

Doom or Vroooooom?

Turning Agency, Field of Interest, Donor-Advised and Scholarship Funds into Rural Endowment Building Engines – Session Leader Hand-out

Friday, January 31 - 10:30 a.m. –12:15 p.m.

Session Leader

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The Context

- New Hampshire Charitable Foundation had high credibility and endowment over \$100 million, raised from many small contributions
- Initiative lodged in a new regional division, with assets of \$3 million and no fund-raising experience
- One development officer for entire state

Endowment-building Goal

Raise \$1 million endowment in 3 years to serve the rural Lakes Region from as many donors as it takes.

Challenges

- Reluctance of Board of Directors to fund raise
- Lack of development staff
- Software inadequate to track donor interests/contacts

New Capacities

- Hired part-time development officer
- Coached Board of Directors on fundraising
- Re-assigned CFO to head initiative

Outcomes

- Raised \$1.1 million in 3+ years
- 87% of gifts from individuals, 92% from rural people and businesses
- Discovered mutual savings banks were great rural donors

Lessons Learned

- Foundation's basic donor services were not sufficient to attract high net worth individuals we met through this initiative.
- Having development staff focus on discrete territories (vs. entire state) made a big difference.
- Initiative took more staff time (program, administrative and development) than anticipated.

Advice on Creating a Philanthropic Engine

- Taking on a rural initiative without systems in place to support it is like trying to enter a power boat race with a lawn mower engine.
- It is not realistic to expect financial advisors to serve as spark plugs to endowment building efforts in the near term if the Foundation does not already have a relationship with the advisors.
- High octane credibility with local residents does not necessarily translate into high octane credibility with seasonal residents and retirees.