FUNDRAISING DAY IN NEW YORK 2016

Parent Research and Fundraising at Educational Institutions

Tom Hampsey and Rebecca Heslin
Department of Development Research

#frdny

Introduction

Overview

Objectives
- Share parent identification, research and fundraising techniques
- Consider the unique characteristics of parents as a fundraising constituency
- Tips on navigating parent visits

Handouts overview

Questions/answers and idea sharing
About our Institution

**LAFAYETTE**

**About:** Private, coeducational, residential college with programs in liberal arts and engineering

**Location:** Overlooking the Delaware River in Easton, Pennsylvania, population 30,000. Easton is located in the Lehigh Valley, population 800,000; about 70 miles west of New York City and 60 miles north of Philadelphia

**Degrees:** Bachelor of Arts in 37 fields and Bachelor of Science in 14 fields, including 4 in Engineering

**Founded:** 1826

**Enrollment:** 2,450 undergraduate students

**Alumni Base:** ~27,000

**Endowment:** more than $750 million

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“We may be ‘non-profits,’ but that doesn’t mean we are not in the business of making a profit.”

[Paraphrase from Paul Dyskstra, Vice President SmithBucklin Corporation 3-23-2012]

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Enhance Your Value

**What is our goal as fundraisers?**

- Raise money ethically

**Parents are historically underutilized**

- Focus on building a “parents fund”
  
  - “Parents Fund” is defined as all gifts given for current operating use
  
  - Other gifts from parents
  
  - The ceiling has yet to be set on how much money can be raised
  
- Great opportunity for fundraising and revenue growth
Parents = all parents (past and current), excluding alumni parents and alumni spouses.
Parents Fund Trends in Higher Education

2009 – 2012
The average “Current Parent Participation Rate” at 41 Higher Ed institutions was consistently 29% to 30%.

2013 – 2015
The average “Current Parent Participation Rate” has continued to decrease even more:

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>27%</td>
<td>26%</td>
<td>25%</td>
</tr>
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</table>

• WHAT CAN BE DRAWN FROM THIS DATA?

Parents Fund Trends in Higher Education

The dollars raised from that 25% to 27% of parent donors is consistently stable or on the rise:

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$598,051</td>
<td>$598,420</td>
<td>$618,883</td>
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Parents Fund Trends in Higher Education

Characteristics of Parents as a Fundraising Constituency

• Uniqueness
• “Strike while the iron is hot”
  • The window of opportunity closes quickly
• Heightened interest in education and educational success while child is enrolled
• Often very wealthy
  • Get fired up, fresh constituency each year— but manage expectations
  • A very small percentage of parent donors convert to major gift prospects (by our definition: $100,000 or more over five years)

One parent in a decade has turned out to be a $1 million+ prospect for us
### All Recent Significant Gifts from Parent Donors

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Initial</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>2nd Student</th>
<th>Post-Grad</th>
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<tr>
<td>Smith</td>
<td>P</td>
<td>$10,000</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>$55,000</td>
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<tr>
<td>Jones</td>
<td>P</td>
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<td>$20,000</td>
<td>$20,000</td>
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<td>$25,000</td>
<td>-</td>
<td>$1,000</td>
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<td>Johnson</td>
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<td>$25,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$62,500</td>
</tr>
<tr>
<td>Wilson</td>
<td>P</td>
<td>$10,000</td>
<td>$10,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$20,000</td>
</tr>
<tr>
<td>Roberts</td>
<td>P</td>
<td>$2,500</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>-</td>
<td>-</td>
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<td>Miller</td>
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<td>-</td>
<td>$75,000</td>
<td>$10,000</td>
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<tr>
<td>Baker</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$66,000</td>
</tr>
</tbody>
</table>

### Characteristics of Parents as a Fundraising Constituency

- Parents generally require much less cultivation than the established alumni constituency
- All solicitation timelines are shortened

*"This year I will be giving $10,000 in December and $10,000 in April. It was very good to see you again."*

### Why do Parents Give?

- Variety of unique reasons:
  - **They just want to help:** they want to support their child’s education, which most have already been supporting since childhood (along with the child’s other interests)
  - **Involvement and access to the power structure:** although many don’t care about this at all
  - **Prestige and opportunity to network:** with other parents associated with giving at a high level
  - **Personal affirmation:** they give because they appreciate being visited
  - **“Philanthropic gene”**
Why do Parents Give?

- Giving can lay the groundwork for positive rapport with the institution, both short-term and over the long haul
- Other children approaching college-age
- Set an example for others (especially their child, for whom charitable giving is probably an alien concept)
- Many parents want to give more than their money, especially those from private/independent schools
  - Volunteering for on-campus events
  - Offering internship or job shadow opportunities for students
  - Hosting accepted student receptions

Stumbling Blocks

- Reasons parents may not give:
  - Child is having a less than stellar experience at the school
  - More than one child in a higher educational institution (multiple tuitions)
  - Not philanthropic generally
  - They applied for need-based aid, but did not qualify for it
    - These parents are not visited individually, but are still solicited by the annual fund, typically by way of the Phonathon (“participation gifts”)
  - Disapprove of College’s recent decisions

Stumbling Blocks

- Remember, roughly 75% of parents don’t give
  - Numerous other philanthropic and financial commitments
  - Or, they are not philanthropic to you because…

  “I’m already _______ _______!”
Stumbling Blocks

High-wealth parents may appear to be perfect on paper, but the gift officer should be prepared for anything.

“This is going to be a complete waste of your time.”

“I am the cheapest man in America.”

Respond to “No” Like a Pro

“I wouldn’t be doing my job if I didn’t ask!”

- Joe Samaritano
  (Former Director of Leadership and Parent Giving)
  Currently Director of Gift Planning,
  Lafayette College

Research Process

1) Obtain a list from Admissions (ED and Regular Admission)

2) Obtain a list from Financial Aid (if possible)
  • FERPA (Family Educational Rights and Privacy Act)

3) Send out a Family Information Form to obtain parents’ business information and their alma maters
Research Process

- Classify compiled list into categories:
  - Need-Based Aid vs. Non-Need (Merit-Based Aid is OK)
  - "Tiered" vs. "Non-Tiered"
  - More complicated than it may appear at first
  - Legacies (i.e., Alumni Parents)
  - International Students

  Tiered  Non-Tiered  Legacy  International

- Prepare file and submit for outside electronic screening

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Fields Included in "Tiered" Spreadsheet for Parent Screening

<table>
<thead>
<tr>
<th>Primary Parent ID</th>
<th>Primary Employer</th>
<th>Secondary Business Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Prefix</td>
<td>Primary Business Address</td>
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<td>Primary Business City</td>
<td>Secondary Business State</td>
</tr>
<tr>
<td>Primary Middle Name</td>
<td>Primary Business State</td>
<td>Secondary Business Zip</td>
</tr>
<tr>
<td>Primary Last Name</td>
<td>Primary Business Zip</td>
<td>Student ID</td>
</tr>
<tr>
<td>Primary Suffix</td>
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</tr>
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<td>Primary Martial Status</td>
<td>Secondary Prefix</td>
<td>Student First</td>
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<tr>
<td>Primary Preferred Address</td>
<td>Secondary First Name</td>
<td>Student Last</td>
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<tr>
<td>Primary Home City</td>
<td>Secondary Middle Name</td>
<td>Student High School</td>
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<tr>
<td>Primary Home State</td>
<td>Secondary Last Name</td>
<td>HS Type (i.e. private, etc.)</td>
</tr>
<tr>
<td>Primary Home Zip</td>
<td>Secondary Business Title</td>
<td>Student Sport</td>
</tr>
<tr>
<td>Primary Business Title</td>
<td>Secondary Employer</td>
<td></td>
</tr>
</tbody>
</table>

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Research Process

- Review screening results
  1) Observe existing philanthropic and/or political giving
  2) Prioritize by wealth and philanthropic capacity

- Gift Officer can then begin to schedule visits
  - Once an appointment is secured, a brief research qualification is completed
    - Help Gift Officer determine suggested ask/gift range:
      - we aim for maximum research time of 30 minutes and only seek-out the essential information
Research Evaluation, Suggested Ask, and Other Key Details

Professional/Educational Background & Biographical Information

• Father Parent has one other child, age 28, attending Tulane University.
• Mother Parent is a member of the Harvard University Board of Trustees (her alma mater). We were unable to verify any gifts here from the couple, but we suspect they have made contributions at some point.

Key Biographical Notes

Father Parent 'P18
BUS: Managing Director
Morgan Stanley
EDU: BS, Economics, Dickinson College, 1987
JD, Brooklyn Law School, 1991

Father Parent is currently responsible for the financial and operational activities of the division which includes portfolio management, capital markets, risk, regulatory and other infrastructure activities. In this capacity, he is chairman of the valuation committee and a senior member of the group’s investment and risk committees. He also serves as the portfolio manager for MSREF VII, a $4 billion global opportunity fund, and leads the investor coverage and capital markets effort across the firm’s alternative investment businesses.

Available Real Estate Data

SAMPLE PARENT RESEARCH QUALIFICATION

Selected Visible Philanthropic Giving in the Public Record

Selected Visible Political Contributions in the Public Record

Parent Strategies: Pre-Visit

• Ideally, assign the majority of parents to Gift Officer(s) specializing in and devoting most of their time to Parent Fundraising annually
• Other frontline Gift Officers may assist as needed (especially in outlying areas)
• Gift Officers can attend “Welcome Picnics” and “Send-offs” - but we advise that they welcome/mingle with ALL parents
• Remember to strike while the iron is hot
Parent Strategies:

**Obtaining the Visit**

- Our current Parent Fundraiser suggests trying to get both parents in the room for the visit
- Couples tend to play off of one another
- Meeting with both parents may prevent a possible delay in receiving a gift
- Via e-mail and/or phone calls
  - See handout for a sample
- Visit Location
  - Where will the parent(s) feel most at ease?

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Parent Strategies:

**The Initial Visit**

Typically, during a first meeting:

- Evoke emotion and enthusiasm—
  - “How did your son/daughter find Lafayette?”
  - Help the parents reminisce on the excitement of their child’s college decision, move-in day, etc.

Then, typically, move to the ask—

- For Lafayette, this is usually at the level of $1,826, $2,500, $5,000, or $10,000

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Parent Strategies:

**Stewardship**

Create Parents Fund mailings and memorable “leave-behind” publications
- Create different publications for different purposes

Consider offering incentives
- Preferred seating for major events such as graduation
- Athletics game tickets
- Exclusive tailgating options

Establish a “Parents Council” or Advisory Board
- Meet twice per year
- Substantive agenda
- Offers access/influence
- Criteria to become a member
Finding the Balance: Concierge vs. Personal Assistant

• Gift Officers should be helpful, but not fawning
• Be prepared for the occasional unreasonable request

“I might need to use your dentist to get my teeth cleaned (or recommend me to a dentist). If you can, set up an appointment during the week in the AM any day except Thursday.”

Contact Information

Tom Hampsey, Senior Director of Development Research
Rebecca Heslin, Associate Director of Development Research

Lafayette College
307 Markle Hall
Easton, PA 18042
Tel: 610-330-5028
Email: hampseyt@lafayette.edu
heslinr@lafayette.edu
Thank you.
Please use your FRDNY app
http://crowd.cc/s/f5yk
to fill out the session survey
Family Information for the Class of 20___
(Use this form if you do not have access to the online form on the parent website.)

Student’s Full Name: ________________________________________________________________

Parents: It is important for the College to have your email address on file. Please include it and keep it up to date. Thank you!

<table>
<thead>
<tr>
<th>☐ Father</th>
<th>☐ Mother</th>
<th>☐ Guardian</th>
<th>Full Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Home Street Address ______________________________________________________________
City __________________________ State ______ Zip _______ Nation ____________
Home telephone ___________________________ Cell phone __________________________

Preferred Email address ___________________________________________ ☐ Home ☐ Business

 Attach Business Card Here

Please complete below or attach business card.

Employer ____________________________________________________________
Employer Position _____________________________________________________
Employer Street Address ________________________________________________
City __________________________ State ______ Zip _______納 ____________
Business telephone _____________________________________________________

College/Graduate School ________________________________________________ Yr. Grad. _______/_______

Combined names for mailings to same address, i.e. ☐ Mr. & Mrs. John Doe ☐ Mr. John Doe & Ms. Jane Smith
☐ Other: ________________________________________________________________

Student’s siblings attending Lafayette (names & ages) __________________________________________

Student’s other siblings (names & ages) ______________________________________________________

Go Green with Lafayette: ☐ I/yes, we would like to receive mailings such as the parent newsletter via email.

Sample Emails to Parent Prospects

From: Giftofficer, Joe
Sent: January 24, 2016 1:54 PM
To: 555@1212
Subject: Lafayette College

Dr. Main,
I hope all is well and that Caleb is excited for the start of the second semester. I work in the Office of Development and College Relations, and I am writing because I will be traveling to the Princeton area on Friday, 2/4, Wednesday, 2/9, and Wednesday, 2/16. I am hoping that you might be available to meet with me for a few minutes so I can get your impressions of Lafayette. I would like to discuss what you feel we are doing well and what areas you feel need to be improved to ensure our students enjoy the finest experience possible.

Additionally, we have set some ambitious goals to implement a number of exciting new initiatives that will further enhance the educational experience of our students. I would like to share the details of these initiatives with you and discuss how you may be able to help us achieve these goals by supporting the Parents Fund and serving on, if you choose, our parent's advisory board that works closely with President Weiss and the senior administrative team.

If you are available to meet, please let me know what day and time works best for you. If you are not available on any of those days, hopefully we can get together on one of my future trips to your area.

Thank you. I look forward to hearing from you soon.
[OR: Thanks so much for your consideration to meet with me. I will give you a call early next week if I have not yet heard back from you. Please do not hesitate to call me should you have any questions.]

Best Regards,
Joe

From: Smith, Joe
Sent: January 24, 2016 1:50 PM
To: 555@1212
Subject: Lafayette College

Dr. Main,
I am writing to let you know that I will be traveling to your area next Friday, 2/4, and again on 2/9 and 2/16. If you have a few minutes, I am hoping we will be able to get together. I will give you a call early next week to see if you have some time in your schedule.
Thanks.
Joe
Parent Research Results - Email Template (Version 2)

From: Rebecca Heslin  
Sent: Thursday, March 11, 2016 4:04 PM  
To: Gift Officer  
Cc: 'hampseyt@lafayette.edu'  
Subject: CONFIDENTIAL: Jennifer Scott P'18

♦ JENNIFER SCOTT P’18 ♦  
DEPARTMENT OF DEVELOPMENT RESEARCH

RESEARCH NOTES:  
• Suggested ask: $2,500
  
  • Jennifer and Michael have already given $400 to Lafayette.
  
  • Due to the commonality of this name, we are unable to verify philanthropic giving in the public record (beyond the two gifts of $1 - $249 and $250 - $499 listed below).
  
  • Son, Tyler, plays Football at Lafayette (non-scholarship athlete).

KEY BIOGRAPHICAL INFO:  
Jennifer Scott P’18:  
BUS: Partner  
Camden Sacher LLC
EDU: BA, Computer Science, Susquehanna University

PROFESSIONAL BIO:
View at the following link – http://www.camsachh.com

REAL ESTATE
Purchased home in 2005 for $1,195,000.

SELECTED VISIBLE PHILANTHROPIC GIFTS IN THE PUBLIC RECORD

<table>
<thead>
<tr>
<th>Amount</th>
<th>Donor(s)</th>
<th>Organization</th>
<th>Type of Gift</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1 - $249</td>
<td>Michael and Jennifer Scott</td>
<td>New Canaan Community Foundation</td>
<td>Program Gift / Restricted Gift</td>
<td>2012-2012</td>
</tr>
<tr>
<td>$250 - $499</td>
<td>Jennifer &amp; Michael Scott</td>
<td>New Canaan Community Foundation</td>
<td>Program Gift / Restricted Gift</td>
<td>2013-2013</td>
</tr>
</tbody>
</table>

Please let us know if you have any questions,
Tom and Becca,
From: Rebecca Heslin  
Sent: Tuesday, February 17, 2016 4:01 PM  
To: Gift Officer  
Cc: 'Thomas Hampsey'  
Subject: CONFIDENTIAL: Dr. John Smith P'18

♦DR. JOHN D. SMITH P’18♦  
DEPARTMENT OF DEVELOPMENT RESEARCH

RESEARCH NOTES:

- This is, without question, one of the top parents in the class of 2018. $1 million+ potential.

- Suggested ask: $10,000; however, more important than the Annual Fund this year, we feel that the framework for a major gift ask should be established if he is disposed to supporting the College at a high level. Because we cannot verify the full scope of his philanthropic interests or proclivity, it would be helpful if you could glean this from Dr. Smith during your conversation. Tom feels that he is Board candidate material if it is true, as it appears, that he does not have many other philanthropic pulls. Dr. Smith has one other child-- it would be instructive if you could find out if the other child is approaching college-age or beyond college-age (this information is not listed on the family information form, but a bio on Dr. Smith notes that he has two children).

- Couple have made over $60,000 in political contributions since 2000.

- The couple have been supporters of: World Doctors Orchestra (WDO) and Somerset Hills Education Foundation at unknown levels. Both he personally and his company support the WDO, an orchestra made up entirely of physicians. It was established as a non-profit organization in 2007 by Prof. Stefan Willich at the Charité University Medical Center in Berlin, Germany with the purpose of combining music with global medical responsibility. The members are physicians representing almost 50 countries worldwide, many of them with a professional musical background.
It is unclear whether Dr. Smith participates/perform in this organization in addition to his support as a donor. It would be helpful if you can discern his level of involvement with the WDO as this could provide insight into his possible philanthropic project interests.

- **Stock Holdings**: 318,719 shares of HSMD x 29.50 on 2/17/15 = $9,4025,210
  
  **Tom believes he may have even more direct stock holdings, but we would have to look into this a bit further later on to verify.**

- **Salary Info:**
  
  - **2013**: $793,272, $842,851 bonus
  - **2012**: $748,370, $950,000 bonus
  - **2011**: $723,060, $676,062 bonus

- **Company Info:**
  
  Founded in 2000, HospiMed (HSMD) markets patented medical devices that assist in the diagnosis of dizziness and vertigo, and rehabilitate those in danger of falling as a result of balance disorders. Through its majority-owned NexioVis subsidiary, HospiMed makes diagnostic equipment that can tell employers and police if someone is impaired by alcohol, drugs, or fatigue.

  - **2013 Sales**: $677.66 million
  - **2013 Employees**: 558

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**Key Biographical Info:**

- **Dr. John Smith, MD, PhD P’18:**
  
  **BUS**: CEO, Chairman
  
  HospiMed [NASDAQ: HSMD]

- **EDU**: MD, PhD, Harvard University

**Professional Bio:**

View at the following link – [http://www.hsmd.com](http://www.hsmd.com)
**REAL ESTATE**
Home valued around $7 million

<table>
<thead>
<tr>
<th>SELECTION VISIBLE PHILANTHROPIC GIFTS IN THE PUBLIC RECORD</th>
</tr>
</thead>
<tbody>
<tr>
<td>WORLD VISION CHARITY</td>
</tr>
<tr>
<td>AMERICAN HEART ASSOCIATION</td>
</tr>
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<table>
<thead>
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<tbody>
<tr>
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</tr>
<tr>
<td>HOSPIMED POLITICAL ACTION COMMITTEE</td>
</tr>
<tr>
<td>PARSIPPANY NJ 7054</td>
</tr>
<tr>
<td>MENENDEZ FOR SENATE</td>
</tr>
<tr>
<td>NEWARK NJ 71020648</td>
</tr>
<tr>
<td>MENENDEZ FOR SENATE</td>
</tr>
<tr>
<td>NEWARK NJ 71020648</td>
</tr>
<tr>
<td>PALLONE FOR CONGRESS</td>
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<tr>
<td>LONG BRANCH NJ 7740</td>
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<tr>
<td>ROGERS FOR CONGRESS</td>
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<tr>
<td>BRIGHTON MI 481160581</td>
</tr>
<tr>
<td>FRIENDS OF SCHUMER</td>
</tr>
<tr>
<td>NEW YORK NY 10022</td>
</tr>
</tbody>
</table>

Please let us know if you have any questions,
Tom and Becca,
Parent Volunteer Opportunities
(Please use this form if you do not have access to the online form on the parent website)

All parents of current Lafayette students are members of the Lafayette Parent Association. As members, you are invited to lend your expertise and resources by being a volunteer for one of the groups below. The time commitment is very flexible. Be involved!

Parent 1 Name: _________________________________ Email: ________________________________

Parent 2 Name: _________________________________ Email: ________________________________

Student Name: _________________________________ Class year: __________

Please indicate your interest(s) below:

Parent 1 Parent 2

Family Weekend Committee – Members are asked to attend Family Weekend, September 26-28, and complete an evaluation of the event. The committee will meet on Parent Committee Day, January 24, 2017, the day student's return for the spring semester, to critique the Family Weekend program and discuss planning for next year with the student planning committee chair and co-chair.

Parents Fund Volunteer – assist the Parents Fund by contacting other parents for financial support by calling from home, while attending a regional phonathon in your area or from campus.

Your involvement is important and appreciated.

THANK YOU!

Please return by August 8, 2016 to:
Donna L. Krivoski, Director of Parent Relations
307 Markle Hall, Lafayette College, Easton, PA 18042
Marquis Parents Council

MEMBERSHIP:
- Membership in the Marquis Parents Council is open to parents of current students who, by virtue of their annual giving, have achieved Marquis Society status. Members of the Council serve a one-year renewable term and may serve until their student graduates from the College.
- The Council is led by an individual or couple who will serve as Chair(s). The Chair(s) is appointed to a two-year term.

RESPONSIBILITIES:
- Attend two meetings per academic year, one of which is held during Family Weekend and the other during the spring semester;
- Provide the President and the College with comment, reaction, and counsel on issues of importance to the interests of the College;
- Undertake ad hoc assignments where individual expertise or influence can be beneficial to the College;
- Help identify other parents capable of lending support to the College, and encourage these individuals to join the Marquis Parents Council;
- Maintain membership in the Marquis Society

OPTIONAL ACTIVITIES:
- Host receptions;
- Make calls to encourage other parents to attend events