponsored by the Council on Foundations, will be held in San Antonio, Texas. Info: www.cof.org

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To have your event considered for this column, fax the information to (973) 401-0404. Please send the information at least eight weeks before the event.