

# Nine Steps to Building a Major Gift Program from Ground Up

There's a popular statistic that bounces around the nonprofit industry in the United States, Canada, England and Germany:

**90% of charitable gifts come from 10% of donors.**

Major gifts are the holy grail of fundraising. These are the gifts that can fund important programs, solidify your financial base and even catapult your organization to new heights. For most nonprofits, major gifts are the lifeblood of their fundraising.

Small and mid-level donors are very important, but one big major gift can be a game changer for an organization. The return on your investment of time and energy is much higher in major gifts than special events and mailings.

Major gift fundraising is much less expensive than holding events or sending bulk mail (though you should continue doing both, in addition to your major gift efforts). And for another, it's possible to start a solid, successful major gift program in only five hours a week.

Why don't all dioceses press forward with a major gifts program? It's because the time and effort to develop a major gifts effort is more than many organizations can spare

**Major gifts are not only for a capital campaign. They're also critical for your annual fund. If you're not working with individual donors on a one-on-one basis to raise major gifts, it's time to start!**

Start a major gift program at your diocese as soon as possible with these **nine steps**:

- **Four steps to PREPARE**
- **Four steps to IMPLEMENT**
- **One step to KEEP IT GOING!**

# Four Steps to Preparing for Major Gift Fundraising

Before you can start going out and soliciting three, four, or five-figure gifts, though, there are three steps you need to take first to make sure your major gift program will succeed:

## Step 1: Get Diocesan Leadership on Board

A major gifts program is a major endeavor. It will need the support of the bishop and other diocesan leaders to succeed.

The program will be crucial to the overall progress of your fundraising. It is imperative that leadership understands that and is willing to not only support, but champion, your aims.

To get your leadership on board, make sure that you explain the importance of your major donors and how this program will help you gain more major donors and retain supporters.

With high-value donors like the major gift prospects that you'll be soliciting, diocesan leaders will need to step in occasionally. Sometimes donors want to, and will respond better to, being asked for donations by the bishop, for example.

## Step 2: Determine what a Major Gift will be for the Diocese

It's important to define what a major gift will be for the diocese. The term "*major gift*" means something different at every organization.

For example, many years ago I volunteered with Catholic Charities and it rarely received gifts (excluding grants) over \$1,000. When we received our first \$10,000 gift, there was cause for major celebration around the office — for us, that was a MAJOR gift. After that, we considered any gift from an individual over \$1,000 a major gift.

On the other hand, at the university where I went to law school, they considered a major gift any gift over \$25,000. And, during the same period of time, at the University of Notre Dame, major gifts started at \$100,000. Although it is by no means a hard and fast rule, for many established nonprofits that number is around \$5,000.

So, what is considered a major gift at your diocese?

### Questions for determining what will be considered a major gift:

- What is the range of your top five donors' gifts? Is one of the gifts significantly more than the other four?
- If you ran a list of 25 donors, would they all be at a similar top level? Or, do the top few gifts really stand out (is there a significant difference between the top givers and the rest of your donors)?
- An appropriate amount for a major gift is one that you have received a few gifts of that size.

Be realistic and yet optimistic when determining this amount.

## **Step 3: Establish a goal, plan the work and prepare necessary communications**

Regardless of which project you're tackling in life, a goal will define where you're going while a plan will show you how to get there.

Before launching a major gifts campaign, it's important to first be clear on how much you're trying to raise. Is it \$10,000 or \$10 million?

Once you know your goal, you can build your plan. Your plan should:

- Specify the number of prospects you'll need
- Target ask amounts for each prospect
- Identify who will make "the ask"
- Establish deadlines for when the ask is made

**Stewardship Plan (see below)** - Before you start soliciting major gifts make sure you have a plan in place to insure your donors are thanked multiple times by multiple people at the diocese. Who will make the first post-gift thank you call? Who will sign and write personal notes on your thank you/tax receipt letter? It's also a good idea to have your thank you letter drafted and approved before your first donor meeting – that way you will be able to send it quickly after the excitement of receiving your first major gift!

**Communications plan** - Major donors are contributing generous sums to the diocese. They want to see that their funds are going to specific things with tangible results. They are just like any other donors in that they want to see a cause and effect. Major gifts donors want to affect change.

1. Prepare a "Case Statement" for your donors - Donors are more inclined to give if their funds are going to something that is predetermined, rather than, say, a general operational fund.
2. Within your major gifts program materials, outline a set list of goals to accomplish with the acquired funds. Once your program is established, include a list of program outcomes and reached goals.
3. Personal communications to donors should be timely - Let donors rest assured that their funds are going to make a big difference and have a direct impact. The people providing those gifts deserve to know exactly what they're accomplishing.

## **Step 4: Develop a Major Gifts Team**

Major gifts is a team sport, not a solo sport. If you are trying to do this all by yourself, you're making it much harder than it needs to be.

Major gifts work takes time, strategy and connections. A volunteer major gifts committee, with knowledge of your diocese and community and a passion for your mission, can boost outcomes by helping you to strategize cultivation plans for your highest-level donors. Also, these volunteers can widen your circle of influence by introducing new prospects to the diocese.

Enlist your Bishop, priest-leaders, members of the diocesan finance council and other top lay leaders.

- Show them the potential for a major gift effort
- Create clear jobs for everyone: identifying, strategizing, opening doors, hosting cultivation events, soliciting
- Help the team understand that the case for support is clear, concise and compelling
- Meet with the team often to maintain momentum

## Four Steps to Implementing a Major Gift Program

There are four steps in the major gift fundraising cycle: (1) Identification; (2) Cultivation; (3) Solicitation; (4) Stewardship.



## Step 1 — IDENTIFICATION

If you want to be successful with any fundraising (and particularly major gifts fundraising), one of the first steps is *identifying* who you will ask. Your prospect list is your fundamental tool for your major gifts program.

**Select 20 Prospects** - Your initial goal should be to assemble a list of your top 20 prospective donors with whom you will work this year.

There are several ways to identify these prospects (prospective donors).

If you have a database, the first and best way to identify prospects is to check your database. A database is a list of your supporters, which includes contact information and records for each time they've donated. Hopefully you have a database with donor history going back at least two or three years. (And if you don't have a donor database, now is a good time to build one.)

### Look for two things -

When checking to determine your best prospects, you're looking for two things:

1. **Your Largest Donors**

Identify those who have given the most, cumulatively, over the last two years. It is important to use cumulative giving as criteria, because if you simply look for anyone who has given over \$1,000 (as a one-time gift) you may miss donors who come to every event and donate smaller amounts throughout the year.

2. **Your Most Loyal Donors\***

Identify anyone who has given at least seven times during the last ten years. This group is significantly different from your largest donors group, because there's no minimum gift amount required to make it onto this list. In other words, this list can include individuals who give \$10 per year, but do so consistently, year-after-year.

\*Loyalty is uncommon these days in fundraising. It's more important to have a low-level committed donor, than one who gives once and never gives again.

**TIP:** These two groups of donors (those who've given the most and those who are your most loyal) are going to be your BEST individual giving prospects. They already have an affinity for the diocese and are showing it by donating money.

With this criteria (largest gifts + most loyal supporters), create a list of your top 20 major gifts prospects. These are the people with whom you're going to want to foster stronger relationships.

## Step 2 — CULTIVATION

The next step for you and the major gifts committee is to build relationships with the individuals on your list. This stage of the fundraising process is called *cultivation*. **Major Gift Fundraising is about building and cultivating relationships**

Cultivation is building a relationship with your prospect or donor as he or she learns more about the mission and work of the diocese.

**“People give to people.”** - Donors want to trust and like the individuals at the organizations they support. Cultivation is about building relationships *before* asking for money.

It’s your job to build relationships with the individuals on your list. You may already know many of the people on your list. But, regardless of whether you know them or not, you need to start thinking strategically about how to move them to consider supporting the diocese in a bigger way through a major gift.

Encourage prospects to think about the diocese on a deeper level and consider how they can get involved in supporting the church’s mission.

You want to create a plan for each of the individuals on your list. All of the plans can be similar, but you’ll need to tweak them depending on your existing relationship with each person.

Use the following **ACTION STEPS** in any order that makes sense to you and your committee.

**1. Have a private face-to-face meeting.**

This is a must. You cannot discuss a major gift in a group setting. This can be at the beginning of your cultivation or toward the end, but you cannot get around it. More than one person can go on a face-to-face meeting — usually a priest, a committee member and/or the development director. The meeting can take place at the prospect’s home or office and can last anywhere from 15 minutes to an hour.

**2. Invite them to see your program in action.**

Persuade each of your prospects to take a tour, visit a program, or attend an event. Choose something you think will have the greatest impact on that individual.

**3. Invite your prospects to volunteer.**

Invite your prospects to volunteer. On a committee, in the office, in direct service, one-time or ongoing. Volunteering brings people closer to the diocese and makes them more inclined to give.

**4. Provide regular updates.**

Updates about your ministries, programs and services can be delivered by phone, email, in-person, or hand-written note. Updates should be delivered twice annually to all prospects on your list.

**Bottom line: Get to know your major gifts prospects better! When you find that a donor’s passion intersects with your mission, that’s a magical moment!**

## Step 3 — SOLICITATION (“The Ask”)

When you’re ready to begin asking your prospects for major gifts, begin with your top three prospective donors. Call them up and schedule “ask meetings” with each of them. After you conduct your meetings, you’ll set up meetings with your next three top prospects (and so on).

**Craft the Approach and the Presentation** - Don’t rush to the ask – only ask when the donor is ready. If you spend the time here, then the ask will take care of itself.

- Make careful preparations
- Be able to SELL your case
- Know when your donor is ready
- Organize your presentation and rehearse

**Preparing for your “ask meeting”** - Since major gifts fundraising (i.e., face-to-face fundraising) may be new to you and/or the asker, it is extremely important to prepare, practice, and role play. Don’t assume the asker knows what they’re doing. Make sure you know in advance: Who will open the meeting? Who will ask? Who will close the meeting? The asker should take some time to practice and do some role playing with a partner.

**Scheduling your “ask meetings”** - When you call each prospective donor, explain that you’d like to follow-up on your previous discussions, and talk specifically about how they might be able to help your diocesan ministry, project, or program. **It should be no secret why you’re coming.**

**Be honest about why you are meeting.** - If they ask you if you’re coming to ask them for money, say YES! This is a relationship, and relationships are built on trust and honesty. The donor should not be surprised when you ask them for money.

**Who should attend the “ask meeting?”** - It’s ideal to go to the ask meeting with two people from your organization — preferably the executive director and a board member. However, it’s most important that the prospective donor has **already met** anyone who comes to this meeting (preferably more than once).

Remember, this is about relationships, so the person who asks should have the strongest relationship with the prospect. At times, this is a committee member, not the bishop. In the best-case scenario, the bishop, vicar general or another priest will ask.

**Where should the ask meeting take place?** - The meeting should be held someplace that’s quiet. This is not a good time to have a meeting at a restaurant. Hold the meeting at the donor’s home or office, or wherever is most convenient for them. Make sure the meeting is conducted someplace where you can have a quiet, confidential conversation.

**The meeting itself** - Let the meeting take care of itself by doing a super job with the approach and presentation. It is just a continuation of the process, and your donor will say to you “how can I help you?”

- Be passionate and enthusiastic
- Listen attentively!
- Don't low ball your donor – ask for the stretch gift if they are ready
- Know exactly what you are asking for
- Explain why the donor should offer financial support for your case
- Explain why the donor should give now
- Follow up! An ask is not an ask without follow up!

**What exactly should you say when you “ask?”** - The one question asked about major gift fundraising more than any other is, “*How do you actually ask?*”

So here's some “ask” language for you to try. Practice it in the mirror, until it feels more comfortable. And adjust it for you and your donor.

*Mary, you've been such a great supporter of the diocese, and we want to thank you again for that. As you know, the diocese needs more funding to accomplish X-Y-Z goals that we've been discussing.*

If a committee member is asking, they should state at this point that they've given what they can, and then continue... *I'm here today to ask you to consider a gift in the range of \$5,000 to support the Seminarian Program.*

Notice the language in the above example:

- Consider a gift
- Range of \$5,000 — a specific amount
- Seminarian Program — a specific program or service

**Ask for a specific amount:** Be sure to include a specific amount to support a specific ministry or service (even if that specific thing is unrestricted operating – say “overall support of the organization”).

**Have a follow up plan** - Lastly, make sure you know how to respond to “no” or “maybe”. That's key! And never leave your meeting without some kind of follow-up plan.

## Step 4 — STEWARDSHIP

**Gratitude** - Even before you ask your prospects for a major gift, you need to think about **gratitude**. Don't think of your donors as ATM machines. Instead, really focus on them as people and what they do for the Church. Your major gift prospects don't simply give money — they save lives; they feed the hungry and house the homeless; they educate children — they make the ministry of your diocese possible.

**Why is stewardship important?** - Stewardship is often talked about as the last step in fundraising. It's the "thank you" after a gift is made. However, you should think about stewardship long before you ask for a gift.

How will you thank your donors so that they understand the impact they've made on your organization? How can you thank your donors so they want to give again and again and again?

Fundraising experts lament the number of organizations where donors aren't thanked at all. Staff and board members feel it's not necessary, and then wonder why they struggle with fundraising. Do you think you would give again to an organization that didn't appreciate you? Donors are so much more than simply "donors." Until we start treating them that way, they have no real incentive to give more.

Stewardship is showing your donors the impact of their gift. And just like cultivation, a **simple stewardship plan** for your major donors is the way to go.

**How to create a simple stewardship plan** - A simple stewardship plan that complements your major gift fundraising can be created by answering a few questions:

1. **Who** will follow up with your donors? Committee members? Bishop? Staff? A good rule of thumb is that a donor should be thanked in multiple ways by multiple people.
2. **When** will they follow up? How soon after the major gift is made will they receive their first thank you? Their second?
3. **How** (specifically) will they follow up? When will they receive an update on how the gift was used and the impact it made? You should have an in-person follow-up meeting for all major donors. In addition, will they get a handwritten card or note? Will they be listed in your next newsletter or annual report? What about on your website? Will all donors be treated equally or will you have a different plan for different major gift amounts?

**Acknowledgments** - Much of stewardship goes back to acknowledgement. Donors need to be and deserve to be thanked.

To start, be sure your acknowledgment message tells your donor how their gift is making a difference. Then, consider special acknowledgment opportunities—ways to **show** your donors the impact of their gift. For example, site visits, private receptions, photographs, videos, dinner with your board chair and other personal interactions can make for great stewardship touches.

Always send acknowledgements following donations, as with any donor. You can also:

- Schedule check-in calls
- Take the time to really get to know them
- Find creative ways to recognize them
- Send them thank you notes occasionally throughout the year, even when they haven't donated recently
- Correspond about topics outside of asks and acknowledgements

**Follow-up meetings** - Ultimately, you will want to have at least **three meetings** per year with your major gift prospects.

1. The initial cultivation meeting
2. The ask meeting
3. The follow-up meeting- This meeting comes last, after the gift has been made. If you'll be having lay leaders make thank you calls, draft talking points for them. Should they leave messages? (Yes!) Should they leave a return number? What number? Theirs or the number of the diocese? Do what works best for your diocese.

## **One Last Step: Keep Your Major Gift Fundraising Program Growing**

1. **Establish regular, ongoing meetings dedicated to major gifts** - Once you've established a major gift fundraising program, you need to maintain it! You should invest time each and every week toward your major gift program.
  - A. Include anyone on your major gifts team — committee members, development staff, administrative assistant (if they help with scheduling meetings or sending thank you notes or any related tasks) and other key priests or lay leaders as needed from time to time.
  - B. Plan time to discuss:
    - Who among your 20 major gifts prospects need attention at this time? Who will schedule a follow up meeting?
    - Who on your list needs more cultivation? Review the cultivation plans for each prospect at the meeting. Who (on your major gifts team) will be responsible for further cultivation activities?
    - Who has been “stewarded” since your last meeting? What did they say? What follow-up needs to take place? Who is responsible for that follow up?

2. **Grow your Major Gift prospect list** – Establish a process for integrating new donors. It is a fact that not all current donors will perform as expected and new donors will migrate up to major donor level through your cultivation efforts. You need to plan for this dynamic.
3. **Get your donor information in order and into a database** - Access to accurate donor information is critical for fundraising success, especially when working with major gift donors. Major donor cultivation requires a personal approach, which can be facilitated by detailed donor records.

You want a system that's fast, efficient, easy to use and accessible to your entire development team. A well-maintained database will help ensure that:

- All of your donor information is in one place
  - You can track pledge forms, email exchanges and other correspondence
  - When a development staffer moves on, critical donor info will stay with your organization
4. **Start creating a culture of philanthropy at your diocese.**  
A “culture of philanthropy” covers a wide range of things, the most important of which is recruiting and training clergy and lay leaders who are willing and able to both give and solicit major gifts.

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