

Open Society Institute-Baltimore
2011-2013 Development Goals and Strategies
Revised May 20, 2010
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Introduction

While it would be optimal to have a crystal ball to help project how future fundraising will look at OSI-Baltimore, in the real world, we must rely on recent experience, an informed scan of trends in this community and nationally, and the commitments that George Soros and other donors have made to predict our future success. We can use our recent experience and informed scans of the community and the country, but we do not know the level of future commitments from Soros. Therefore, this preliminary plan is based on a continuation of the current 1:2 match agreement from Soros. For a \$6 million budget in each year 2011-2013, OSI-B will need to raise \$4 million to receive \$2 million from Soros.

The Campaign Committee members, as well as the Development staff, Communications staff and Diana are involved in framing this preliminary plan and we will continue to fine-tune it in order to achieve a stable fundraising organization well into the future.

What we know now:

- ❖ So far, our efforts to raise funds yielded \$14 million, or an average of \$3.3 million per year during the 4 years between 2006-2009. However, if we subtract the \$2.5 million EMBC grant, the average raised per year over the four years is slightly over \$2 million per year.
- ❖ By the end of 2010 we expect to have raised an additional \$2.4 million for 2010, bringing the total raised since 2006 to \$16 million in private sources in response to the Soros challenge. However, the \$2.4 million is a very ambitious goal and may not be realized.
- ❖ The original \$20 million goal was unrealistic to start with – even before the recession of historic proportions hit the U.S. (and Maryland) faced our country. In 2009 and 2010 giving slowed to its lowest levels in over 40 years reflecting an increase in unemployment and other economic hardship hitting Maryland – and Baltimore in significant ways.
- ❖ If the formula that has been in place since 2006 continues, and Soros contributes \$2 million/yr as he has in the past, we will continue to need to raise at least \$4 million per year for 2011-2013 -- a total of \$12 million.

- ❖ Most of our donors gave stretch gifts in support of a challenge from Mr. Soros; this is an indication that we may not be able to attract renewals at those high levels. It also means that people we are asking for the first time may also respond positively to requests for gifts larger than they might otherwise give.
- ❖ The majority of the funds raised so far have been gifts made in multi-year commitments, which is very positive for us looking into the future and we must continue to ask for multi-year commitments.
- ❖ OSI-Baltimore is still not as widely known as it needs to be in many circles of people who could support us. We will need to continue to aggressively raise the level of awareness about OSI-B and to convey our approach, and what successes we have had, especially to the target audience of donors who are not yet involved.

What we don't know:

- ❖ How all our current donors will respond to requests for their continued support.
- ❖ How successful we will be in attracting support from major philanthropic donors and foundations who did not give during the 5 year campaign 2006-2010.
- ❖ If the community has both the resolve and the resources to support OSI-B at the level of at least \$4 million per year.
- ❖ What level of support Soros plans to commit for Baltimore for 2011-2013

Making the Transition from the first campaign (2006-2010) to a different approach to fundraising for 2011-2013

Decide the approach and message

Beginning in 2011 OSI must frame its fundraising by either: 1) creating and launching a new “campaign” to inspire and attract large amounts of money, or 2) establishing itself as a permanent institution that is “here to stay” and will be raising money year to year just like most other nonprofit organizations and institutions; or 3) combining these two approaches with very crisp messages that board and staff can explain and donors will understand, primarily to focus more on the solutions we are pursuing than on a target amount of money we need to raise. The staff, campaign committee, and the Board should decide this framework no later than October 2010 so it can be adopted and implemented organization wide beginning January 2011. The development office will also work closely with Strategic Communications to integrate our approach and messages.

We will communicate to our donors how we help people as well as how we help change systems (who benefits from our work; how are we moving the needle to improve life in Baltimore for its residents and the people who work here?). We will establish a strong brand/niche for OSI-Baltimore that is clearly distinguishes it as a unique and critical organization in Baltimore.

As long as Mr. Soros is involved as a donor here we will continue to integrate his support, as well as his commitment to match third party donations, as part of our message.

Analyze all donor gifts and grants 2006-2010

At the end of 2010 and at the end of each subsequent year, we will evaluate the year in terms of

- gifts received/pledged
- number of new donors
- rates of renewals and lapsed donors
- gender, age, race, and other demographic aspects of our donor base.

This analysis will examine how we have secured each gift raised during 2006-2010. It will help us understand how much of the funding has come as a consequence of staff relationships, research in to new funding sources, etc. and how much of the funding has come as a result of using well we are using our “networks of influencers” (Board members, colleagues, and leadership council members) to raise new funds and secure renewals. Annual goals and strategies for 2011 – 2013 will incorporate the information gathered from these analyses.

For example, we have begun to reach out to wealthy African American donors in Baltimore to tell the OSI-Baltimore story, and recruit their gifts. We need to

evaluate if this approach has been effective. If it has been, does that warrant a stronger and more focused approach to raise funds from African American families with wealth? Similarly, we have reached out to women with wealth, using other women with wealth to make those requests. The end of 2010 analysis will inform our approaches going forward.

Setting Priorities to Reach the Goals for 2011-2013

The development staff, collaborating with the Campaign Committee, will develop annual gift pyramids will be developed to reflect realistic goals of numbers of donors and amounts of gifts sought. The pyramids will include both renewals and gifts from new donors. We anticipate the pyramids for 2011-13 will:

- Focus priority attention on gifts in the \$50,000 - \$250,000 level;
- Strive for at least one gift of \$1 million or more each year;
- Increase the total number of donors to OSI by 100-150 each year and
- Achieve donor retention rates of least 60-70% per year.

Priority Strategies to employ 2011-2013

- Collaborate with OSI-B's Strategic Communications program to invite current and prospective donors to OSI public events such as the Talking About Race Series and subsequent programs we develop that are focused on education, closing the addiction treatment gap, criminal and juvenile justice, and the Baltimore Community Fellowships;
- Plan two or three small events each year (est. 25- 50 people) possibly featuring a celebrity who "Started in Baltimore" or others who "moved here and wouldn't live anywhere else." These events are intended to yield funds without significant expenses and raise our profile in Baltimore with targeted audiences;
- Plan at least one to one and a half days per year for George Soros to come to Baltimore, meet with both current and prospective donors with the parallel goal of attracting new donors and encouraging current donors to remain committed to OSI-Baltimore; invite Jonathan Soros here to have an opportunity to get to know us better and invite donors to meet him as well;
- Emphasize stewardship of all donors to ensure they know how much their support helps, how important their renewals are, and how they can help us by influencing their friends and colleagues to join us as investors;

- Work with the Board, the Leadership Council, the staff, and current community fellows to find new prospects within their circles of friends and colleagues;
- Continue to recruit/add Board members who are investors and are willing to ask people to invest in OSI-B;
- Explore potential links to other new prospects using:
 - Financial advisors and wealth advisors
 - Wills and Trusts attorneys
 - Lawyers and agents for Baltimore athletes and other celebrities
- Expand giving in honor of donors, board, friends and staff using “In Honor Of” or “In Memory Of” for birthdays, anniversaries, bat/bar mitzvahs etc.

Priority Source Categories

1) Individual Donors

- Renewals (at all gift levels)
- New Prospects
- Suspects to put in the prospect pipeline

2) Foundations

- Baltimore/Maryland-based
- National Foundations funding in our issue areas

3) Corporations

- Baltimore/Maryland-based
- National Corporations funding in our issue areas
- Event Sponsors

4) Public Sources

- Possible support from the Corporation for National Service (SIF)

Priority Methods:

1) Conduct annual analysis of donors, gifts, renewals, lapsed donors, etc. similar to that done in 2010.

2) Continue using network research, determining which donors and prospects are “connected to” Board, Staff, Leadership Council, Fellows, and other current donors/investors determining the best approach for soliciting a contribution, based on who is the most connected person to ask for the gift. Make a concrete request of each board member (e.g. pick top three people they will ask to give to OSI-B (either a renewed gift or a new gift).

3) Continue empirical research of wealth and philanthropy for prospects.

4) Determine best approach to each renewing donor and each new prospect:

- a) In-person visits/meetings
- b) Written proposals
- c) Phone calls
- d) Mail, email and online appeals

5) Set goals for numbers of people asked each month using all types of approaches. Help staff and Board stay on task and meet the target goals for asking each month.

6) Work with Strategic Communications to develop collateral materials. Publish an annual report each year.

Capacity Building we need to do:

- ❖ Determine if we need more staff (full or part-time) or a contract consultant to make these goals;
- ❖ Provide development office staff with professional opportunities in areas where they need to shore up skills;
- ❖ Continue to expand the Board with a few of our donors who will ask for money and provide regular support to board and staff who are asking in order to help them hone their requests and asking skills;
- ❖ Support staff and board members to continue to stay focused on meeting “Bottom Line” goals;
- ❖ Collaborate with Strategic Communications as needed to assist with website enhancements, etc. Possibly create a donors only webpage within our website; and
- ❖ Continue to encourage creativity among Board and staff re: how we talk to donors, how we inspire them, how we thank them.