



Secure your Hospital's Vision and Future with Philanthropy



VISIONARY

Philanthropic Consulting, LLC

Counsel

Insight from over 30 years in the trenches, managing campaigns, conducting studies, audits, and analytics uncovers best practice in healthcare philanthropy..

Chief Development Officer

Presented with a challenge unlike any other in the country and needing to build an operation capable of surpassing the challenge, this vantage illuminates the three elements of any successful campaign.

Board Member

Good volunteers combine their business experience with a passion for the mission. This board member explains the how's and whys two visionary campaigns were wildly successful. It starts at the top!

The Team



Scott R Lange
President, Chicago/Cleveland



Melanie Sabelhaus
JHHS Board Member Naples, Florida



David E. Krause, D.Min, CFP, FAHP
Retired President, Parkland Foundation, Dallas

Three Case Studies



Public Charity Hospital

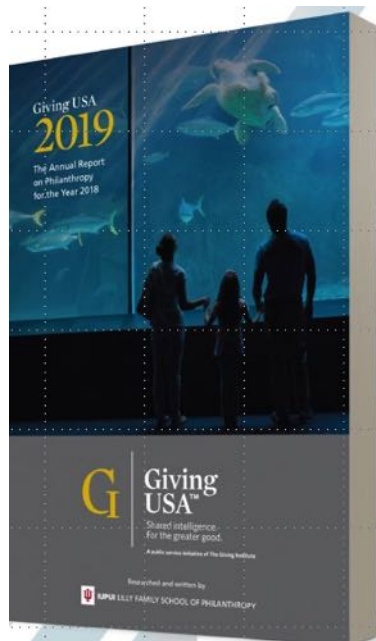


Academic Medical Center



Community Hospital

Context: The Philanthropic Landscape



Giving USA 2019 ***The Annual Report on*** ***Philanthropy for the Year 2018***

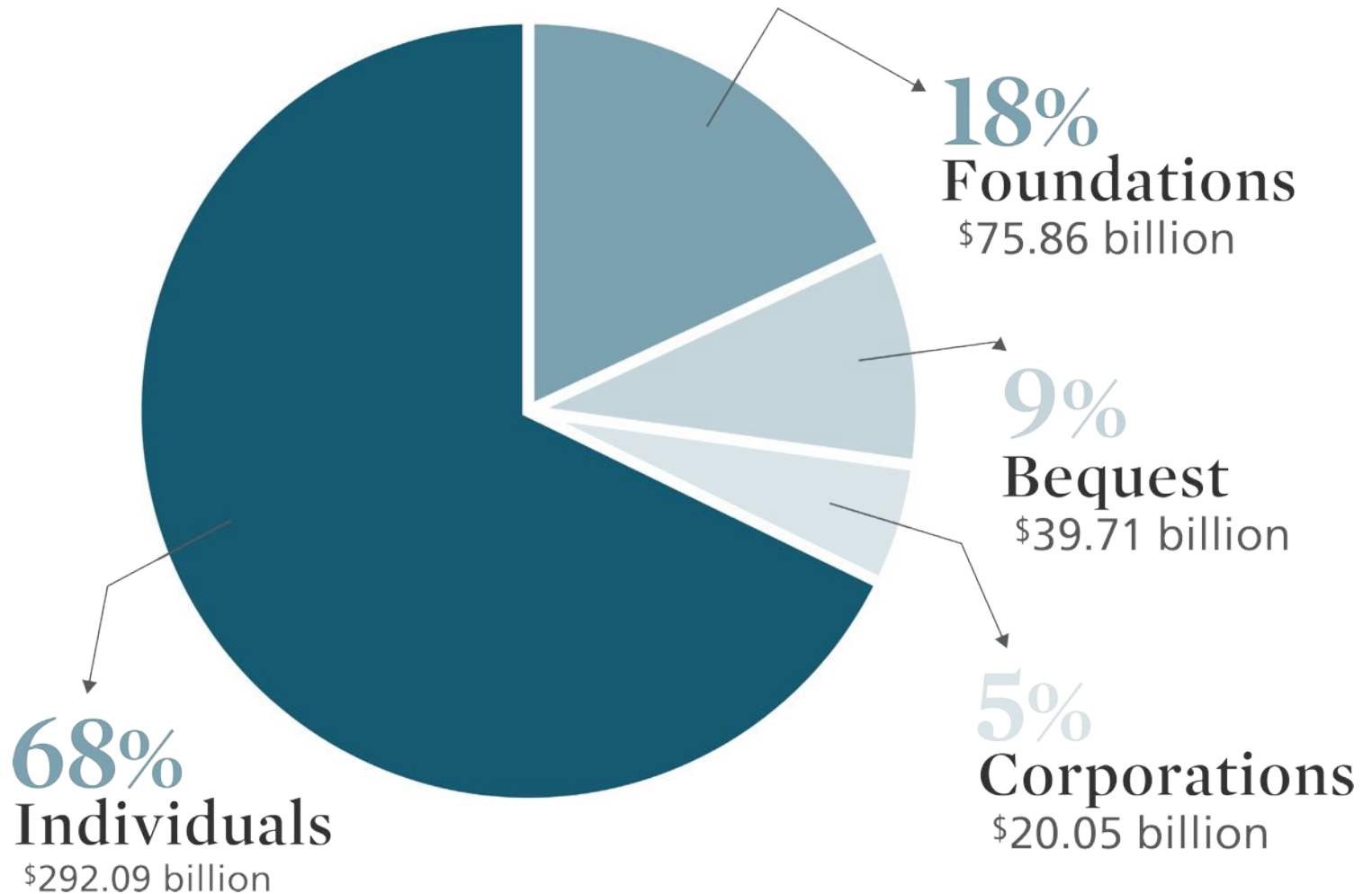


IUPUI

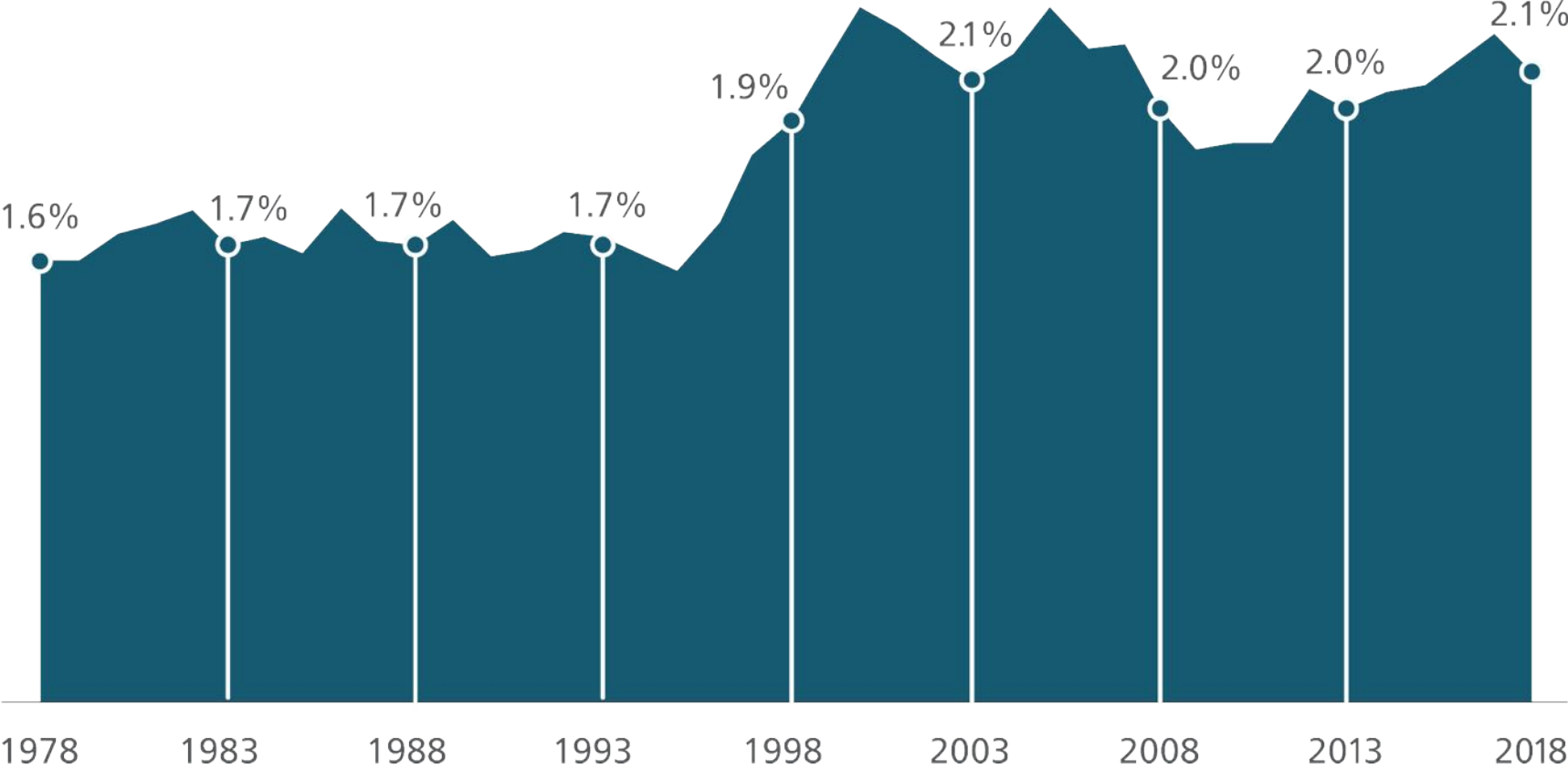
LILLY FAMILY SCHOOL OF PHILANTHROPY

2018 Contributions: \$427.71 Billion by Source

(in billions of dollars - figures are rounded)



Giving as a Percentage of GDP



Charitable Giving tracks at 2% of Gross Domestic Product

Fundraising Effectiveness Project



Giving increased by 1.6% in 2018, according to the Fundraising Effectiveness Project's 2018 Fourth Quarter Report

Source: AFP Growth in Giving Database of 154 million transactions from 17,597 organizations and \$68 billion in donations since 2005

Giving increases at \$1,000+



Philanthropic gains being driven exclusively by donors who gave \$1,000 or more
The total number of donors dropped by 4.5% from between 2017 and 2018

Capacity:
Leveraging Data with Analytics
Extend the value of wealth screening



Sample Screening Results

Gift Capacity Rating	Grand Total	Class Total	Percentage	Category
C - \$10 Million - \$50 Million	20			Principal Gifts
D - \$5,000,000 - \$9,999,999	105	307	0.2%	
E - \$1,000,000 - \$4,999,999	182			
F - \$500,000 - \$999,999	274			Major Gifts
G - \$250,000 - \$499,999	964	6,336	4.1%	
H - \$100,000 - \$249,999	5,098			
I - \$50,000 - \$99,999	34,628			Leadership Annual Gifts
J - \$25,000 - \$49,999	51,447	128,368	82.6%	
K - \$15,000 - \$24,999	19,594			
L - \$10,000 - \$14,999	22,699			
M - \$5,000 - \$9,999	6,938			Direct Marketing
N - \$2,500 - \$4,999	6,440	20,308	13.1%	
O - \$1 - \$2,499	4,246			
P - Unable to Rate	2,684			
Total	155,319	155,319	100.0%	

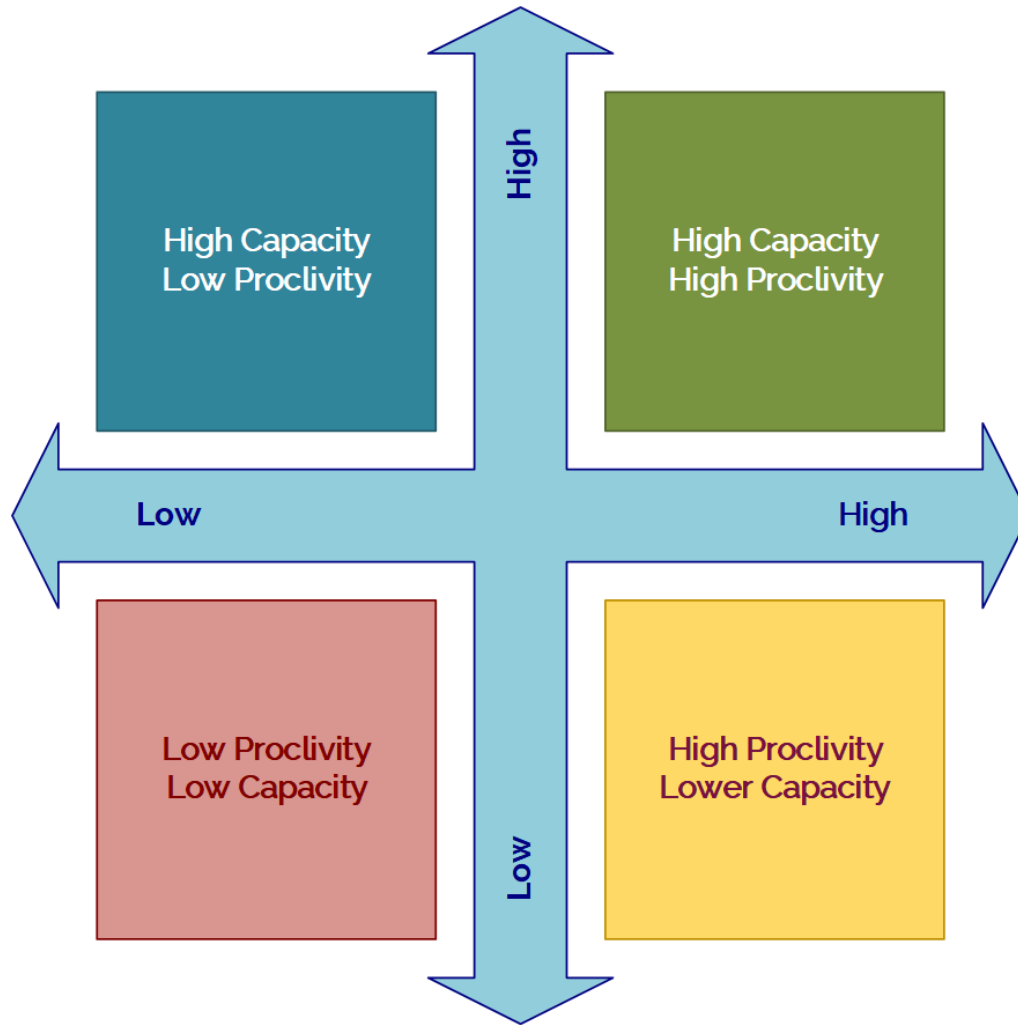
- 82% of the file qualified as Leadership Annual Gift Prospects
- Capable of giving between \$2,000 and \$10,000 per year

Correlate Capacity with Proclivity

Gift Capacity	DS1-1	DS1-2	DS1-3	DS1-4	DS1-5	DS2	DS3	Grand Total
A - \$100 Million+	1	3						4
B - \$50 Million - \$100 Million	4							4
C - \$10 Million - \$50 Million	7	1						8
D - \$5,000,000 - \$9,999,999	8	3						11
E - \$1,000,000 - \$4,999,999	139	60						199
F - \$500,000 - \$999,999	204	368						572
G - \$250,000 - \$499,999	79	283	1					363
H - \$100,000 - \$249,999	172	62	753	276				1,263
I - \$50,000 - \$99,999	47	25	9	435				516
J - \$25,000 - \$49,999	39	26	23	855	455			1,398
K - \$15,000 - \$24,999	28	9	29	187	372		1	626
L - \$10,000 - \$14,999	22	4	5	85	98		1	215
M - \$5,000 - \$9,999	67	20	20	574	1,717		923	3,321
N - \$2,500 - \$4,999	7	3	6	134	344	2	601	1,097
O - \$1 - \$2,499				23	19		7	49
P - Unable to Rate	1			32	133		67	233
Grand Total	825	867	846	2,601	3,138	2	1,600	9,879

While the majority of your file is in the midrange of philanthropic capacity and propensity: 2,148 prospects are situated in the top quadrant: high propensity and major gift capacity

Prospect Topography



Allocate time and resources to each quadrant with respect to the projected Rate of Return on Investment (ROI)

Known & Assigned Prospects vs. Those Newly Discovered

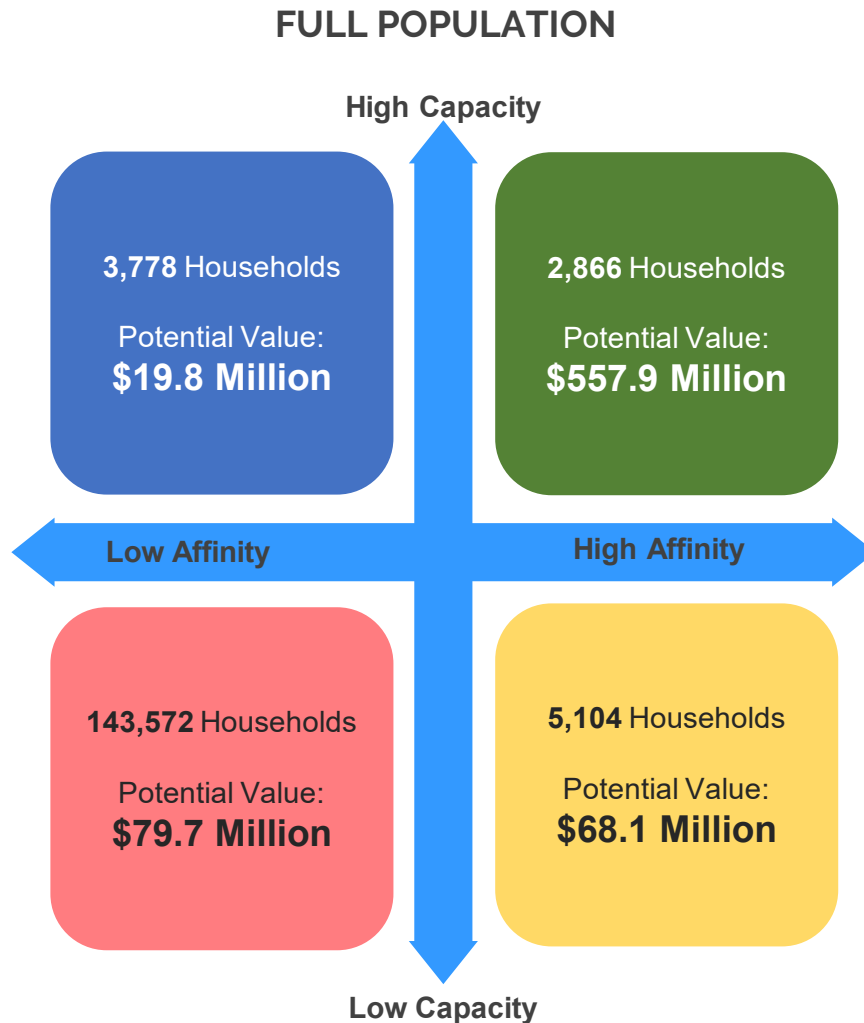
	Gift Capacity Rating		Donor Proclivity					Grand Total	
	DS1-1	DS1-2	DS1-3	DS1-4	DS1-5	DS2	DS3		
Assigned	C - \$10 Million - \$50 Million	8				3			11
	D - \$5,000,000 - \$9,999,999	52	3	3		3	2		63
	E - \$1,000,000 - \$4,999,999	105	5	3	8	4		4	129
	F - \$500,000 - \$999,999	129	13	1	4	4	8		159
	G - \$250,000 - \$499,999	254	62	16	4	3	18	5	362
	H - \$100,000 - \$249,999	140	804	90	28	24	42	13	1,141
	I - \$50,000 - \$99,999		107	214	140	111	102	98	772
	J - \$25,000 - \$49,999		161	322	224	83	168	173	1,131
	K - \$15,000 - \$24,999				10	49	30	42	131
	L - \$10,000 - \$14,999			3	30	9	68	54	164
	M - \$5,000 - \$9,999						17	11	28
	N - \$2,500 - \$4,999				8		11	20	39
	O - \$1 - \$2,499						9	11	20
	P - Unable to Rate							25	25
	Sub Total Assigned	688	1,155	652	456	293	475	456	4,175
	Unassigned	C - \$10 Million - \$50 Million		1				8	
D - \$5,000,000 - \$9,999,999		3			1	2	14	22	42
E - \$1,000,000 - \$4,999,999		6	3	2	2	2	24	14	53
F - \$500,000 - \$999,999		22	5	3	5	6	34	40	115
G - \$250,000 - \$499,999		53	46	20	25	32	235	191	602
H - \$100,000 - \$249,999		26	692	295	249	135	1,152	1,408	3,957
I - \$50,000 - \$99,999			191	1,697	2,561	1,708	16,619	11,080	33,856
J - \$25,000 - \$49,999			288	2,074	2,882	3,522	18,698	22,852	50,316
K - \$15,000 - \$24,999				23	713	1,071	8,060	9,596	19,463
L - \$10,000 - \$14,999				24	1,071	713	11,899	8,828	22,535
M - \$5,000 - \$9,999					157	105	2,557	4,091	6,910
N - \$2,500 - \$4,999					125	137	3,837	2,302	6,401
O - \$1 - \$2,499					14		2,527	1,685	4,226
P - Unable to Rate							1,064	1,595	2,659
Sub Total Unassigned		110	1,226	4,138	7,805	7,433	66,728	63,704	151,144

1,503 Assigned
Lower Capacity
Weaker Proclivity

1,177 Unassigned
Higher Capacity
Stronger Proclivity

4,297 Unassigned
Leadership Gift
Prospects

Philanthropic Value: \$725.6M

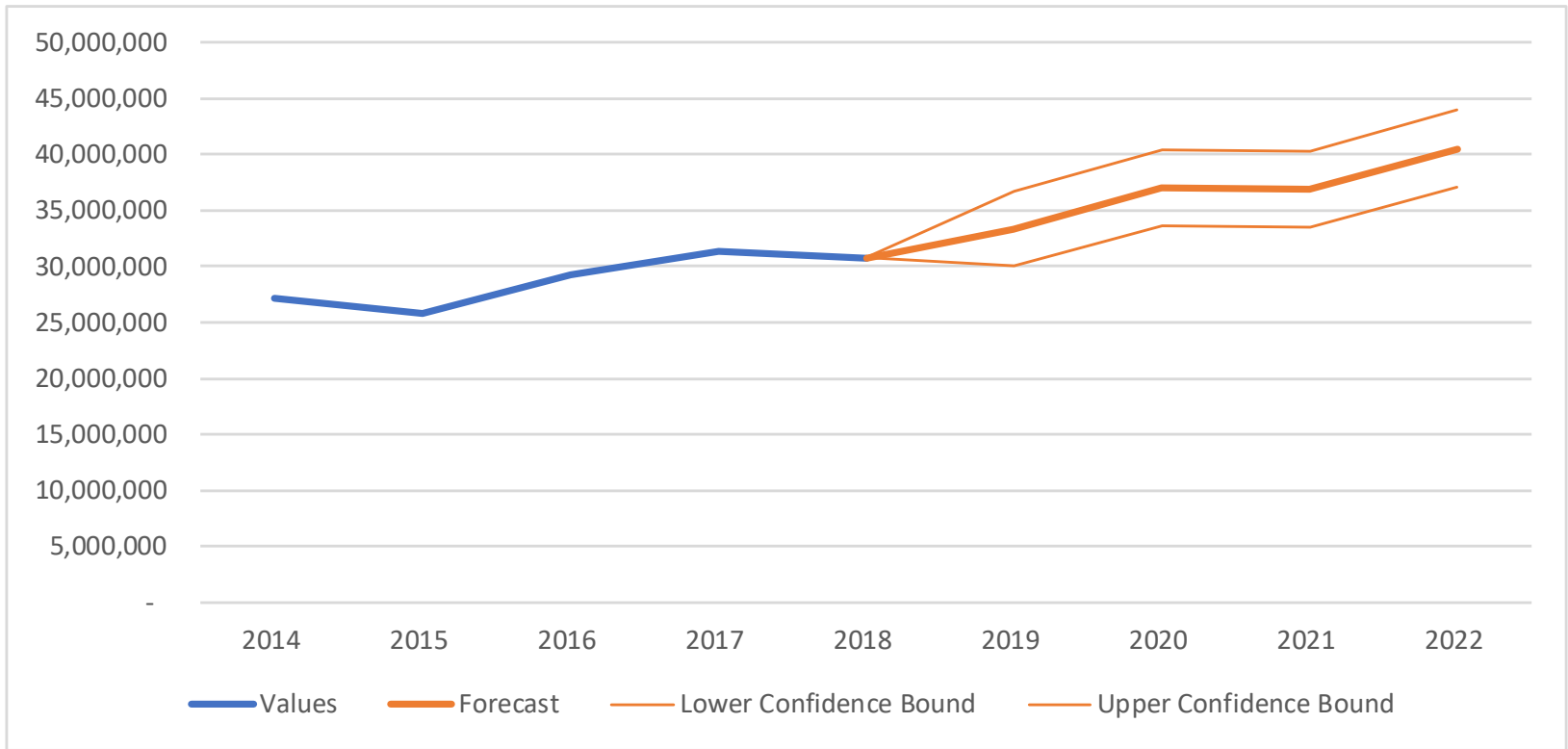


Total Number of Households
155,320

Total Potential Value
\$725.6M

Average Lifetime Giving per Household
\$9,183

Regression Analysis Forecast



Calculating Donor Conversion Ratios

	DS Rating	Gift Capacity Range	Median Value	25% of Median Value	Number of Households	Conversion Rate
High Proclivity	DS1-1 to DS1-3	\$10,000,000 +	\$25,000,000	\$6,250,000	1	30%
		\$1,000,000 - \$9,999,999	\$5,500,000	\$1,375,000	19	30%
		\$500,000 - \$999,999	\$750,000	\$187,500	20	25%
		\$250,000 - \$499,999	\$375,000	\$93,750	27	25%
		\$100,000 - \$249,999	\$175,000	\$43,750	188	25%
		\$50,000 - \$99,999	\$75,000	\$18,750	223	20%
		\$25,000 - \$49,999	\$37,500	\$9,375	446	20%
		Less than \$25,000	\$15,000	\$3,750	17	15%
	Total: High Proclivity				941	24%
Low Proclivity	DS1-4 to DS3	\$10,000,000 +	\$25,000,000	\$6,250,000		
		\$1,000,000 - \$9,999,999	\$5,500,000	\$1,375,000	4	25%
		\$500,000 - \$999,999	\$750,000	\$187,500	25	20%
		\$250,000 - \$499,999	\$375,000	\$93,750	34	20%
		\$100,000 - \$249,999	\$175,000	\$43,750	234	20%
		\$50,000 - \$99,999	\$75,000	\$18,750	2,412	15%
		\$25,000 - \$49,999	\$37,500	\$9,375	4,824	10%
		Less than \$25,000	\$15,000	\$3,750	10,280	5%
	Total: Low Proclivity				17,813	16%
Grand Total					18,754	20%

Forecast Based on the Conversion Rate

Major Gift Capacity Level	Projected Donors	Projected Gifts @ 25% of Capacity
\$100 Million +	1	\$22,500,000
\$50 Million +	1	\$11,250,000
\$10 Million +	2	\$5,250,000
\$5 Million +	3	\$3,375,000
\$1 Million +	59	\$44,550,000
\$500 K	143	\$26,812,500
\$250 K	91	\$8,531,250
\$100 K	302	\$13,208,125
\$50 K	81	\$1,524,375
\$25 K	214	\$2,005,313
\$15 K	97	\$484,500
\$10 K	34	\$105,625
\$5 K	255	\$477,375
\$2.5 K	13	\$12,563
1	6	\$1,876
Unable to Rate	0	\$0
Total	1,301	\$140,088,501

Anticipating prospective donors will commit 25% of their philanthropic capacity to one charity



BETTER TOGETHER

VISIONARY



Chief Development Officer's Perspective: Parkland Foundation

First Public/Private Initiative

Every Day at Parkland: 2018



811 patients will be cared for in the hospital

2,842 will be cared for as outpatients

1,876 will receive primary care in our clinics



947 women will receive primary women's or prenatal care in our clinics



73 babies will be cared for in the neonatal intensive care unit



1,450 radiology exams will be performed



31,540 laboratory tests will be performed



28,742 prescriptions will be filled



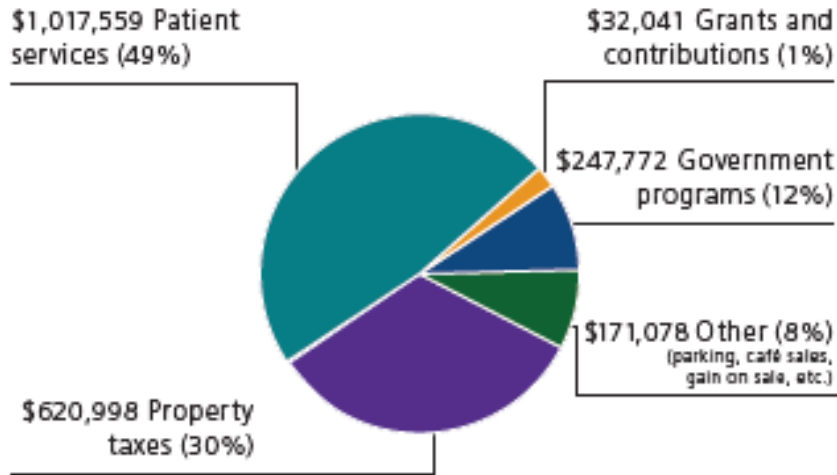
34 babies will be born



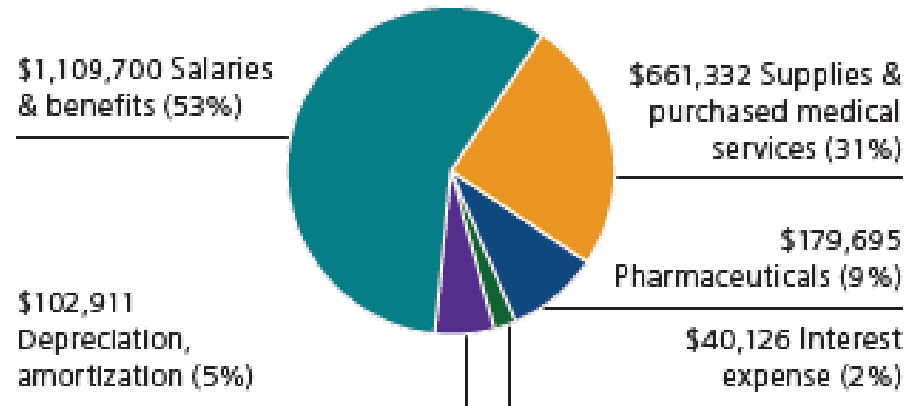
62 surgeries will be performed

Parkland Financials

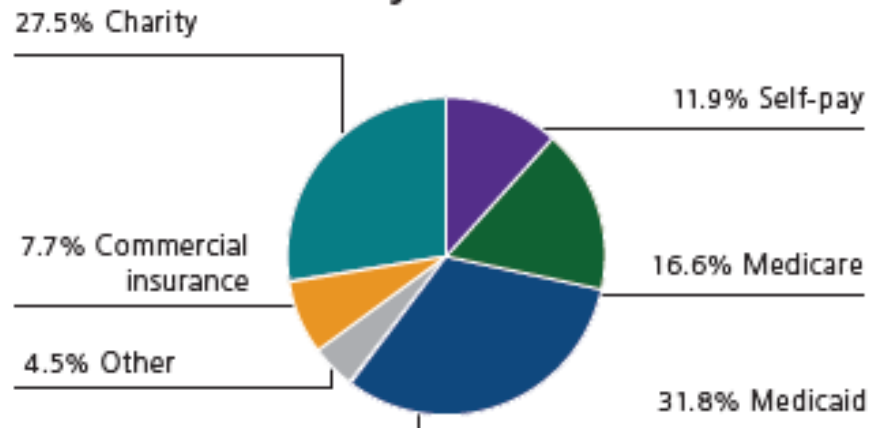
Sources of Revenue (thousands)



Uses of Revenue (thousands)



Payor Mix



Infrastructure

Board

- Non-Fundraising Board
- Transitioned to Campaign Focus

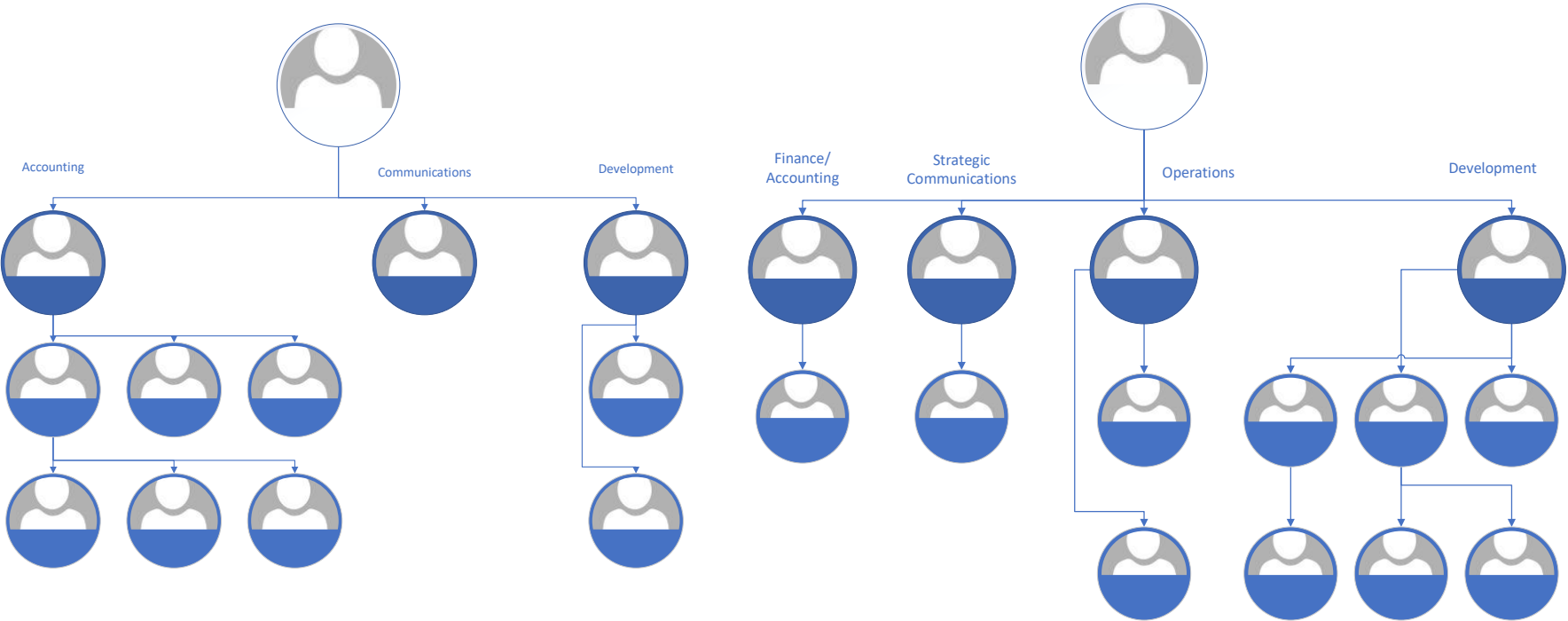
Staff

- Majority of Team in Accounting
- Added Professional Fundraisers

Systems

- Finance and Accounting Focus
- Refocused on Prospects and Gifts

Staffing, Before & After



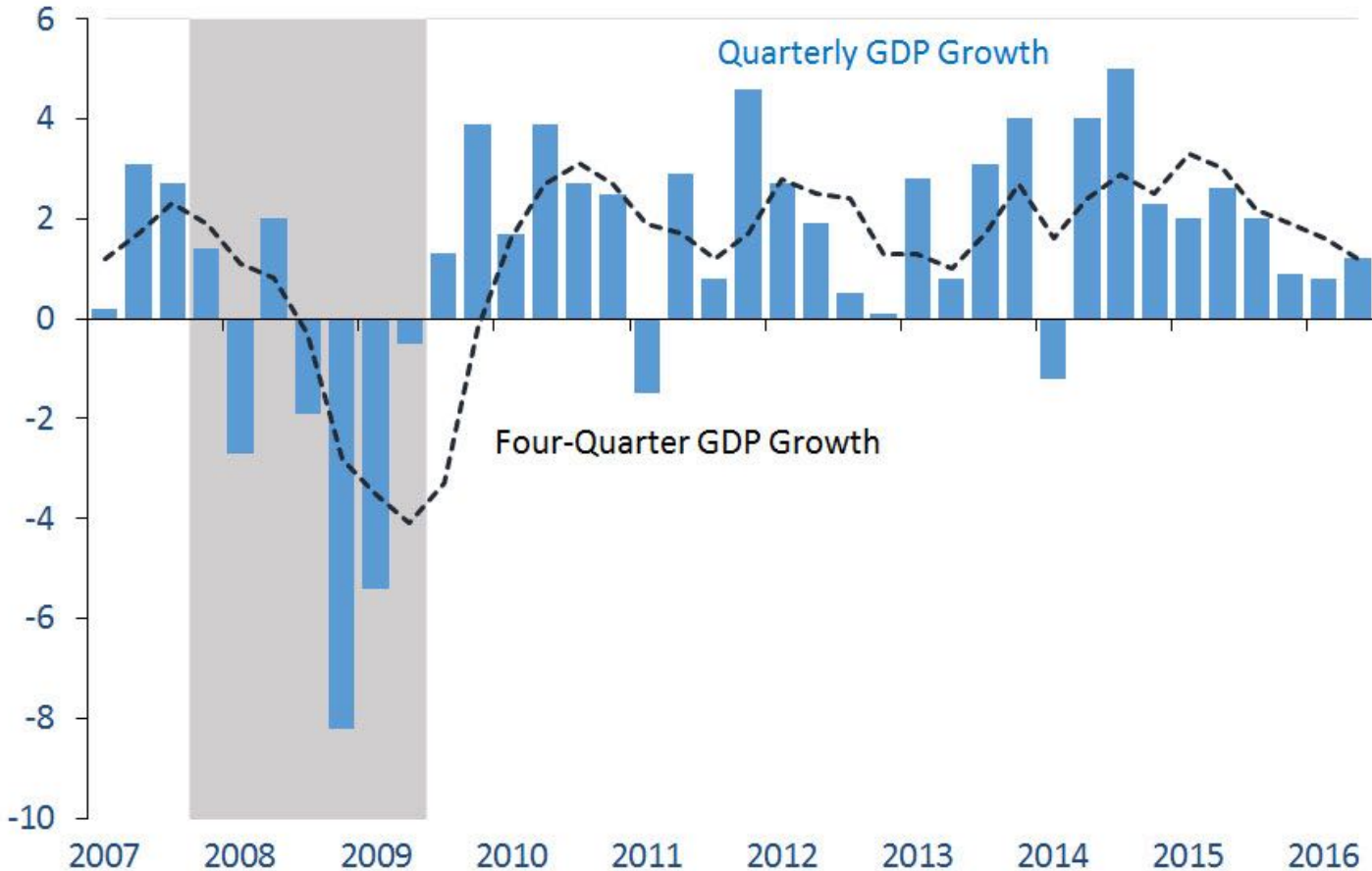
Primarily Accounting based

Primary fundraising focus

Campaign Backdrop

Real GDP Growth, 2007-2016

Percent, Annual Rate



Note: Shading denotes recession.

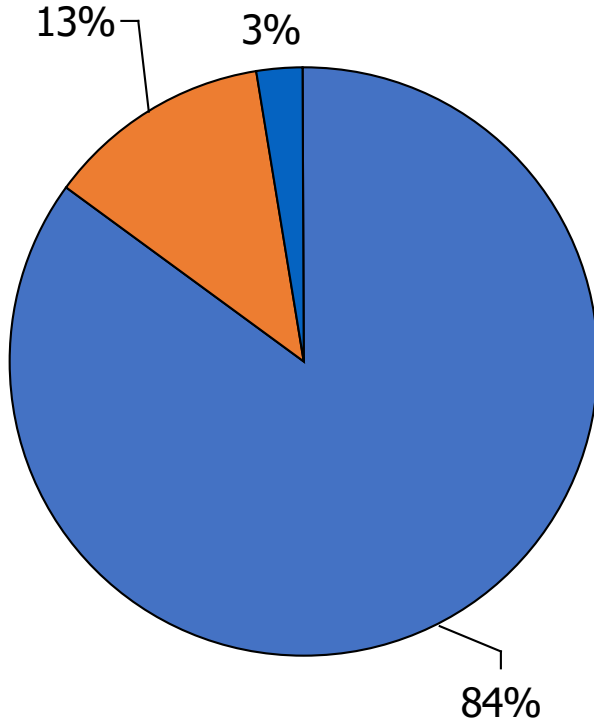
Source: Bureau of Economic Analysis, National Income and Product Accounts; CEA calculations.

The Nation's First Public/Private Initiative



[Campaign Video](#)

Study: Approves Plans for a New Hospital



A very large majority of those interviewed approved of the Blue-Ribbon Panel's recommendations that a new hospital facility be built for Parkland—another strongly positive indicator.

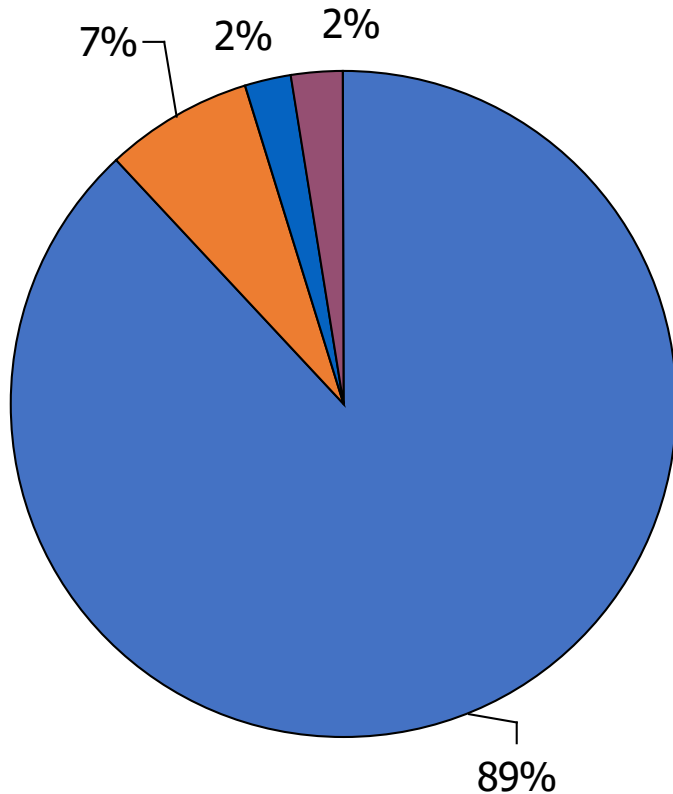
“The county, the Parkland board, the Blue-Ribbon Panel have all worked this and convinced me that there is a critical need to make a decision and put it forward that will rehabilitate and replace the Parkland facility.”

“Yes, go forward, as soon as they can, the economy will not last as long as it needs to.”

“I remember when it was built—there are many memories of Parkland. 50 years is a long time for a building.”

“The question is, ‘Is this something the government and tax-payers should pay all of, or is it a joint contribution?’”

Study: Support for a Campaign



Asked whether the Foundation should proceed with a campaign to augment public funds from an anticipated bond election, interviewees were **overwhelmingly positive**.

“They have no choice if they’re going to continue to serve the needs of Dallas—and a teaching hospital is so important...”

“Is there a question? Is there another way? I think they need to start with a large campaign—because there’s nothing small about Parkland; it’s such a large part of our city.”

“[A campaign] will make it happen sooner than it would if they wait for the city or county to make it all happen.”

“No. I don’t [go] for a capital campaign. It all ought to be taxpayer supported and paid for.”



New Parkland Hospital





Women of Distinction

Our Distinguished Women have been selected because each has carved out a unique path through life that is recognized by others as exceptional. You will see a commonality in the interviews.

These remarkable women have achieved greatness by following their internal compasses while facing the circumstances they are dealt in life. None had a road map.

All did as Steve Jobs suggested in his 2005 interview: *"Don't let the noise of others' opinions drown out your inner voice. And most important, have the courage to follow your heart and intuition. They somehow already know what you truly want to become. Everything else is secondary."*

For video interviews, visit readelysian.com/women-of-distinction



Kelly Killoren Bensimon

- Real Housewives of N.Y., seasons 2-5
- "Playboy" and "SHAPÉ" cover model
- Best-selling author, "The Bikini Book" and recently published, "A Dangerous Age"
- Author, jewelry designer, model and trendsetter



Darcie Patrick

- College Admission Strategist (The Price Group)
- Sea Pines Montessori Academy, founder and former Head Mistress
- Valentine Project, Tanzania, founding board member
- Educator, strategist and philanthropist



Melanie Sebalhaus

- Deputy Administrator, U.S. Small Business Administration, 2002-2005
- Exclusive Interim Properties, Founder/CEO
- American Red Cross, Vice Chair National board, co-founding National Chair of Tiffany Circle, Society of Women Leaders
- Business icon, entrepreneur, philanthropist



Eboni Williams

- FOX NEWS, contributor
- "The O'Reilly Factor," commentator
- Talk radio host New York and Los Angeles
- CBS News correspondent
- Author, attorney, and analyst

Portions of these interviews have been selected to showcase these women's distinctive lives and have been edited for clarity and brevity.

Board Perspective:

Johns Hopkins Health System
Nantucket Cottage Hospital

The Campaign for Johns Hopkins



THE CAMPAIGN FOR JOHNS HOPKINS

- Together We Can Rise
- Revolutionizing Prosthetics

Johns Hopkins University Campaign

\$6.015B Raised

120% of \$5B Goal

DONORS	GIFTS	GIFTS OF \$1M+
279,293	878,843	885



159 undergraduate scholarships established

\$3.87B

raised for research and program support

\$231.4M

total committed for undergraduate financial aid



267 professorships established, including 50 Bloomberg Distinguished Professors, with 40 named to date

\$380M

total committed for graduate student and other financial aid

\$368.3M

raised for buildings and facilities



FJHM Campaign Highlights: 2010-2018



Steve Rum

\$2.8 Billion Raised v. Goal of \$2.65B



189,417
Donors



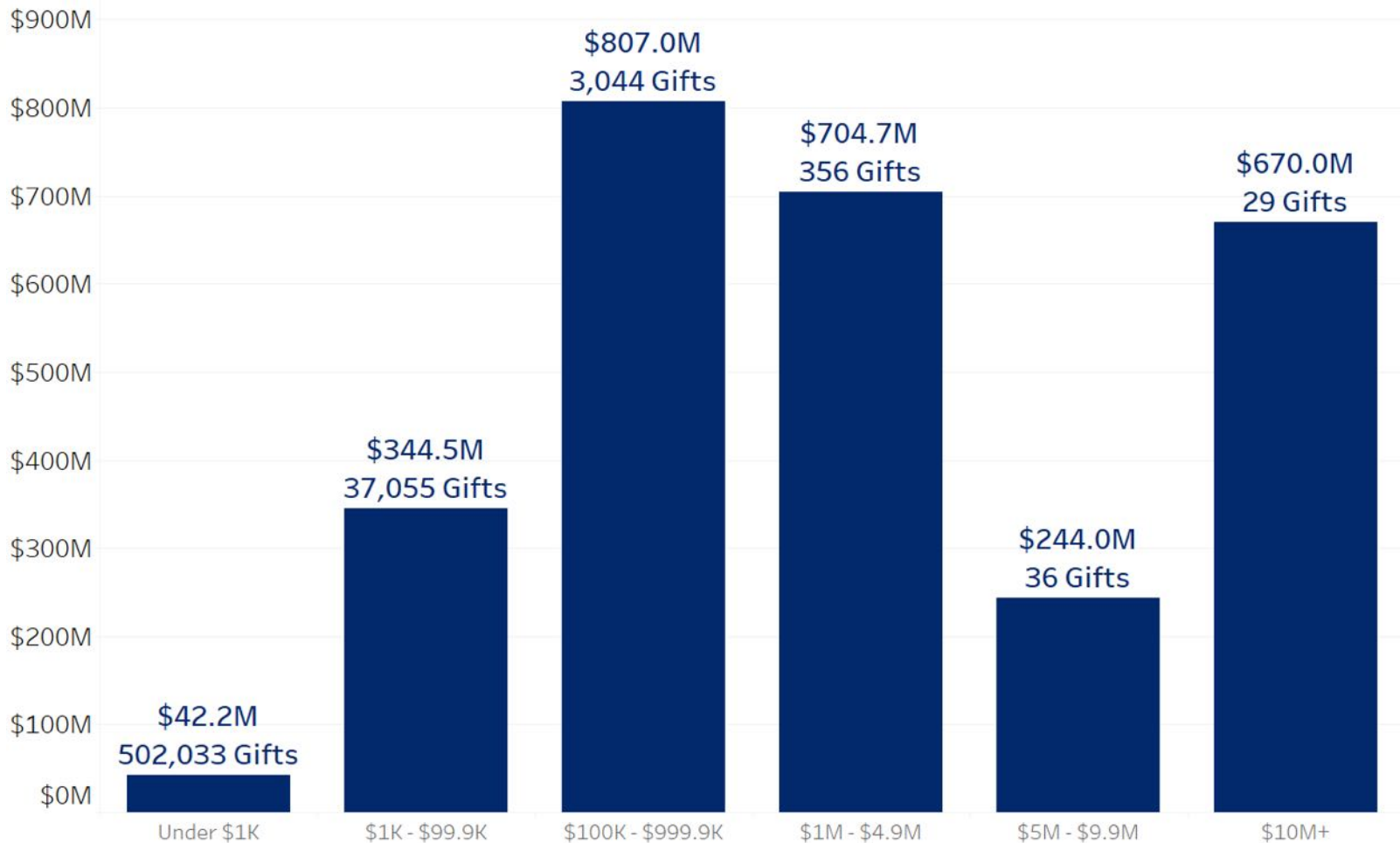
83
Professorships



542,500
Gifts



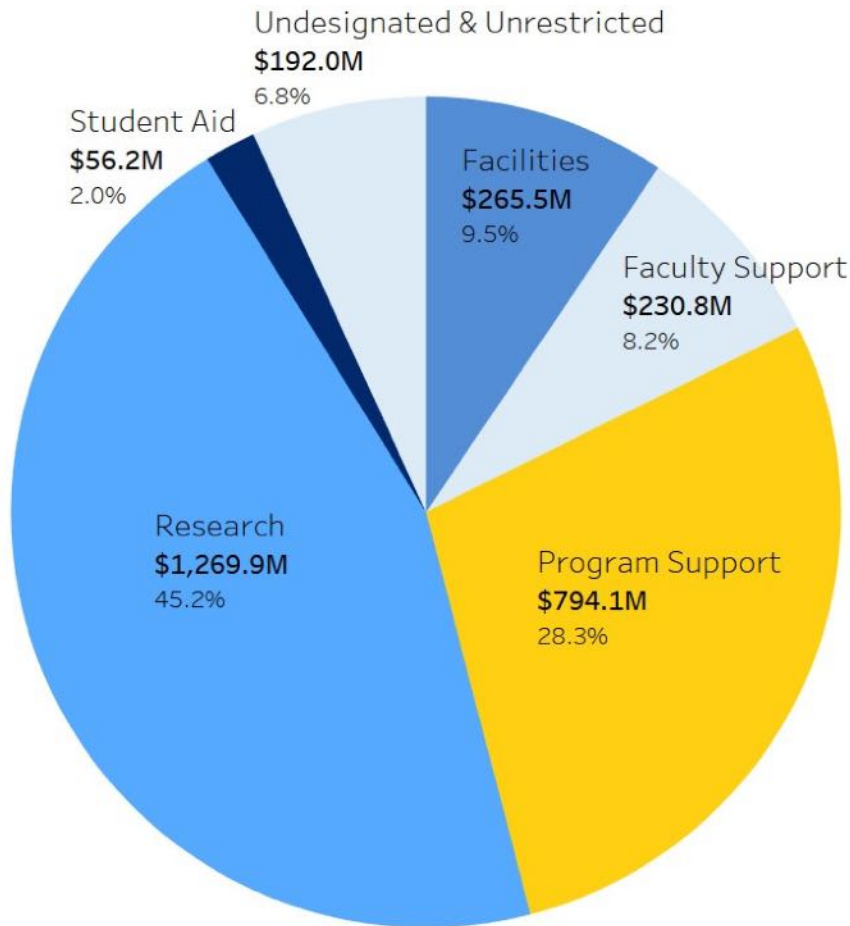
FJHM Campaign Results: Gifts and Pledges by Commitment Size



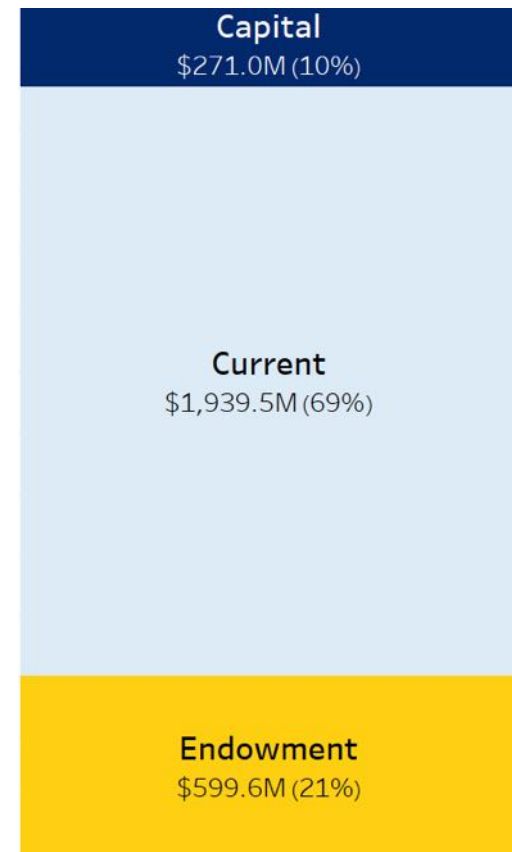


FJHM Campaign Results: Gifts & Pledges by Purpose and Use

Purpose

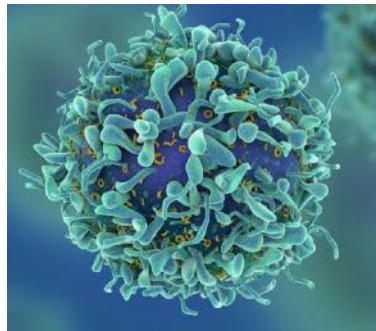


Use

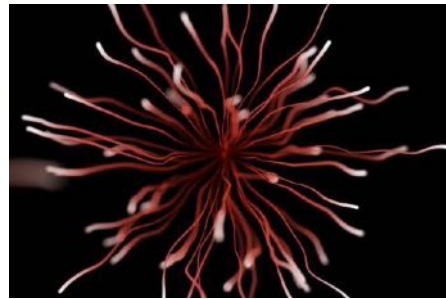


RISING TO THE CHALLENGE

FJHM Campaign Highlights



**Bloomberg ~ Kimmel Institute
for Cancer Immunotherapy**



**Neurosurgery Pain Research
Institute**



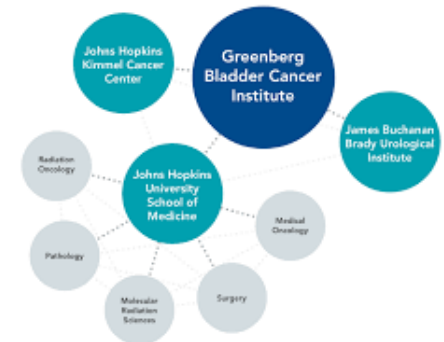
**David M. Rubenstein Hearing
Center**



Sheikh Khalifa Stroke Institute



**Comprehensive
Neurofibromatosis Center**



**Greenberg Bladder Cancer
Institute**

Nantucket Cottage Hospital Campaign



Goal \$89 Million, Raised \$120 Million

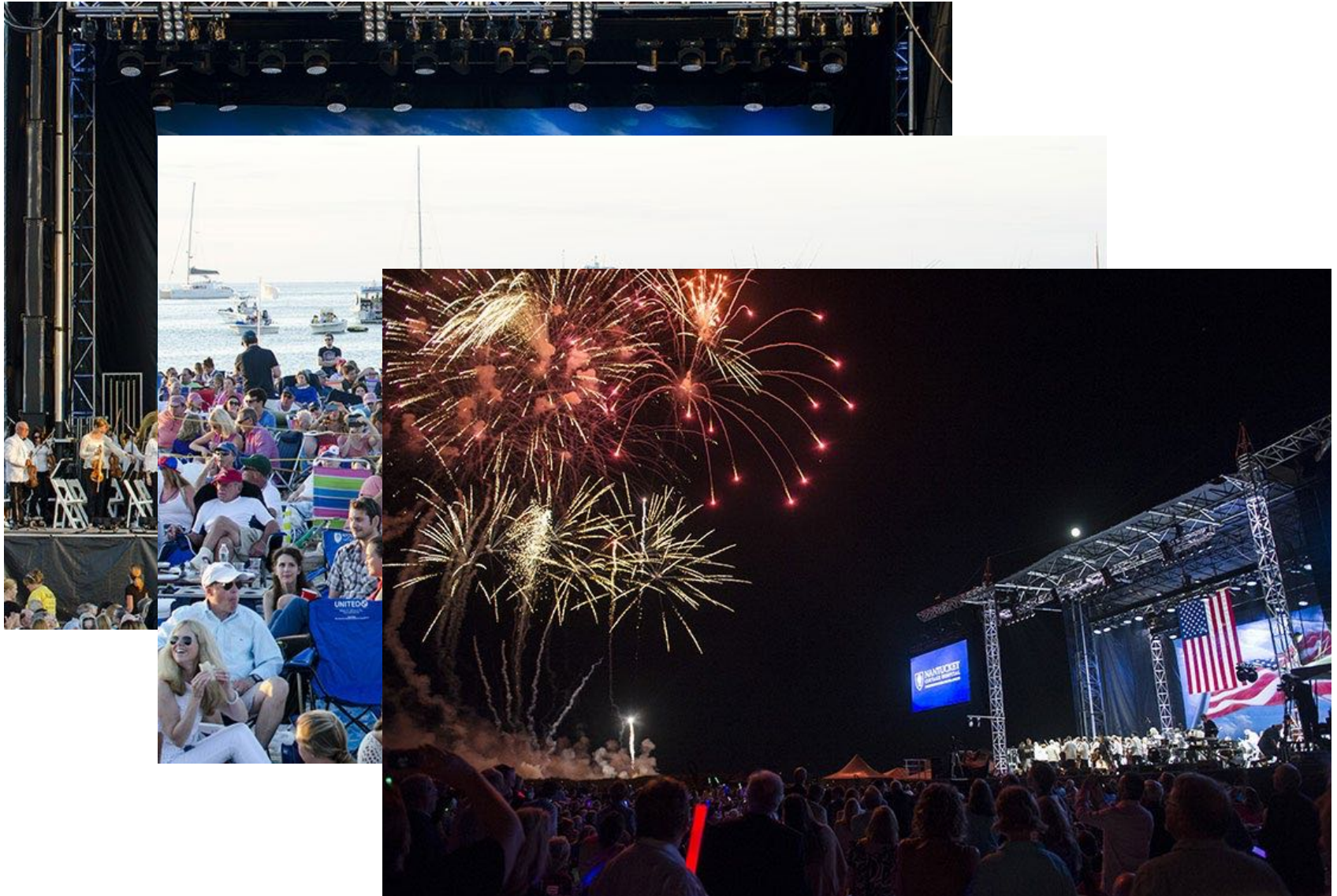
[Nantucket's New Hospital](#)

The Power of Leadership



Bruce Percelay, Campaign Chair & Lead Donor

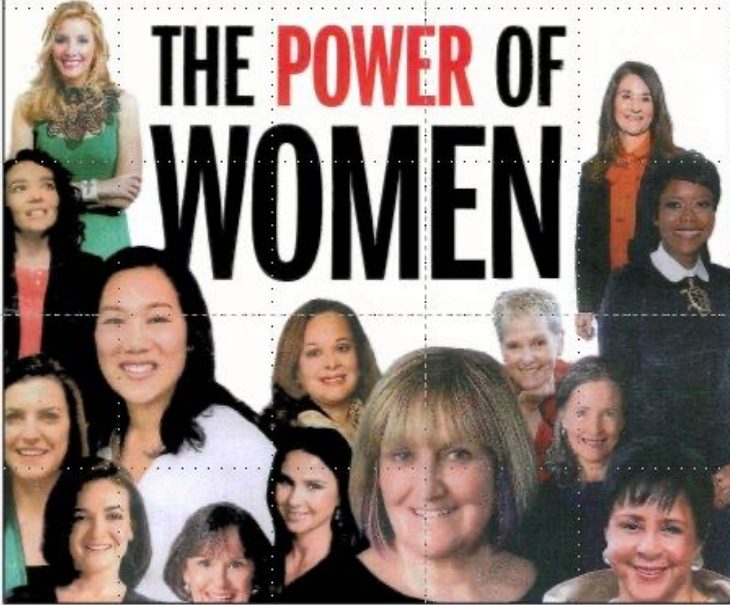
Community Outreach



THE CHRONICLE OF PHILANTHROPY June 2016 \$7

WHY NONPROFITS ARE SLOW TO TAP

THE POWER OF WOMEN



Women have the wealth and ambition to be a major force in philanthropy. We seek a deeper level of involvement in an organization or cause.

52% share of professional and management jobs are held by women.

40% share of households with children in which women are the primary breadwinner - up from 11% in 1960

Women in Philanthropy

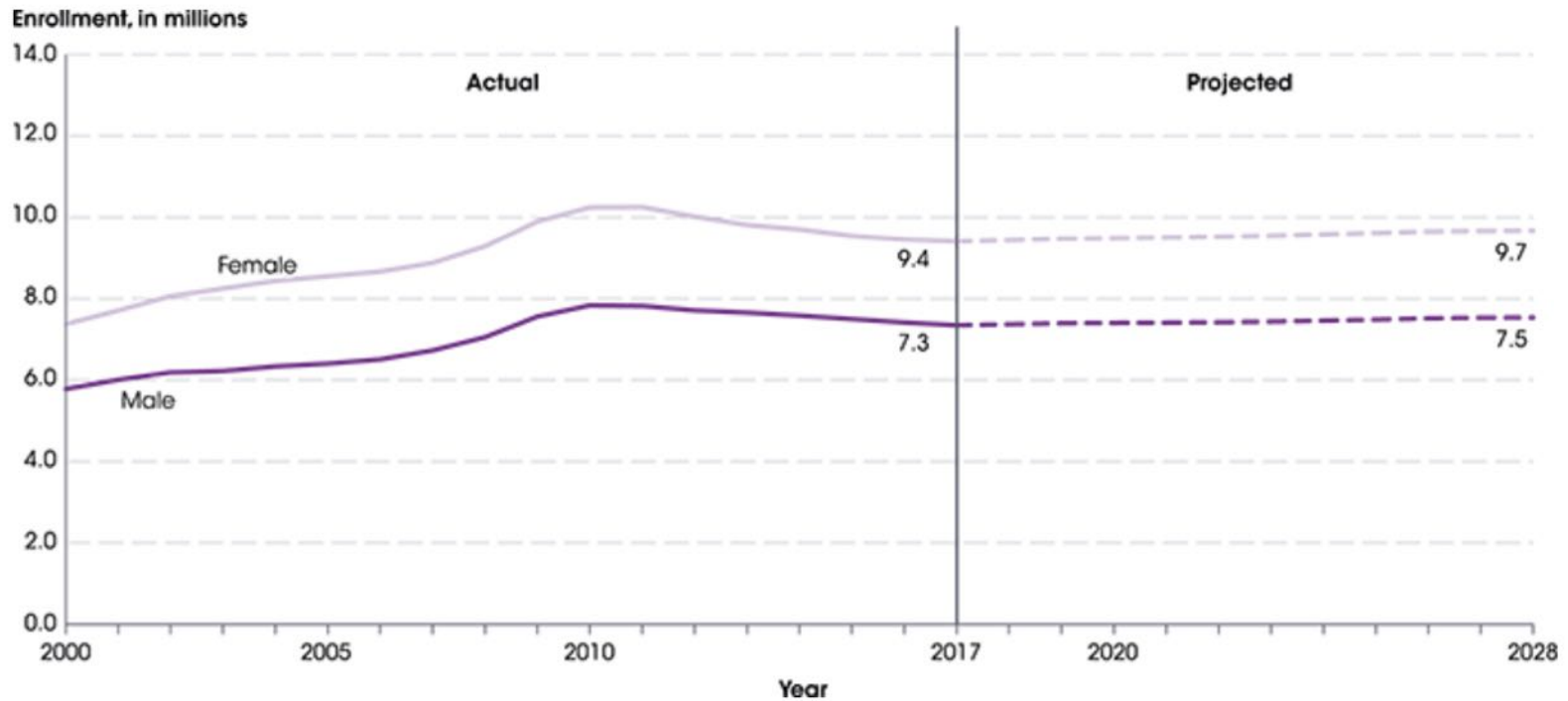
Sources:
Chronicle of Philanthropy

Women: 21st Century Game Changers



Females outnumber men in college

Figure 1. Actual and projected undergraduate enrollment in degree-granting postsecondary institutions, by sex: Fall 2000 through 2028



Source: National Center for Educational Statistics
https://nces.ed.gov/programs/coe/indicator_cha.asp

Female Entrepreneurs



In 2015, **4 out of 10** new entrepreneurs were women

Women owned **12 M** US businesses at the beginning of 2018

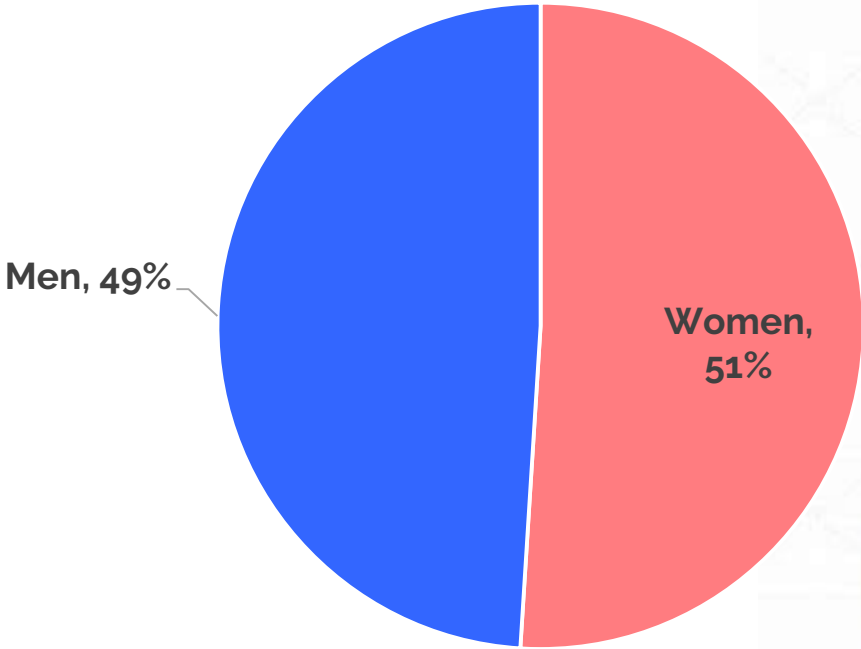


Private technology companies led by women are more capital-efficient, achieving a **35%** higher return on investment

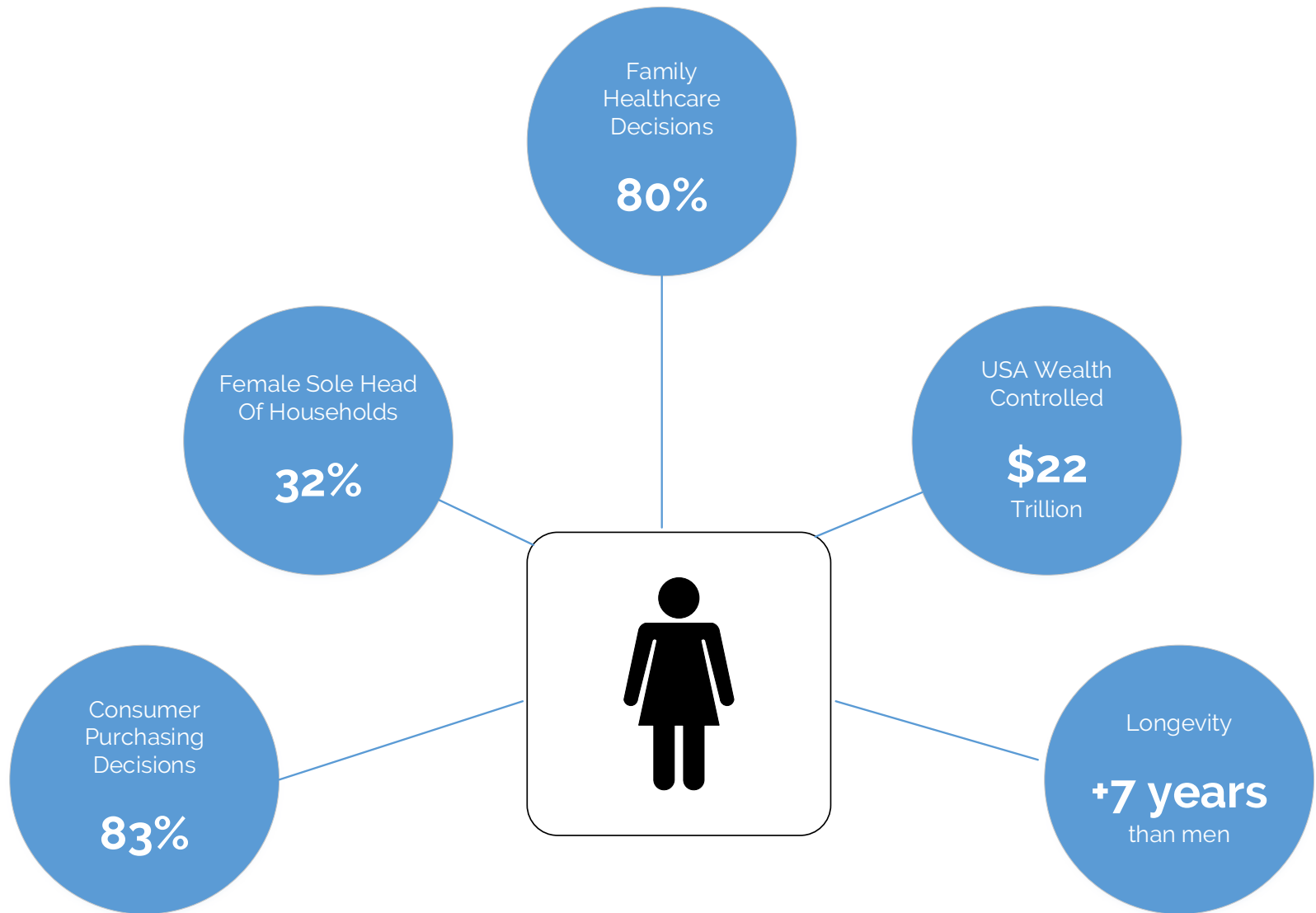
Source: smallbiz genius
www.smallbizgenius.net/by-the-numbers/startup-statistics/

Women & Wealth

Wealth Controlled



Women: Economic Impact on Healthcare



A Woman's Journey

Empowering Women to
Make Effective Health
Care Decisions

Learn more about the positive
effects of *A Woman's Journey*

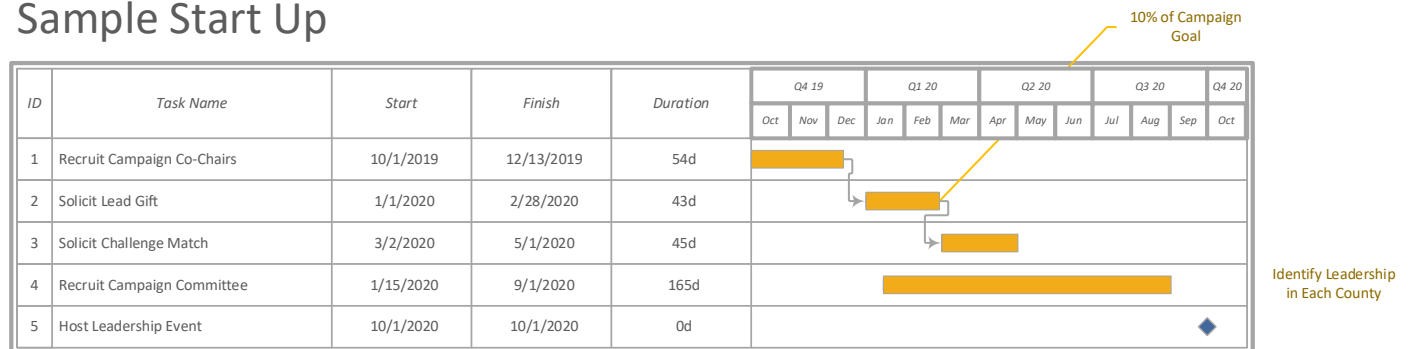


A Woman's Journey
Insights That Matter
A monthly podcast about women's health.

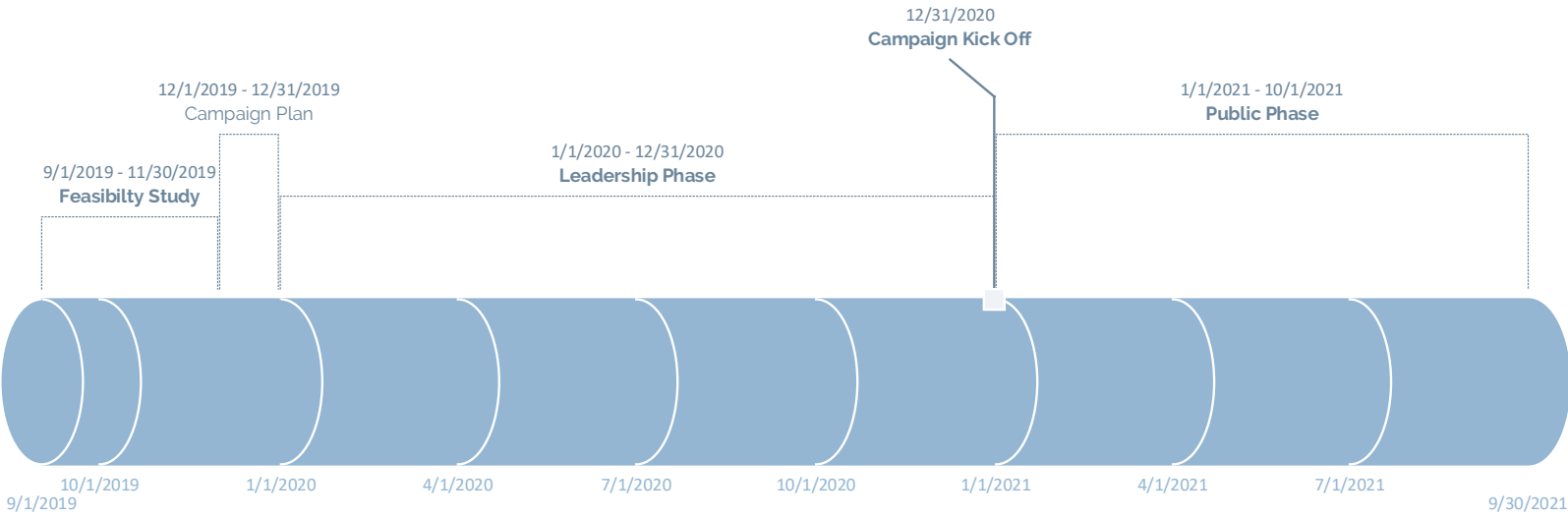
Listen on iTunes. Like us on Facebook and Twitter and visit our website at:
hopkinsmedicine.org/awomansjourney

Campaign Plan & ROI

Sample Start Up



Sample Timeline



Draft Campaign Budget

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Revenue											
A. Start-up Assets Pledged											\$0
Operating Funds Allocated	\$1,982,748	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,982,748
Interest on Gifts 2%	\$0	\$0	\$102,967	\$334,114	\$677,596	\$1,128,390	\$1,587,944	\$1,944,532	\$2,172,938	\$1,829,457	\$9,777,938
Assets Allocated per Year	\$1,982,748	\$0	\$102,967	\$334,114	\$677,596	\$1,128,390	\$1,587,944	\$1,944,532	\$2,172,938	\$1,829,457	\$11,760,686
B. Projected Campaign Gift Revenues											
New Major Gifts Received ¹	\$0	\$6,177,990	\$13,868,863	\$20,608,877	\$27,047,685	\$27,573,245	\$21,395,254	\$15,074,820	\$6,964,368	\$525,560	\$139,236,662
Planned Gifts / Bequests ²	\$0	\$686,443	\$1,540,985	\$2,289,875	\$3,005,298	\$3,063,694	\$2,377,250	\$152,271	\$773,819	\$58,396	\$13,948,031
Total Campaign Contributions	\$0	\$6,864,434	\$15,409,848	\$22,898,752	\$30,052,983	\$30,636,939	\$23,772,505	\$15,227,091	\$7,738,187	\$583,956	\$153,184,693
C. Total Revenue	\$1,982,748	\$6,864,434	\$15,512,815	\$23,232,866	\$30,730,578	\$31,765,329	\$25,360,449	\$17,171,622	\$9,911,125	\$2,413,413	\$164,945,379
Expenses											
D. Projected Salary Expense											
Salaries [Including Benefits]	\$1,726,565	\$2,501,233	\$2,707,100	\$2,849,182	\$2,844,363	\$2,851,091	\$2,967,503	\$2,979,274	\$2,986,875	\$3,102,623	\$27,515,809
E. Projected Operating Expense											
Counsel											
Strategic Communications	\$57,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$57,300
Campaign Counsel	\$85,500	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$517,500
Collateral	\$41,104	\$4,416	\$31,036	\$53,732	\$53,182	\$38,231	\$69,505	\$38,331	\$53,381	\$50,304	\$433,223
Travel	\$4,650	\$9,905	\$17,737	\$34,654	\$44,788	\$40,288	\$34,883	\$27,051	\$10,134	\$18,462	\$242,552
Events	\$35,667	\$35,667	\$35,667	\$35,667	\$35,667	\$35,667	\$35,667	\$35,667	\$35,667	\$35,667	\$356,670
Cell Phone	\$6,300	\$7,140	\$7,140	\$7,140	\$7,140	\$7,140	\$7,140	\$7,140	\$7,140	\$7,140	\$70,560
Software	\$360	\$408	\$408	\$408	\$408	\$408	\$408	\$408	\$408	\$408	\$4,032
Supplies	\$500	\$500	\$17,400	\$17,400	\$17,400	\$17,400	\$17,400	\$17,400	\$17,400	\$17,400	\$140,197
Total Operating Expense	\$231,381	\$106,036	\$157,388	\$197,000	\$206,584	\$187,134	\$213,003	\$173,997	\$172,130	\$177,381	\$1,822,035
F. Equipment Expense											
Laptop Computers	\$17,539	\$2,339	\$0	\$17,539	\$2,339	\$0	\$17,539	\$2,339	\$0	\$17,539	\$77,173
Cell Phones	\$5,774	\$6,544	\$6,544	\$6,544	\$6,544	\$6,544	\$6,544	\$6,544	\$6,544	\$6,544	\$64,673
Furniture	\$1,488	\$496	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,984
Total Equipment Expense	\$24,802	\$9,379	\$6,544	\$24,084	\$8,883	\$6,544	\$24,084	\$8,883	\$6,544	\$24,084	\$143,831
G. Interest Expense	\$0	\$218,102	\$218,102	\$218,102	\$218,102	\$218,102	\$218,102	\$218,102	\$218,102	\$218,102	\$1,962,920
H. Total Expense	\$1,982,748	\$2,834,750	\$3,089,134	\$3,288,368	\$3,277,933	\$3,262,872	\$3,422,692	\$3,380,256	\$3,383,652	\$3,522,190	\$31,444,594
I. Deficit / Surplus	\$0	\$4,029,684	\$12,423,680	\$19,944,498	\$27,452,645	\$28,502,457	\$21,937,757	\$13,791,366	\$6,527,473	-\$1,108,777	\$133,500,784
Deficit / Surplus - Cumulative	\$0	\$4,029,684	\$16,453,364	\$36,397,862	\$63,850,508	\$92,352,964	\$114,290,722	\$77,641,874	\$98,880,438	\$113,181,945	

Return On Investment: Major Gift Fundraising

Ten Year Total	
Projected Major Gift Revenue	\$153,184,693
Projected Expense	\$31,444,594
Net	\$121,740,099
Cost to Raise A Dollar	\$0.21
Return on Investment	487.2%

This projection and ROI excludes revenue and expenses associated with Foundations, Corporations, Associations, and Other Individual donors to the Annual Fund.



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Observations, Questions and Answers

Thank you!



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