



## **Philanthropic Landscape 2005**

*A Survey of Trends and Opportunities Within the St. Louis  
Nonprofit Community*

### **Summary of Results**

July 14, 2005

## Table of Contents

	<b>Page</b>
Executive Summary.....	1
Methodology.....	2
Description of Responding Organizations.....	3
Cost Per Dollar Raised.....	4
Increases and Decreases in Support in 2004.....	5
Successful Fundraising Strategies.....	9
Organizational Financial Cushions.....	11
Special Events.....	12
Fundraising Strengths and Challenges.....	13
Changes in Development Activities in 2005.....	19
Predictions for 2005 Results.....	21
Board of Directors Issues.....	22
Marketing Issues.....	25
Other Comments.....	26
For More Information.....	28

## Executive Summary

Philanthropic Landscape 2005 marks the third year The Rome Group has conducted a survey of local nonprofit organizations to discover how they are doing, what challenges they are facing, and what strategies they are using to be successful.

The survey was emailed to 551 nonprofit executive directors, development directors and others in May 2005. 159 people responded, representing a 29 percent response rate. The mix of agency types and sizes among the respondents generally mirrors the nonprofit landscape in St. Louis.

On a national scale, giving in the U.S. in 2004, as reported by Giving USA, topped \$248.5 billion, a record high despite the war in Iraq, four hurricanes, rising gas prices, a presidential election, corporate scandals and a tsunami in Southeast Asia. 55 percent of all charities reported increased giving levels last year.

Locally, 61 percent of nonprofits reported that their contributed income increased in 2004. Among those that did experience increases in giving, nearly three-fourths said individual giving increased. Thirty nine percent said giving increased from corporations and businesses, while slightly fewer reported increases from foundations. Other sources of increased income included membership, thrift shops, United Way support and federal and state government grants.

Nearly four out of five organizations (78%) also believe 2005 will be even better than 2004 in terms of contributions. Less than 10 percent expected their totals to go down.

Among the reasons cited by nonprofits for the increased levels of giving in 2004 were the facts that they did more solicitations and have developed stronger donor relationships. Nearly half also said they had beefed up their marketing efforts. Nonprofits also mentioned that the aging of their donor base is increasingly becoming a challenge, necessitating a need to reach out to younger generations of donors.

To ensure future success, 70 percent of nonprofit organizations are focusing their efforts on in-person solicitations, while about half are also using special events. In-person solicitations include major gifts, planned giving and even private receptions for donors in board members' homes. Only 27 percent said that they believe direct mail is still a successful strategy for raising funds. Only 10 percent use telephone appeals, and even fewer have found success to date with online/email appeals.

Among other findings in the survey were:

- The median cost per dollar raised among survey respondents is between \$.11 and \$.20, although 48 percent of nonprofits say they do not track cost per dollar raised.
- Almost three-fourths of them either have no financial cushion at all or carry less than one year's worth of expenses in reserve.
- 60 percent do not yet have a planned giving program.
- 63 percent of respondents expanded their marketing efforts to some degree last year. Nonprofits that saw decreased marketing efforts in 2004 cited a lack of funds and a lack of staff as the primary reasons.
- 28 percent of nonprofits are dissatisfied or strongly dissatisfied with the effectiveness of their boards of directors.
- 72 percent believe their organization would be stronger if board members were more involved in development activities.

## **Methodology**

The Rome Group conducted its annual survey of St. Louis area nonprofit organizations in May 2005. The survey was sent via email to 551 nonprofit executive directors, development directors and others. The email contained a link to the survey instrument, which could be found on [surveymonkey.com](http://surveymonkey.com).

Results were collected between May 10 and June 7, 2005. A total of 159 responses were collected, representing a 29 percent response rate.

The respondents represent all sectors in the nonprofit arena, from arts organizations to educational, human services, health, environmental, and religious groups. They also range from very small organizations to some of the region's largest nonprofits.

## Description of Responding Organizations

### 1. Which of the following categories describes your organization?

Type	Total Responses	% of Total Responses
Arts & Culture	32	20.1%
Education	33	20.8%
Health	18	11.3%
Human Services	53	33.3%
Public/Society Benefit	9	5.7%
Environment/Wildlife	3	1.9%
Religion	5	3.1%
Other	6	3.8%
TOTAL	159	100%

### 2. What is your organization's current annual budget?

Budget Size	# Responses	% of Total Responses
Under \$500,000	40	25.2%
\$500,000-\$999,999	27	17.0%
\$1,000,000-\$1,999,999	17	10.7%
\$2,000,000-\$2,999,999	12	7.5%
Over \$3,000,000	63	39.6%
TOTAL	159	100%

### 3. What was your organization's total private contributed income (gifts/grants from individuals, corporations/businesses and foundations) in 2004?

143 total respondents

Range of reported total private contributed income: \$6,000-\$240,000,000

## Cost Per Dollar Raised

### 4. How much is your average cost per dollar raised?

<b>Cost per dollar raised</b>	<b># Responses</b>	<b>% of Total Responses</b>
\$0-\$0.05	6	4%
\$0.06-\$0.10	17	11.3%
\$0.11-\$0.20	23	15.2%
\$0.21-\$0.35	21	13.9%
\$0.36-\$0.50	6	4%
\$0.51-\$0.99	6	4%
We don't track cost per dollar raised	72	47.7%
Total	151	100%

## Increases and Decreases in Support in 2004

5. Did your private contributed income (NOT including public/government support) increase or decrease in 2004 as compared to 2003?

Response	# Responses	% of Total Responses
Increased in 2004	93	61.4%
Decreased in 2004	43	28.3%
Stayed the same	16	10.5%
Total	152	100%

6. Which of the following sources of support increased in 2004 as compared to 2003? (Check all that apply)

Source of Support	# Responses	% of Total Responses
Individuals	105	74.5%
Corporations/Businesses	56	39.7%
Private Foundations	53	37.6%
Other (Bequests, membership, sales to public/thrift shop, grants, organizations and clubs, special events, civic groups)	20	14.2%
Total	141	100%

7. Which of the following sources of support decreased in 2004 as compared to 2003? (Check all that apply)

Source of Support	# Responses	% of Total Responses
Individuals	24	22.2%
Corporations/Businesses	46	42.6%
Private Foundations	58	53.7%
Other (Government, grants, physicians, fee-for-service contracts, Diocesan annual allocation)	13	12.0%
Total	108	100%

**8. Did government/public support (NOT including fees for services) increase or decrease in 2004 as compared to 2003?**

Response	# Responses	% of Total Responses
Increased in 2004	43	32.1%
Decreased in 2004	38	28.4%
Stayed the same	53	39.6%
Total	134	100%

**9. If you have identified increases in giving, what do you believe the reason(s) to be? (Check all that apply)**

Reason for Increases in Giving	# Responses	% of Total Responses
Solicited more donors	59	46.1%
More aggressive marketing efforts	59	46.1%
Stronger donor relations	77	60.2%
Current donors have/gave more	53	41.4%
Addition of new program(s)	25	19.5%
Greater involvement by board members	40	31.2%
Addition of staff	14	10.9%
Other <ul style="list-style-type: none"> <li>• New planned gifts, trusts, residuals, bequests</li> <li>• Tax credit incentives</li> <li>• Entrepreneurial marketing of our product</li> <li>• Change in staff</li> <li>• Newly created development program</li> <li>• Better annual giving letter</li> <li>• More aggressively pursuing state and federal funding</li> <li>• Steady building of awareness of our org</li> <li>• Outstanding committee with many people new to organization</li> <li>• Challenge grant for annual giving</li> <li>• Growth in special event attendance</li> <li>• New volunteer involvement</li> <li>• Better corporate connections</li> <li>• It was a matter of survival and a willingness to pursue other funding options that were not explored in the past</li> <li>• One board member was able to get a small amount of corporate support</li> </ul>	19	14.8%
Total	128	100%

**10. If you have identified decreases in giving, what do you believe the reason(s) to be? (Check all that apply)**

<b>Reason for Decreases in Giving</b>	<b># Responses</b>	<b>% of Total Responses</b>
Decreased donor capacity	29	31.9%
Donors changed interests or focus	41	45.1%
Inconsistency in solicitations	23	25.35
Staff turnover	21	23.1%
Staff reduction	11	12.1%
Changes in volunteer leadership	4	4.4%
Cuts to development budget	9	9.9%
Discontinuation of program(s)	6	6.6%
Other <ul style="list-style-type: none"> <li>• Corporations and foundations are looking for programs for the underserved, especially children, and we do not have such a program</li> <li>• Younger donors are not as philanthropic</li> <li>• Grant funders seem to be changing focus frequently and giving less money to current organizations</li> <li>• Long-term pledge completed</li> <li>• Budget constraints in state and county governments</li> <li>• Donors giving to other emergency drives</li> <li>• Competition for the charitable dollar</li> <li>• Phasing out of programs</li> <li>• Decrease in giving from foundations</li> <li>• A combination of factors</li> <li>• Less government and corporate giving</li> <li>• Economy</li> <li>• Received a couple of one-time only gifts in 2003</li> <li>• We do a biennial gala/auction which was not held in 2004</li> <li>• Aging population of donors. Many have deceased or gone into nursing homes</li> <li>• Aging donor base</li> <li>• Programming does not reflect the mission of the organization</li> <li>• The current economy which, now more than ever, marginalizes the arts</li> </ul> Change in program direction	22	24.2%
<b>Total</b>	<b>91</b>	<b>100%</b>

**11. What reasons have DONORS given for decreasing support? (Check all that apply)**

<b>Reason for Decreases in Giving</b>	<b># Responses</b>	<b>% of Total Responses</b>
Decreased capacity to give	59	64.8%
Narrowed focus of giving	40	44%
Change in giving interest	34	37.4%
Concerns about your organization or your cause	5	5.5%
Other <ul style="list-style-type: none"> <li>• Physicians supporting efforts for Tort Reform in Illinois</li> <li>• Economy</li> <li>• Decreased support of arts/refocusing support to social issues</li> <li>• End of year giving was redirected to tsunami relief</li> <li>• Foundations have told us that they feel we are financially healthy so they are less inclined to fully fund our requests</li> <li>• Ineligibility due to excess funds from previous grants</li> <li>• Some foundations only give for a three-year period and then you need to sit out for three years</li> </ul>	12	13.1%
<b>Total</b>	<b>91</b>	<b>100%</b>

## Successful Fundraising Strategies

### 12. Which fundraising strategies have had the best results? (Check all that apply)

<b>Fundraising Strategies with Best Results</b>	<b># Responses</b>	<b>% of Total Responses</b>
Direct mail	54	37.5%
Telephone appeals	15	10.4%
In-person solicitations	100	69.4%
Online/email appeals	2	1.4%
Special events	75	52.1%
Other <ul style="list-style-type: none"> <li>• On-site promoters</li> <li>• Grants</li> <li>• Widening donor database to include younger professionals and children when donors are primarily over 65.</li> <li>• Used a high-end telemarketing firm to solicit gifts for the capital campaign.</li> <li>• Proposal for a special, ambitious initiative with clear, measurable outcomes submitted to a variety of compatible foundations.</li> <li>• We are focusing more on fee-based services to raise funds and less on reliance on charitable giving.</li> <li>• Having solicitation materials available on site.</li> <li>• We do an annual ad book which yields about \$80,000 yearly</li> <li>• Targeted mailings</li> </ul>	15	10.4%
Total	144	100%

**13. Which strategies have had the most disappointing results? (Check all that apply)**

<b>Fundraising Strategies with Most Disappointing Results</b>	<b># Responses</b>	<b>% of Total Responses</b>
Direct mail	56	51.4%
Telephone appeals	15	13.8%
Major gifts	20	18.3%
Planned gifts	16	14.7%
Online/email appeals	22	20.2%
Special events	13	11.9%
Other <ul style="list-style-type: none"> <li>• Requests to foundations and corporations</li> <li>• Getting board members to follow through on their commitment to make face-to-face visits</li> <li>• Appeals to single ticket buyers as opposed to subscriber base</li> <li>• Solicitation to current donors</li> <li>• Poorly targeted proposals</li> </ul>	13	11.9%
Total	109	100%

## Organizational Financial Cushions

### 14. Do you have a planned giving program?

<b>Do you have a planned giving program?</b>	<b># Responses</b>	<b>% of Total Responses</b>
YES	58	40.3%
NO	86	59.7%
Total	144	100%

### 15. How much of a financial cushion (reserve fund, endowment, etc.) does your organization maintain?

<b>Amount of Reserves/Endowment</b>	<b># Responses</b>	<b>% of Total Responses</b>
The equivalent of less than one year's operating expenses	78	54.2%
The equivalent of one year's operating expenses	21	14.6%
The equivalent of 2-5 years' operating expenses	12	8.3%
More than 5 years' operating expenses	7	4.9%
We do not have any financial cushion	26	18.1%
Total	144	100%

## Special Events

16. If you use special events as a fundraising tool, what types of events do you find most successful in terms of net revenue?

Most Successful Special Events	# Responses	% of Total Responses
Dinners (including award ceremonies)	27	22%
Auctions	31	25.2%
Golf tournaments	16	13%
Walks/runs	4	3.3%
Group entertainment (seeing a show at the Fox Theatre, etc.)	2	1.6%
Receptions in private homes	13	10.6%
Other <ul style="list-style-type: none"> <li>• Trivia Nights</li> <li>• Chili cook off and a fun run</li> <li>• Wine &amp; Food parties of any kind with an auction</li> <li>• Award ceremony without dinner</li> <li>• Fashion Show</li> <li>• Annual Ballet Ball, including live auction.</li> <li>• Concert</li> <li>• “No-cost to participant” event (lunch or early evening) at which people are asked to pledge and join a giving circle</li> <li>• Entertainment included with a reception and auction</li> <li>• Conferences, informational forums, etc.</li> <li>• Ad Books</li> <li>• Kookin’ for Kids - restaurants provide food, celebrities serve, with auction, music, etc.</li> <li>• Celebrity Reading Festival</li> <li>• We did an art auction, karaoke and an art fair - I would not call any of these events successful!</li> </ul>	30	24.3%
Total	123	100%

## Fundraising Strengths and Challenges

### 17. What do you consider to be your organization's fundraising strengths? (Check all that apply)

<b>Fundraising Strength</b>	<b># Responses</b>	<b>% of Total Responses</b>
Public's awareness of the organization	34	23.6%
The organization's image and reputation	108	75.0%
Community understanding of the organization's need	34	23.6%
Relationships with donors	101	70.1%
Staff	63	43.8%
Volunteer leadership	54	37.5%
Other (please specify) <ul style="list-style-type: none"> <li>• President</li> <li>• Board involvement/actively engaged board</li> <li>• Confidence in organization's leadership</li> <li>• Aggressive management of the fundraising function and the ratio of requests to dollars received</li> <li>• The parents of our current students and alumni</li> <li>• Development director that has strong grant writing skills; and founder/artistic director who is an active solicitor of funds and adds credibility</li> <li>• Connection to nationwide network to build campaigns</li> <li>• Nowhere to go but up!</li> <li>• The physical facility</li> </ul>	13	9%
Total	144	

**18. What do you consider to be your organization's fundraising challenges? (Check all that apply)**

<b>Fundraising Challenge</b>	<b># Responses</b>	<b>% of Total Responses</b>
Lack of awareness of the organization	88	61.5%
The organization's image and reputation	9	6.3%
Community understanding of the organization's need	85	59.4%
Relationships with donors	26	18.2%
Staff	27	18.9%
Volunteer leadership	42	29.4%
Other (please specify) <ul style="list-style-type: none"> <li>• Small staff/small development staff</li> <li>• Our volunteer leadership could do even better</li> <li>• The company changed its name a few years ago and skipped one year of funding cycles, so we got out of the loop!</li> <li>• Lack of a structured approach to raising funds</li> <li>• Need to engage alumni</li> <li>• Board giving</li> <li>• Other organizations expanding their fundraising projects (YMCA, Churches, etc.)</li> <li>• Making sure our fundraising efforts do not conflict with those of our member institutions</li> <li>• It's amazing, but no matter what we do, we just can't seem to get our story out to enough people</li> <li>• Not enough professional development staff positions</li> <li>• Lack of full time fund development staff. Hope to have at least one person in a full time in next 12 to 18 months</li> <li>• Ability to have someone to head this effort other than the Executive Director</li> <li>• Seasonal nature of organization</li> <li>• We do not have enough people helping raise money</li> <li>• We are a community mental health agency, and there is a great deal of stigma about mental health and addiction -- it isn't an easy sell</li> <li>• Not enough attention given to individual solicitation</li> <li>• Programming does not reflect the mission of the organization</li> <li>• Competition for the same, small pool of funding; the current state of the economy limits what our patrons can give to support us; lack of arts/theatre in the schools results in generations of children with little (if any) exposure to live theatre, and they grow up to be adults who have no interest in/awareness of live theatre</li> <li>• Scandals, economy in general</li> <li>• Staff and board turnover</li> <li>• Lack of Board participation</li> </ul>	22	15.4%
<b>Total</b>	<b>143</b>	

**19. Are there any unique challenges that your specific type of organization (i.e. arts, health, social service) experiences in regards to fundraising? If so, please explain below.**

58 Total Respondents

- All activity concerning the program is done overseas. This makes it difficult for donors to see the need and success of the program.
- Our location sometimes works against us. Many people feel it is very far away and consequently, we have some difficulty getting people to visit the site.
- We have a very small niche in the arts. We are making a very strong effort to become more diverse, but it is very difficult.
- People don't understand part of our mission.
- Being Church affiliated is challenging with regards to corporate gifts, foundation grants, and non-faith associated friends. Catholic Charities serves over 100,000 people annually in the area of social services, 85% are non Catholic- that message is not received. This is the same for urban Catholic schools in which 85% of the children attending are non-Catholic.
- Helping people understand the need to not only care for but to enhance the quality of life for adults with developmental disabilities.
- Public education about our clients' situations.
- Who wants to talk about domestic violence? Not many people want to come out and say they have been affected. So, it can be difficult to get testimonials, etc.
- Stigma about our cause: alcohol and drug abuse.
- The arts, especially visual arts and artists (VA), are still a tough sell in this town - VA are not seen as being worthy of support.
- We are not seen as an organization with "urgent or immediate" needs, such as a social welfare agency.
- Focus is on elder services. Priorities of donors and corporations is mostly on children, education, and medical research. There is an assumption that the government or families will take care of the elderly, which is not true.
- Organization is large and offers several different programs including community health centers. The general public does not have a clear perception of what we do and needs.
- As a small private liberal arts institution, our donor base is small. We are not a research institution, so many grants are not available to us. Also we are located in a small town.
- Private elementary schools are taken less seriously by corporate funders, making grant efforts much more challenging.
- We are a small group with a part-time staff. No one can concentrate on development efforts at the expense of building our program that will attract the development dollar. Also, we are competing against some very well known, world-class, organizations for the available dollars.
- Former Executive Director embezzled money from organization. Rebuilding trust with all constituents and overcoming obstacles about being public and prosecuting former E.D.
- As an intermediary organization, it is not as easy to explain our work to others outside our field. In

addition, the impact we make is upon organizations thus our work has an indirect relationship to service recipients.

- We are of the Catholic Charities Federation and there seems to be a lot of misidentification of who we are and how we receive money. We are one of a dozen catholic agencies. The public has trouble keeping us separate from the rest.
- We exceeded fundraising goals for 2004 by \$250,000. This money was placed into the endowment. Ironically, some foundations look at this negatively--if we have so much money why don't we use it to expand programs.
- The disconnect between staff and donors. We consistently are educating staff about donor motivation and educating donors about the facts of our need.
- A unique challenge is that people do not understand what we do, and the expenses involved.
- Confidentiality with clients makes it tough to get press coverage and to have a one on one client/donor connection
- There is the perception that children's organizations are automatically easy to raise money for and this isn't the case. For child abuse, we don't have a built in constituency and, because the issue in question is so horrific and a crime, family members affected (if they aren't the perpetrators) rarely "rally around" the issue like they might for a disease.
- I don't think this is unique, but most people who know about us think of us a wealthy, white, St. Louis arts organization, when the truth is 18% of our enrollment is non-Caucasian and we draw kids from a 90 mile radius around St. Louis. Yet, we can't seem to get our story told in a fully accurate way.
- Our organization provides services that are often "hidden" from the public, somewhat similar to how Fannie Mae is behind the scenes in mortgage lending.
- Non-sectarian, no "natural" constituency.
- Geography - located outside of the metro area
- We are an arts organization and that typically puts us last in people's minds after health and social service type of organizations.
- We are limited to specific "blackout" time periods when fundraising cannot take place as there are other major fundraising efforts going on that would impact the donors who also support our organization.
- Viewed as small potatoes when we are not.
- Small constituency
- We don't help people directly, we help the people who run the organizations that help people directly. Most fundraising success is related to issues that impact quality of life, not management.
- Increased anti-immigrant climate as a result of 9-11 and rising negativity about growth in undocumented population.
- In the human services area, we have seen a shift in giving towards children and youth services. Very little money is being appropriated for adult services. This trend is especially true in the foundation and corporate arena.
- Organization members feel compelled to attend and give to everything versus the general public.
- Growth, larger size reduces likelihood of continuing funding from several local foundations.

- Potential donors have a negative image of the population that we serve.
- Most people do not value our arts mission.
- We are a group of artists and business people but mostly from outside St Louis and we have great difficulty identifying and meeting the people in town who donate to arts groups.
- People don't realize the connection between environmental issues and human health and services -- and the connection is strong! It is a continuing challenge to educate people about the importance of environmental programs to the overall health of our community and the world at large.
- No heart strings to tug at. We are not providing direct services to people in distress.
- So many arts organizations suffer from the perception that the need is not as important as health and human services organizations. Poor economic conditions make people skittish about larger gifts and companies have tightened their criteria as well as reduced dollars committed. but probably most impact for us is the huge drain that the symphony's crisis campaign placed on local resources which committed their money to them and thus had none left over for the smaller organizations.
- The biggest challenge is that we have no one specifically hired to do fundraising or financial development work.
- Most foundations/corporations fund K-12 but not early childhood education. It's a real education process.
- Arts support has been squeezed with aggressive campaigns diminishing the already limited pot of money available for that category.
- Donors think that we are a state agency.
- There is no artistic vision with which to establish a brand and pursue the mission. We are part of a major university and must compete for donors against the campus because there is no strategic vision for the operation of the organization.
- Need to further develop public and donor understanding of role of urban parks in city economics and overall civic health.
- Health care organizations face a tremendous challenge due to the "cost" of medicine. Many people feel that we are rich and don't understand the differences in charges vs. collections vs. write-offs. We write off millions each year due to our policy that states we will treat everyone regardless of ability to pay.
- We are a seasonally driven human services organization, and the bulk of our donations come during our two annual programs (winter and summer). As a result, the "in between" times are often challenging from a cash flow perspective. It is challenging to plot the strategy to keep the cash flow positive. By this I mean planning when the direct mail goes out, when (hopefully) grants will be coming in, etc.
- Unlike Chicago/New York/Minneapolis, etc., St. Louisans consider sports/bars/restaurants/movies as prime entertainment options, but has little interest in live theatre.
- Performing arts are not a high priority in the public's mind. Live theater competes with too many other sources of entertainment, and there are too many small companies competing for the same discretionary money.
- We are an arts organization that works with people with disabilities. Sometimes it is hard to help people see the need for our type of programming.
- We need to better educate our alumni regarding the ways in which the college is funded so that requests for support make sense and are understood as necessary.

- We are not a direct service organization. Human service agencies value our organization but it is difficult for the community at-large to understand what we do.
- Issues of confidentiality keep those that benefit from our services unidentified.

## Changes in Development Activities in 2005

### 20. Are you making any changes in development activity for the present year?

Changes in Development Activity	# Responses	% of Total Responses
Better donor relations	93	65.5%
More donors solicited	85	59.9%
Larger ask amounts (larger gifts from current donors)	74	52.1%
More grantwriting	77	54.2%
Additional appeals (direct mail appeal, telephone appeal)	51	35.9%
Additional special event(s)	51	35.9%
Other (please specify) <ul style="list-style-type: none"> <li>• Hiring a staff person to assist our Executive Director, so that she can make more development calls</li> <li>• Increasing staff</li> <li>• We are focusing on making special events bigger/more special events</li> <li>• Board Development</li> <li>• New database to better track donors</li> <li>• Greater emphasis on major gifts and planned giving.</li> <li>• Establishment of a planned giving program</li> <li>• Trying to hire a Director of Development for the first time</li> <li>• We are implementing a direct mail campaign for the first time this year</li> <li>• Improved consistency in donor relationships</li> <li>• Greater emphasis on raising funds from fee-based services and less on charitable giving</li> <li>• Board transformation. Adding board members who are engaged in the corporate sector and are not shy about raising funds for the organization</li> <li>• In October 2004 we created the very first Development Department for our organization and the creation of all development activities</li> <li>• Better communications to donors and prospects; i.e., donor centered fundraising strategies</li> <li>• Continued perseverance</li> <li>• Greater board engagement is the goal...whether we will get it remains to be seen.</li> <li>• New donor software</li> <li>• Instituting planned giving committee</li> <li>• It is difficult to make changes when we are constrained in all areas of resources.</li> <li>• On-line giving and pre-bid on large live auction items</li> <li>• Moving from charitable solicitations to corporate sales model. Sponsor dollars will not be reflected in overall campus fundraising totals.</li> <li>• Hiring larger development staff.</li> <li>• Online giving</li> </ul>	29	20.4%

<ul style="list-style-type: none"><li>• Change and growth in staff</li><li>• Annual Sponsorship program to be facilitated by local media group</li></ul>		
Total	142	

## Predictions for 2005 Results

### 21. How do you predict your fundraising results in 2005 will compare with 2004?

<b>2005 Fundraising Prediction</b>	<b># Responses</b>	<b>% of Total Responses</b>
Will increase	112	78.3%
Will decrease	13	9.1%
Will remain the same	18	12.6%
Total	143	100%

## Board of Directors Issues

**22. How satisfied are you with the effectiveness of your board of directors in meeting their roles and responsibilities?**

	# Responses	% of Total Responses
Very satisfied	23	15.9%
Satisfied	54	37.2
Dissatisfied	34	23.4%
Strongly dissatisfied	6	4.1%
Total	145	100%

**23. What board training techniques do you find most effective?**

Most Effective Board Training Techniques	# Responses	% of Total Responses
Orientation	72	54.1%
Board member mentoring	37	28.8%
Training manuals or materials	19	14.3%
Guest speaker on topic of board training	35	26.3%
None	13	9.8%
Other <ul style="list-style-type: none"> <li>• Involvement, assigned roles and responsibilities. When they become involved and are challenged they take ownership</li> <li>• The relationships with other board members and knowledge about the institution they develop in committee work</li> <li>• Regular, one-on-one meetings with individual board members</li> <li>• Keeping them updated and informed and asking for their assistance strategically</li> <li>• Committee meetings</li> <li>• Guest speakers on various topics</li> <li>• Board Development Committee.</li> <li>• We don't do much board training</li> <li>• Board program "enrichment series" prior to each board meeting</li> <li>• Board retreats to develop organization strategic plan. Have to consistently follow up with trustees to ensure tasks get completed</li> <li>• Newly developed and extensive Board Development Training</li> <li>• If they hear it from a consultant, they hear it differently than from staff</li> <li>• Clearly defined expectations coupled with a Board President willing to take the time and effort to confront</li> </ul>	30	22.6%

<p>slackers</p> <ul style="list-style-type: none"> <li>• Our Board training is minimal and informal. Needs strengthening</li> <li>• Really we don't make the time to develop our board the way we should to maximize their full potential to help us better achieve our mission/vision</li> <li>• Presentations by staff at board meetings</li> <li>• We do not have board with fiduciary responsibility. We also lack the organizational leadership to influence the overall effectiveness of the campus administration</li> <li>• Still searching for right approach</li> <li>• Half day Retreat</li> <li>• It is difficult for me to get time with the Board. My communications are generally all filtered through the Executive Director (who is also board president). I have been pushing for better board participation in appropriate ways, but it is difficult</li> </ul>		
<p>Total</p>	<p>133</p>	

## 24. How could your board be strengthened in the coming year?

Strategies for Strengthening Boards	# Responses	% of Total Responses
Board members understand their roles and responsibilities	69	48.6%
Board members participate in development activities	103	72.5%
Board membership becomes more diverse	60	42.3%
Committees do more work outside board meetings	59	41.5%
Additional board members recruited	86	60.6%
Improved relations between staff and board	15	10.6%
Other <ul style="list-style-type: none"> <li>• We are adding board members, simply numbers will be a start...</li> <li>• Have more specific tasks assigned to board members in areas of fund raising</li> <li>• I have an active Board Development Committee that assisted in hosting a donor appreciation reception &amp; help with special events when needed</li> <li>• More diversity among the board</li> <li>• Bring more corporate representatives on to a board primarily made up of folks from nonprofits</li> <li>• Greater staff effort to engage all board members and develop information delivery tools in addition to board meetings</li> <li>• More time and attention to cultivating their involvement, in a meaningful way, in the life of our organization</li> <li>• Strategic planning is strengthening the new members on our board. This is having a significant positive impact</li> <li>• Volunteer advisory board is needed to increase community awareness and participation. However, there is not enough management infrastructure in place to effectively utilize volunteers in the community. It's a Catch-22</li> <li>• Greater participation in development activities and acceptance of board accountability system</li> <li>• Recruitment of board members with ties to the corporate community</li> </ul>	12	8.5%
Total	142	

## Marketing Issues

25. To what extent did your organization attempt to expand marketing efforts in the past year?

	# Responses	% of Total Responses
Very aggressively	21	14.6%
Somewhat aggressively	67	46.5%
Normal level of activity	47	32.6%
Decreased marketing activity	9	6.2%
Total	144	100%

26. If you decreased your marketing efforts last year, why? (Check all that apply)

Reasons for Decrease in Marketing Efforts	# Responses	% of Total Responses
Lack of funds	8	26.7%
Limited staff	10	33.3%
Change of staff	3	10%
Perception of marketing as not important	1	3.3%
Other <ul style="list-style-type: none"> <li>• We started more aggressively and stopped advertising halfway through the year because of lack of funds</li> <li>• There has never been a defined marketing effort at the organization</li> <li>• All department budgets were cut due to high malpractice insurance rates</li> <li>• Foundation director did not see value in specific marketing...will do more marketing of foundation needs in coming year</li> <li>• We do not do marketing. We recently embraced this idea and are in the process of developing this aspect</li> <li>• Although we pursued marketing more aggressively, we spent less overall and relied on in-kind, trade and leveraged media buys. This actually helped by narrowing where we spent our marketing dollars, which allowed us leverage more in-kind and trade</li> </ul>	8	26.7%
Total	30	

## Other Comments

### 27. Are there any other comments you would like to share regarding local trends in philanthropy?

- A. I believe funders and fund raising agencies could still do a better job of coming together and looking for ways to collaborate to solve the problems of our community and serve those in need. Thank you.
- B. The market definitely seems to be at a low in terms of ability to give. It is rather discouraging...
- C. It is my understanding that the United Way is holding a half-day workshop on the “declining philanthropic attitude in America by younger individuals”. I would like to know more about the other non-profits. I hear it is across the board but I have no facts and would like to share them with my leadership and board members.
- D. The current group of ‘givers’ is decreasing in number or is tapped out, a whole new audience of ‘givers’ needs to be created and developed.
- E. Thanks to The Rome Group for addressing the need for all professionals to be aware of the most current trends in philanthropy.
- F. Human Resources: there seems to be a lack of experienced major gift and planned giving officers.
- G. We are not “in” the stream of benefiting from local philanthropy, for the most part, except with our long-term generous donor. It is very difficult for new, small organizations to break into the tight field in the St. Louis metro area. First, it is difficult to build the man and womanpower to focus on development. Second, it’s hard to be a newcomer in this tight community. There seems to be comfort within the St. Louis philanthropic community of providing support to known players, known organizations. We persevere, but it is challenge.
- H. I think that our region while blessed with generous donors is weak in terms of funding being aligned with community outcomes. I wonder if the very fact that the larger share of philanthropy is from individuals, results in a more “individualistic” approach based more on relationships than on community needs and contributes to a fragmented service delivery system that is less impactful than it could be.
- I. We are seeing a movement away from the arts in giving from the corporate community, and more in favor of social needs.
- J. We are probably somewhat unusual in the amount of funds that we raise successfully with very little resources dedicated to fund development.
- K. We are beginning our next 5-year strategic planning this summer and it would be valuable to have projections on local fundraising trends for the next five years.
- L. Organizations have often leaned on research to give them information about donors -- my experience is the research is often inaccurate. There always seem to be dollars available for building and less for programs.
- M. 2005 and beyond will be a great challenge and many smaller non-profits will cease to exist.
- N. The number of not for profits seems to be growing as the pie seems to be shrinking. More and more foundations are telling us that they can’t fund all the agencies that they already fund, and have no room for new agencies. With government funding shrinking as well, (federal grants & Medicaid) private money is more crucial than ever before. Corporate giving is also changing the way it supports the community. Corporations now see their gift as another marketing tool, and want to make sure that they strike a cord with the right constituency. Poor, disabled, disenfranchised people are usually not high on their priority list.

- O. We are the last nonprofit organization in the country to embrace proactive fundraising. Until recently our \$7.6 billion endowment fund covered everything. We now see this in potential jeopardy.
- P. People are often too busy “protecting their turf” and not realizing the benefits of collaboration and even the positive side of healthy competition. A rising tide raises all boats -- and when one (or more) big charity develops a controlling, monopolistic attitude it can negatively affect potential donors across the board.
- Q. The relative lack of foundations in the St. Louis region and the low levels of philanthropic capital directed to issues that affect the public good is becoming increasingly problematic. Thanks for doing this. It provides needed, interesting and useful information to the community
- R. In the metro east the economy and loss of jobs and businesses has made fundraising quite a challenge.
- S. I'd be interested in salary schedules for key executive & development staff at nonprofits.
- T. The support and cooperation of others in the field of development is a great asset.
- U. It is clear that unless an organization has personal relationships with senior corporate executives, corporate dollars are decreasing and are much more marketing-focused. Also, a mission is a fine and necessary thing, but only if the organization's programming actively reflects the pursuit of its mission. I know I'm preaching to the choir, but thanks for listening!
- V. Corporations are shortening their giving list. Not for profits have to become more creative in fund raising campaigns to solicit contributions from the general public.
- W. I hope we can introduce our institution to a broader array of the St. Louis philanthropic community.
- X. It seems that the level of giving is up in the St. Louis area. The St. Louis residents are known for their generosity, and it seems that over the past couple of years the area is finally coming out of the “slump” that resulted from local corporate downsizing. Things seem to be stabilizing and while all the worries that people have are not totally removed, there seems to be a higher comfort level and sense of well-being again.
- Y. If the case for support focuses on benefits rather than needs, greater support will ensue.
- Z. Isn't there an easier way to raise money?

## **For More Information**

For more information on the Philanthropic Landscape 2005 survey or any of The Rome Group's services, please contact:

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