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MAY 2005

The Contributor is issued ten times annually and is a publication of the Greater Toronto Chapter of the Association of Fundraising Professionals.

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AFP represents more than 26,000 members in 173 Chapters throughout the United States, Canada, Mexico and China, and works to advance philanthropy through advocacy, research, ethical standards, education and certification.

Best Practices in Stewardship

Alex MacKenzie is the Vice President and Campaign Director of the Royal Ontario Museum's Renaissance ROM \$200 million capital campaign. He spoke to a packed house at the May luncheon. The luncheon topic, "Pro-active Stewardship: The Quest for Best Practice" is one subject that is clearly front and centre in the minds of professional fundraisers. MacKenzie's presentation delivered on its promise to help fundraising organizations develop a more pro-active and effective stewardship program.

The Royal Ontario Museum (ROM) Foundation was perfectly positioned with the onset of its Renaissance ROM Campaign, to strategically revamp its stewardship program. Rather than work through the development of best practices in isolation, it wisely gathered together a large group of similarly sized organizations with a variety of missions, to collectively study the subject. A number of face to face meetings took place and the end result was a helpful laundry list of universal challenges, and best practices related to them, that MacKenzie generously shared with AFP luncheon attendees.

Although the transition of the ROM made it particularly well-suited to restructuring its stewardship, these sorts of changes can take place at any time of transition, including a shift in your organization's leadership at the board or staff level, he stressed. There are good reasons to analyze stewardship in your own organization, right now. Firstly, it helps you to build donor confidence in your institution, but equally important is the fact that it can help eliminate, or at least simplify, the frustrating exercises in negotiation that can become complicated, unbalanced and donor-driven.

The universal set of challenges were identified as: tracking commitment to donors, signage consistency, recognition of past gifts, consistent treatment of donors, and the fulfillment of commitments and reporting. There are never enough resources, he admitted, but every organization can and should make its best effort to strike a balance between customization and the amount of time it should take to steward donors.

It all starts with agreements. It is difficult when no formal agreement exists, and even when they do exist, they are often drafted as separate documents, leading to an increased risk of unfulfilled promises. The solution? Develop a unified letter of agreement, combining financial and recognition aspects into one gift agreement for all donors. This simplifies the process and eliminates the need for donors to attend numerous meetings. The single document will require that different departments work with each other to ensure that, at the end of the day, everyone is on the same page. "Donors feel they are giving to one organization. Why should they have to negotiate contracts between different departments of the same organization?" he pondered.

A relationship between gift size and signage exists, but over time, signage can become complicated and one can easily fall into the trap of treating donors the same, but differently. If this is not approached consistently, an organization risks treating donors preferentially, or unfairly, and ultimately leads to them feeling mistreated.

AFP Calendar

Note: unless indicated, all functions shown here will take place at the YMCA of Greater Toronto Auditorium, 20 Grosvenor Street, Toronto.

Special Fundraising Day Luncheon

Note: registration to Fundraising Day is not required in order to attend this luncheon

Wednesday, June 8th

12:30 pm- 2:00 pm

Topic: Red Cross Tsunami Appeal- in the Eye of the Fundraising Storm

Speakers: Diana Borowski, & Pamela Davie, Canadian Red Cross, Ontario

Location: Metro Toronto Convention Centre, South Building, Room 701

June Hamilton Satellite Luncheon

Tuesday, June 21st

12 pm-1:30 pm

Topic: Philanthropic Trends 2005
Speaker: Marnie Spears, President and CEO, Ketchum Canada

Location: Coach House Restaurant at Dundurn Castle

June Workshop

Monday, June 27th

9 am-11:30 am

Topic: Integrated Event Production and Project Management

Speaker: Stephen Paul, Production Manager, Toronto Special Events

June Luncheon

Monday, June 27th

Time: Noon - 1:30 pm

Topic: Avoiding the Fatal Black Hole- Hosting Special Events That Meet Broad Developmental Goals

Speaker: Suzanne Gibson, Suzanne Gibson & Associates

This can be further complicated by the fact that your organization has numerous donors with unique needs, and that can be very difficult to manage. Limited time and budget constraints can result in fulfillment only to the higher end donors. The solution? Use recognition space wisely by developing guiding principles of recognition and signage. This will simplify and give structure to your overall recognition, with a strategy that allows for appropriate signage that is elegant, consistent and appropriately addresses all gift sizes, as well as required heritage and language elements.

As for signage, opportunity knocked again for the ROM. The renovation plan offered them the opportunity to create a recognition plan for the whole building. Although they are willing to give donors options, they are not willing to compromise on their commitment to their guiding principles. It makes it easier and simpler for donors to fit themselves into the plan, and the Foundation can properly manage donor expectations. Signs are available in Canada's two official languages only- French and English, and the font and colours must not vary from the prescribed formula. If your donor recognition "shopping list" is large, it is a very good idea to offer samples, and if resources permit, you might be wise to create graphic layouts to help donors visualize their signage.

Another vitally important aspect of best practices in stewardship is recognizing past gifts and giving them appropriate recognition in new spaces, as well as setting aside room for future recognition space. If necessary, scour past files to make sure your organization does not miss a beat.

He recommends that organizations develop and apply a stewardship auditing system, to ensure that all promises are fulfilled in a timely and effective manner. Regular communication with and involvement of donors is vital. Ensure that reports are personalized, accurate and useful, as well as being tailored to the donor's preferences. Do this as early on as possible in the relationship and follow up on occasion to see if there are any changes. Reporting is "good form" and donors do have different preferences when it comes to how and when they want to receive your communication, but do communicate as often as possible.

Make time and space to execute these best practices, MacKenzie urged the group. Stay on top of things by creating checklists and donor tracking sheets. Integrate your teams to develop and execute stewardship strategies that address all donors and all levels. Do personalize the strategy for major donors, but designate one point person for communication. The ROM has specifically invited past donors to participate in their "donor recognition task force." These individuals represent past and present donor interests and illustrate yet another smart strategy to keep donors engaged.

If this sounds like a lot of work, take heart. "It's not as difficult as it sounds," MacKenzie assured the group. "Once the commitment to focus on stewardship is made, our practices changed fairly quickly."

AFP Expanding Worldwide

Two new international AFP chapters were chartered at the April Board of Directors meeting. The AFP Singapore Chapter, sponsored by the AFP Greater Los Angeles Chapter, and the AFP Jakarta, Indonesia Chapter, sponsored by the AFP St. Louis Regional Chapter, were approved by the Board. The addition of these two new chapters brings the total number of AFP chapters to 173 including three chapters in Asia. The other chapter in Asia is the Hong Kong Chapter.

The AFP also recently entered into a strategic alliance with an existing fundraising association in the Netherlands. To learn more, visit:

www.afpnet.org/tier3_cd.cfm?folder_id=936&content_item_id=20589

Reminder- Charities to Use Different CRA Form in 2005: The Canada Revenue

AFP Greater Toronto
Chapter Fundraising Day
Wednesday, June 8th
Location: Metro Toronto
Convention Centre

Limited spaces are still
available for this one-day
conference, showcasing a
terrific line-up of speakers. It's
not too late to register!
Visit: www.afptoronto.org

Audioconference
Thursday, July 14th
12:30-2:30 pm
Topic: Empowering Your
Board to Succeed vs.
Challenging Them to Fail
Speaker: Barbara Talisman

We acknowledge the
generous support of our
Fundraising Day
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National & International News

Agency (CRA) is revising Form T30101A, the Registered Charity Information Return, for fiscal periods that began after March 22, 2004. Because of proposed legislative amendments to the Income Tax Act affecting the annual minimum expenditure requirements for registered charities (i.e., the disbursement quota), the CRA has been forced to amend Form T3010A and will mail the new form to registered charities in early summer, 2005. The form is not yet available, but read more online at:

www.afpnet.org/tier3_cd.cfm?folder_id=2485&content_item_id=20669

AFP Every Member Campaign Kicks Off: As professions grow and mature, they need to make provisions for continuing education and professional development through research, public profile and trust. AFP established the AFP Foundation for Philanthropy- Canada in order to fund initiatives to increase accessibility to educational programs, fund new and innovative research, and conduct public education programs to enhance the environment for philanthropy.

Each year, the Foundation conducts the Every Member Campaign, and accepts unrestricted gifts designated for general purposes and major priorities. Consider making a pledge to the Every Member Campaign. We hope to exceed our 2005 goal of \$30,000, with the support of all Greater Toronto Chapter members.

Chapter News & Developments

NEW! Ethics Cases Introduced to Luncheons: Jim Allen, ACFRE, Chair of the Ethics Sub-Committee, presented an ethics mini-workshop at the May 10th luncheon meeting. This fifteen minute workshop consisted of an overview of the importance of ethics in our daily professional activities. Jim then presented a ethics case to be discussed by attendees. At the end of the discussions, one representative from each table presented the group's collective viewpoint. This exercise was well-received and will be repeated at future luncheon meetings.

Seeking Greater Diversity on Your Board?: A new website launched this month by abcGTA, with the support of The Maytree Foundation, aims to diversify this city's boardrooms with an initial pool of 100 well-qualified visible minority candidates. The website will make it easier for groups to find the right people and harder for organizations to justify the under-presentation of visible minorities on their boards with the complaint that there aren't enough worthy candidates available. Read more online at: www.abcgta.ca.

Philanthropy Awards: The AFP Greater Toronto Chapter is pleased to announce that the 2005 Philanthropy Awards will be presented at a special luncheon, marking National Philanthropy Day, on November 15th, 2005. This year's award categories have been expanded and will provide even more opportunities for you and your organization to recognize and celebrate the individuals, companies, and organizations that make our community stronger. Watch for more information soon and don't forget to plan now to attend.