



June 2006

Development Directions

A free resource for pastors, principals, development directors, volunteers and anyone engaged in the ministry of Catholic development.

“Generating Revenue for Your Catholic Institution”

I. Explanation

- There are two very important statements we make when it comes to having folks understand the money side of Catholic development:
 - “The greatest challenge we face in Catholic parishes and schools is creating the roadways, avenues and vehicles to invite and involve people in a meaningful way.”
 - “A Catholic institution will raise only as much money as it deserves to raise, and what it deserves to raise will always be in direct relationship to the quality of its leadership, its programs, its processes and its people.”
- The first quote deals with what we have been talking about for years – people. The second quote deals with quality and being a winner on all levels. In both cases, people give to people, and not just to institutions. Many times the people are there; the programs are in place, but the development processes are not fully understood. For example, there is a right process and a wrong process when it comes to inviting someone to financially participate in your Catholic institution. Catholic development is both a science and an art.
- In our newsletter this month, we’ll define some key revenue-generating processes. All of these are effective, and all of these require people in leadership positions; however, one point must be understood. Please see below.

II. Development \$\$\$ / Fundraising \$\$\$

- At ISPD we make a definite distinction between development \$\$\$ and fundraising \$\$\$ Each one requires different approaches.
 - Fundraising \$\$\$ points to money that is generated from fundraising events – such as golf tournaments, candy sales, bingos, dinner dances, silent auctions, fairs, festivals, etc. There is a “buy and sell” way of thinking.

- Development \$\$\$ is a whole different way of thinking. This is philanthropic giving. This is people giving to people. Mission, goals, values, strategic planning, and people involvement are the keys here. Examples of Development \$\$\$ are the Annual Fund, the Capital Campaign, the Endowment Fund, planned gifts, etc. Anyone who would consider a financial gift to your parish/school and not expect anything in return except a thank you, must believe in what you do and feel good about the quality of your institution. Development \$\$\$ are an investment in the future of your Catholic institution.

III. Annual Fund

- The Annual Fund is the single most important Development \$\$\$ effort that a Catholic school and/or parish could implement. For years, annual funds have been confined to Catholic schools – both secondary and elementary. Within the past ten years, we are seeing two other trends taking place:
 - Collaborative parish and elementary school Annual Fund
 - Parish Annual Fund
- The majority of annual funds throughout the country usually follow these steps – give or take a few:
 - Print out labels or envelopes from the database.
 - Create a letter, brochure, pledge card, and return envelope and mail it to everyone on the database asking them to participate.
 - Send a follow-up letter to those who do not respond.
 - Put a reminder in the newsletter or possibly even a pledge card envelope.
 - Conduct some kind of phonathon.
- The problem with this approach is there is very little people work involved. This can all be done from an office, and people give to people.
- ISPD recommends the following structure:
 - Annual Fund theme and case points of where the money is going
 - Operational chairs and associate chairs
 - Major Gift Reception for financial leaders (\$1,000+)
 - Key divisions with separate strategies for each:
 - Major Gift Division
 - Leadership Gift Division
 - Parent Gift Division
 - Parishioner Gift Division (if applicable)
 - Alumni Gift Division
 - Friends Gift Division (past parents, grandparents and friends)
 - Business Community Gift Division
 - Follow-up phonathon to all

IV. Major Gifts

- Any development effort, parish and/or school, should have a Major Gift Process in place. This effort is centered around the “Top 100” financial leaders of your institution. The term “Top 100” is not to be taken literally; in actuality, you may have 10 leaders or 200. However, this list is always changing and always being added to.
- The focus of this process is to make sure that relationship building is at the heart. This is not a way to “hit people up” or “tap” this one for more money. A Major Gift process is a continuous way of making sure that your financial leaders are invited and involved and feel a strong sense of ownership for your parish and/or school.
- There are many ways to manage this process; however, most Catholic leaders

are directly involved. It is the responsibility of the "development office" to make sure the leaders know when key communication vehicles need to be put in place:

- Birthdays and anniversaries
- Special breakfast and/or luncheon meetings
- Holiday cards
- Cup of coffee meetings
- Special invitations to dedications and performances
- Special recognition

V. Capital Campaign

- The capital campaign is the World Series, the Final Four, the NBA Finals, the Stanley Cup Playoffs, and the Super Bowl all rolled into one. This is when, usually, 7 or 8 figure money needs to be generated to build buildings, add on, purchase property, or even build the endowment. Months and months of preparation are needed, and ISPD strongly recommends what we call the Exploration, Discovery and Feasibility Process in order to determine readiness.
- From our view, the biggest mistake Catholic institutions make is moving into a capital campaign when they are not ready. Financial leaders must be supportive; the case must be clear; there must be a long-range plan; people need to be invited for input; and a feasibility study needs to be conducted. Let's use an analogy. Let us say that your parish/school wants to launch a capital campaign and raise \$5,000,000. In essence, what you are saying is this: "We want to open up a business in the near future and generate a net profit of \$5,000,000. Not gross. Net." Now, in order to do that, we all know that certain things must be in place, but we must have a business plan and a proven infrastructure in order to make it work. Also, we must be willing to spend money to make money. And, we must have excellent personnel in place.
- As you can see, preparation is more than half the battle. At ISPD, we see the value of a campaign organizational structure that is very similar to that of an annual fund.
 - Strong case
 - Positive Financial Feasibility Study
 - Excellent Campaign organization
 - Honorary Chairs, Operational Chairs, Division Chairs
 - Team leaders
 - Pacesetter component
 - Public component
 - Person to person invitation every step of the way
- Done correctly, the capital campaign can make a profound impact on your Catholic institution.

VI. Planned Giving

- A planned gift can be defined as "any transfer of cash or other assets to a charitable institution in a predetermined form or timetable agreed upon by the donor and charitable institution."
- The donor's goal is to advance the mission of the charitable institution, as well as limiting income and estate tax liability.
- The priority goal of this aspect of the development effort is to give as many people as many different ways to give to the institution as possible.
- The Planned Giving Program is responsible for sharing the vision (case statement) of where the institution is going, with its donors, and allowing the professionals to participate as agents for the donors who want that vision to

become a reality through the charitable allocation of assets.

- Why establish an “Office of Planned Giving?”
 - To advance the ministry of development in the area of Planned Giving
 - To educate donors to give from their assets as well as their income
 - To assist the institution in achieving its long-term programmatic and financial goals
 - To enhance the acquisition of major gifts
 - To positively impact donors' incomes and estate tax liabilities
 - To establish Planned Giving as a permanent, traditional, and common means of giving

VII. Parish Terminology

- ***Total Stewardship (Prayer, Ministry and Finance)***
 - Stewardship is neither a secular term nor a code word for fundraising. It is a way of life – the wise use of all that we are and have, knowing that what we are and what we are becoming comes from God.
 - As stewards, Christian living means that we view our resources of time, talent and treasure as gifts from God. We do not “possess” or “own” these resources, but we are entrusted with them to nurture their growth and use them wisely.
 - The way of life of stewardship means our resources must be used to reach out to others and build God’s Kingdom of love, justice and peace.
- ***Sacrificial Giving***
 - We give back to the Lord a share of what God has given us. This concept teaches that a portion of the income returns to the Father, the giver of every good gift.
 - The return must be a sacrifice, a gift with some “bite” to it, an amount more than one judges he or she can truly afford.
 - Sometimes referred to as proportionate giving.
- ***Tithing***
 - Tied directly to sacrificial giving, tithing invites us to consider the biblical norm: 10% of our gross income.
 - That tithe is normally broken down into 5% for the parish and 5% for the world’s poor. This latter term includes the various charitable appeals that come our way – the missions, United Way, cancer fund, etc.
- ***Offertory Giving***
 - Simply put, the focus is on financially increasing the offertory.
 - Offertory giving is often disguised and called “stewardship.”
 - Offertory giving has confused many people because it is often positioned as “stewardship.”

VIII. Conclusion

- Obviously, there are other ways of generating money for your Catholic institution; however, the ones outlined here are “tried and true” and center around people. And, just like any good vegetable garden, we’ve got to get our “plot” in order, make sure we have the right culture and environment for our plants and seeds to grow, spend a lot of time nurturing those plants and seeds, and realize that whatever we may reap will be in direct proportion to what we sow. And, if we are wise, those seeds that we reaped this year will become the foundation for our gardens of tomorrow.

NEED MORE STUDENTS IN YOUR CATHOLIC SCHOOL?

ISPD INTRODUCES A NEW & EXCITING 12 MONTH CONSULTING PROCESS

Over the past five years, ISPD has presented over 50 workshops on “Attracting New Students to Your Catholic School.” With this topic being a major concern of many schools across the country, we have often been asked to provide a professional, consulting process focused entirely on this subject. Many Catholic school leaders, after working with one of the ISPD presenters for a day or two often wanted that person to lead them through a process that would increase enrollment and also retain the students they already had. Here at ISPD, we are excited to announce that we now offer this specific and much sought-after consulting process.

Over the past year we have spent many hours developing the steps in this consulting process – all meant to take a Catholic school from where they are in marketing and move them forward. Here are the major components:

1. **ISPD Assessment**: In the first 4-6 weeks, ISPD will assess all areas of public relations, marketing, and retention of students. This will be done through one-on-one interviews, small group sessions, examination of materials, and also having the school answer 10-15 questions that will give us key information. An Assessment Report will be presented.
2. **Marketing Core Team**: This is a group of 12-15 people who will work closely throughout the 12 month period with school leaders and ISPD in implementing the steps of this consulting process.
3. **Data Gathering**: ISPD will conduct attitudinal, image and interest surveys with some of the following publics:
 - o Faculty and staff
 - o Students
 - o Parents
 - o Alumni
 - o Feeder sources
 - o Pastor and principals
 - o Prospective families
 - o Parishioners
 - o Others at school leaders’ request
4. **Education and Communication**: ISPD will offer workshops on “Attracting New Students” to faculty, staff, students, parent leaders and boards. In addition, we will create a one page newsletter to keep everyone abreast of the progress of the work – month to month.
5. **Student Retention**: ISPD will examine all data in regards to families who have prematurely left the school. We will also suggest specific strategies on how to improve overall tone, atmosphere and morale of the school’s culture.
6. **Strategies Producing Immediate Results**: Within the first 90 days, ISPD will begin working in key areas where immediate impact is possible. These are:
 - o Student and Parent Ambassador Teams
 - o Improving Open House
 - o Looking at the different types of Open Houses to offer
 - o Assessing marketing materials
 - o Prospect identification
 - o Prospect database
 - o Total Quality workshop on “customer service” to all key internal publics

7. **Marketing Advisory Council:** ISPD will facilitate 4 meetings of the Marketing Advisory Council – a group of 60-80 people (hand selected) who will create the new draft plan for “Attracting and Retaining Students.” Parents, faculty, staff, prospective parents, feeder source leaders, neighbors, alumni and others will be identified by the Core Team and then personally invited to be part of this Marketing Advisory Council.
8. **Convocation:** With the top 5-10 priorities coming from the Marketing Advisory Council, ISPD will facilitate an evening Convocation in which parents, parishioners, students, faculty and staff, alumni, feeder sources, and many others will be invited to come on campus and offer suggestions on how to implement these top priorities.
9. **Final Marketing Plan:** Based upon the input from the Advisory Council and the Convocation, ISPD will work with the Core Team and the school leaders in writing the Marketing Plan for the school, which will be implemented over the next 12-18 months by school leaders. Some sample key areas to be included in the Marketing Plan could be:
 - o Promotional materials
 - o Parent-Student-Teacher involvement in marketing the school
 - o Retention of students
 - o Open House improvement
 - o Media outreach
 - o Outreach to feeder sources
 - o Getting prospective families on campus
 - o Inviting alumni to assist in marketing the school
 - o Role of the parish in student marketing (where applicable)
10. **Implementation of the Plan:** ISPD will train school leaders and implementation teams on how to implement the Final Marketing Plan – with strategies, persons responsible, timelines and deadlines.

Here at ISPD, we are excited about bringing this new process to Catholic schools throughout the country. Behind all of these components, there is the underlying theme of our company: Invite, involve and engage people into the life of your Catholic institution and so many positive and amazing things will happen. We would like to work with you to do this.

Please call our office at 800-299-2393 or e-mail our president, Frank Donaldson, at ispd@aol.com in order to discuss this further. One of our associates will be glad to come to your campus and present the details of this exciting consulting process.

SPRING 2006 WORKSHOPS

Dynamic presenters share proven strategies and discuss development issues during one and two day seminars for Catholic parishes and schools. These workshops are conveniently held across the country at an affordable price of \$49-\$149 .

We hope you'll join us soon!

Topics Include: ** Strategic Plan for Development for Parishes & Schools **

** Total Stewardship ** Annual Funds & Capital Campaigns **
 ** Charge Up Your Development Battery! **

Scheduled Locations: Las Vegas, NV ** Pittsburgh, PA ** Santa Fe, NM

- [Check Here for Details](#)

ISPD - Bringing people, process and ministry together to build the Kingdom of God

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