

Marts & Lundy Perspectives

A reprint from our philanthropy blog, which offers thoughts on the issues and opportunities facing philanthropy professionals

Are Your Fundraising Priorities Still Relevant?

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There is no shortage of questions about how to proceed with fundraising in a climate that is unlike anything we have previously experienced, given the simultaneous public health, economic, political, racial inequality and civil unrest crises. In numerous webinars and in countless conversations with advancement leadership, we have heard what is top of mind for many as they closed out the 2020 fiscal year and began to consider the unsettling year ahead. Questions surround the following topics:

- Effectively managing/coaching the team
- Developing responsible plans/policies for when travel resumes
- Using virtual meetings effectively with major donors
- Finding creative ways to engage and cultivate new families and potential new donors
- Forecasting fundraising outcomes for the next fiscal year
- Moving forward with campaign/going public with campaign

These are all important operational concerns, but missing from this list is a question Marts & Lundy believes should be top of mind for CAOs, CEOs and board leadership: Are our fundraising priorities relevant in the current environment? We believe there is cause to posit this question regardless of where you are in your fundraising program, including in a planning or execution phase of a campaign.

For most schools, campaign goals or general fundraising priorities are the culmination of a years-long strategic planning process, but often are also a representation of the head of school's personal priorities for the institution, as well as a general reflection of potential key donor interest. However, that planning process was undertaken in a very, very different environment. Our universe has changed dramatically, and we must reevaluate what expressions of values our funding priorities represent. At best, not doing so leaves us open to being perceived as tone-deaf. At worst, we may turn donors away and make our schools seem irrelevant.

Many independent schools have seen a very public airing of grievances by alumni of color through @blackat<school name> Instagram pages, along with specific demands to their alma maters. Going forward with advancement efforts that do not formally acknowledge this reflection will likely increase the divide.

None of this is to say that all fundraising needs to be centered around diversity and inclusion, or around supporting students and families impacted by COVID-19 or the recession, or around the enormous costs of reopening our schools safely. But those certainly are good places to start. Institutional responses now about the impact of the pandemic and those focused on ongoing efforts to educate and act for racial justice will resonate with donors. We know of one client school whose board has allocated \$5 million of unrestricted endowment to support the plans being developed by their DEI task force and are revisiting their overall campaign priorities. Another client is emphasizing its campaign goals of tuition assistance and unrestricted endowment while it back-burners the campaign's facilities components, at least for now. And a third client, on course for a significant comprehensive campaign, has decided to spend the next two years creating a stronger foundation through unrestricted giving for operating expenses and initiatives that will support stability on their wavering enrollment.

A number of schools find themselves in the challenging position of having campaign priorities that focus on expensive new facilities like student centers, dining halls or performing arts centers. At a time when we don't know at what point large numbers of students will be able to assemble in one space, donors may question the prudence of such a project. Similarly, schools with fundraising plans for facilities or programs that may be perceived as elitist or catering primarily to white or wealthy students (squash courts, field hockey fields and merit scholarships come to mind) may seem insensitive to potential donors and might possibly alienate alumni of all shades.

Some of these projects were tough sells before COVID-19. It may be increasingly difficult for schools to justify such costly expenditures given their current financial state, especially since one of their strongest selling points—an ability to attract a shrinking pool of eligible students—is now on shaky ground. That does not mean that schools cannot raise funds for those projects, but certainly the case for support must make clearer more than ever how critical the objective is for the school's wellbeing.

The current climate provides opportunities to infuse annual giving with more relevant and urgent messages that create a call to action that resonates with donors who may otherwise be averse to the Annual Fund. Positioned as a resource that meets the issue of the moment, and one that ensures delivery of the student experience promise in both good and challenging times, the Annual Fund can be transformed to an immediate impact investment.

What was an institutional priority that sparked interest with donors even a few months ago may not be as relevant or essential today for donors (or the school). Marts & Lundy believes that schools owe it to themselves, their students and their potential donors to give those priorities a serious review, consider the merits of adding new and relevant initiatives to the list and test (or retest) these with key stakeholders. Do not retrench from fundraising, but do move forward thoughtfully with your school's mission front of mind.