

Campaign Planning Study Final Report

October 4, 2019



Table of Contents

Campaign Recommendation..... 2

Introduction, Process, and Methodology..... 4

Historical Fundraising Data..... 10

Critical Macro Observations..... 17

Key Findings..... 23

Internal Assessment..... 35

Data Analytics and Wealth Screening Highlights..... 42

Campaign Goal Analysis..... 47

Recommendations..... 50

Campaign Timeline..... 55

Conclusion..... 59

Appendix..... 62

Campaign Recommendation

Campaign Goal Recommendation

Graham-Pelton recommends a

7-YEAR RESEARCH CAMPAIGN

with a \$40 million working goal

This recommendation is based on a successful 3.25-year Quiet Phase. The campaign will go public only after 65% of the working goal has been committed.

Introduction, Process, and Methodology

Planning Study Overview

- This presentation is the Final Report of the Campaign Planning Study conducted for TS Alliance beginning **July 2, 2019** and concluding with the presentation of a Final Report to the Board of Directors on **October 4, 2019**.
- The study investigated TS Alliance's ability to raise **\$56 million over five years** in support of TS Alliance research initiatives.
- The case for support included the following funding priorities: **Natural History Database/Biosample Repository, Preclinical Consortium, Clinical Research, Innovative Research, and General Research**.
- This report is based on:
 - Strategic Discussions
 - E-Survey
 - Wealth Screening and Analysis
 - Internal Assessment
 - Historical Fundraising Data

Planning Study Objectives

- Examine how **TS Alliance** is **perceived** – strengths and areas for growth
- Test the **level of support** for the fundraising case
- Assess where **TS Alliance** fits among the **philanthropic priorities of the participants**
- Identify **specific potential gifts or gift ranges** from the participants
- Identify potential **campaign leaders, volunteers, and prospective major donors**
- Surface any potential **obstacles to campaign success**
- Determine an achievable yet ambitious **campaign goal**
- Recommend tailored **campaign strategies and timetable**
- Further refine and develop a clear and compelling **case for support**

Planning Study Participants

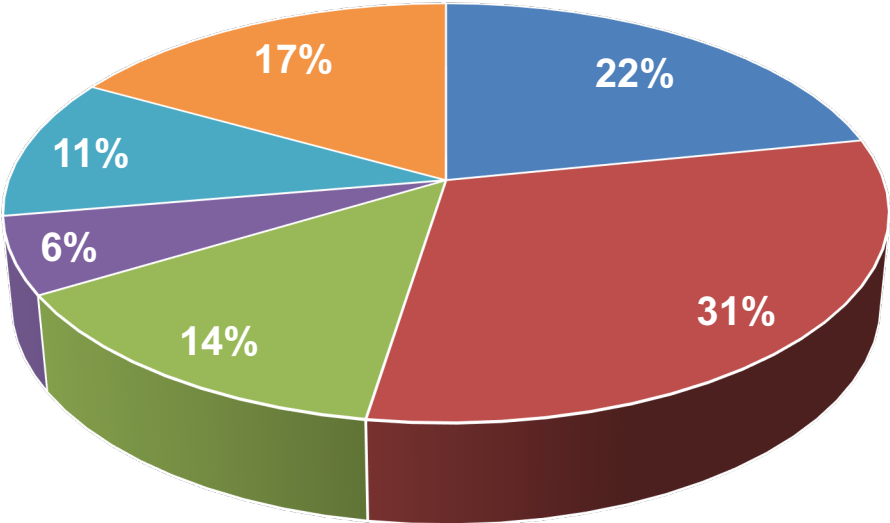
Strategic Discussion Target	40–50
External Strategic Discussions	38
Internal Staff Discussions	14
E-Survey Responses	411
Total Individual Study Participants	463

Notes:

- Not all participants answered every question. Percentages in this report are calculated based on the number of responses to each question.
- Percentages do not always equal 100% due to rounding or multiple answers.
- The e-survey was sent to 21,214 households, 19,592 of which were deliverable.

Primary Affiliation of Study Participants

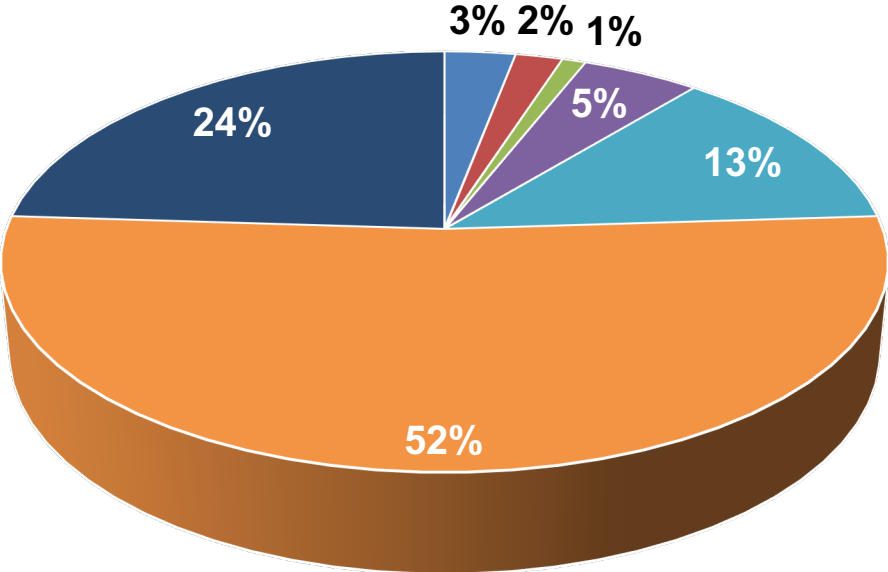
Discussion Participants



- Current TS Alliance or Endowment Fund Board Member
- Former TS Alliance or Endowment Fund Board Member
- Corporate/Foundation Donor/Sponsor
- Community Alliance Leader
- Volunteer
- Supporter/Friend

One participant classified here as a Volunteer is a member of the President's Council.

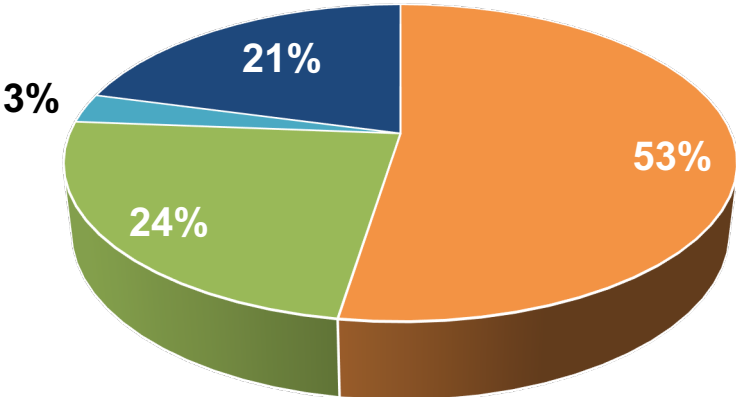
E-Survey Respondents



- Current TS Alliance or Endowment Fund Board Member
- Former TS Alliance or Endowment Fund Board Member
- Corporate/Foundation Donor/Sponsor
- Community Alliance Leader
- Volunteer
- Supporter/Friend
- Other

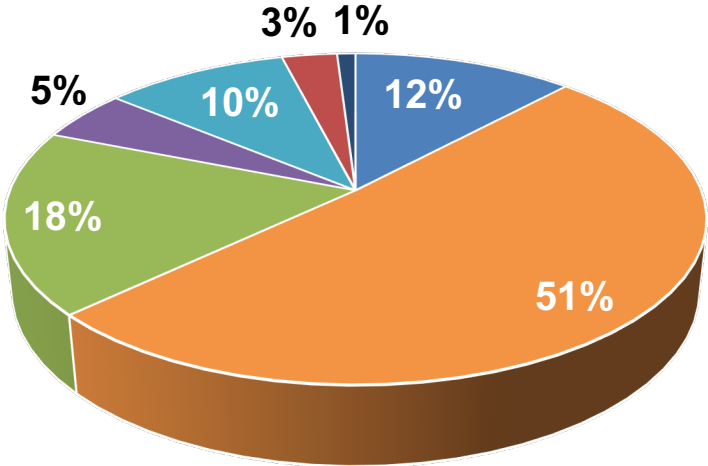
Personal Connection to TSC

Discussion Participants



- Parent of a child with TSC
- Grandparent/Sibling/Other blood relative
- Healthcare professional/Researcher
- No personal connection

E-Survey Respondents

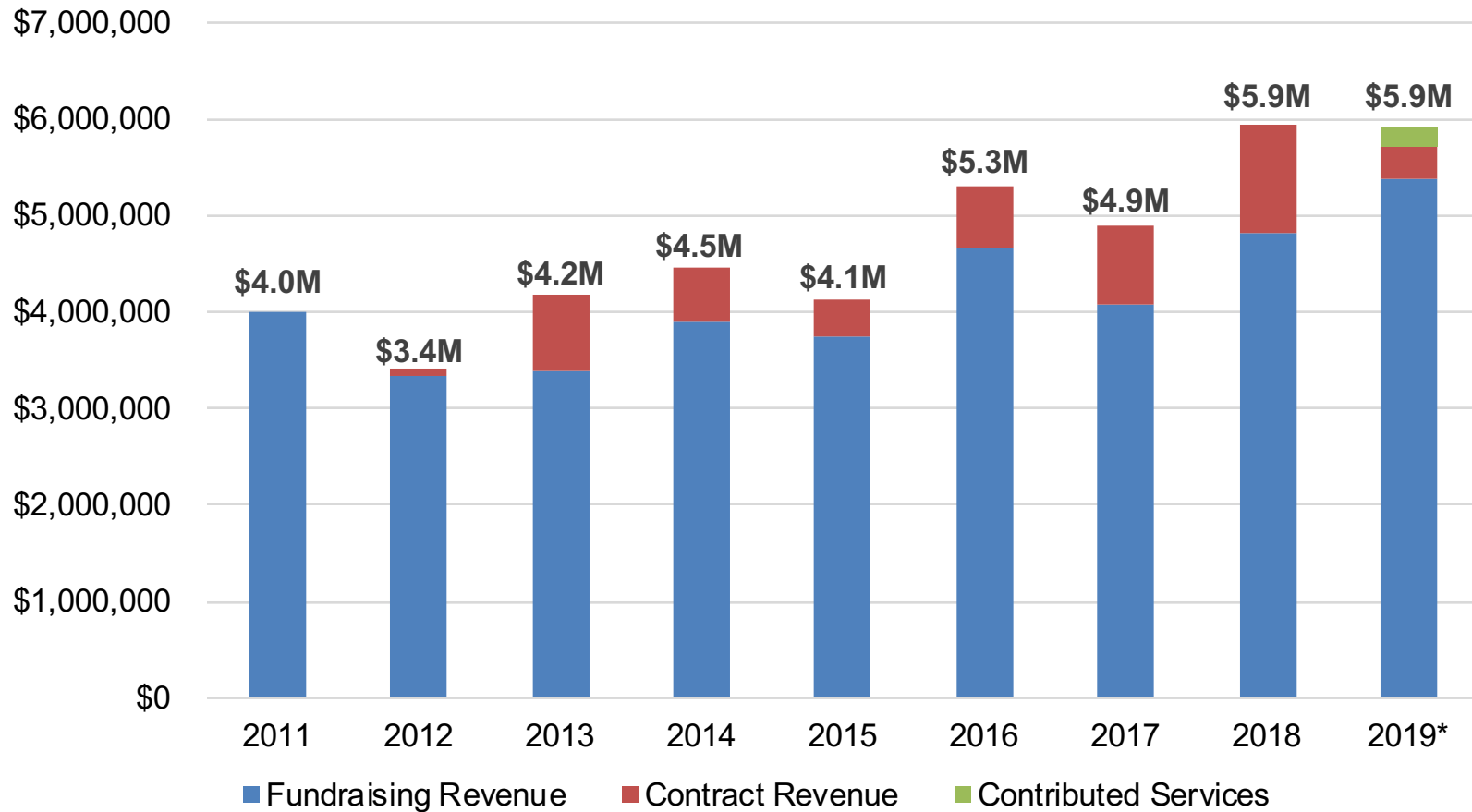


- Adult with TSC
- Parent of a child with TSC
- Grandparent/Sibling/Other blood relative
- Friend
- Healthcare professional/Researcher
- Other
- No personal connection

Seven of the 210 parents also had a spouse with TSC.

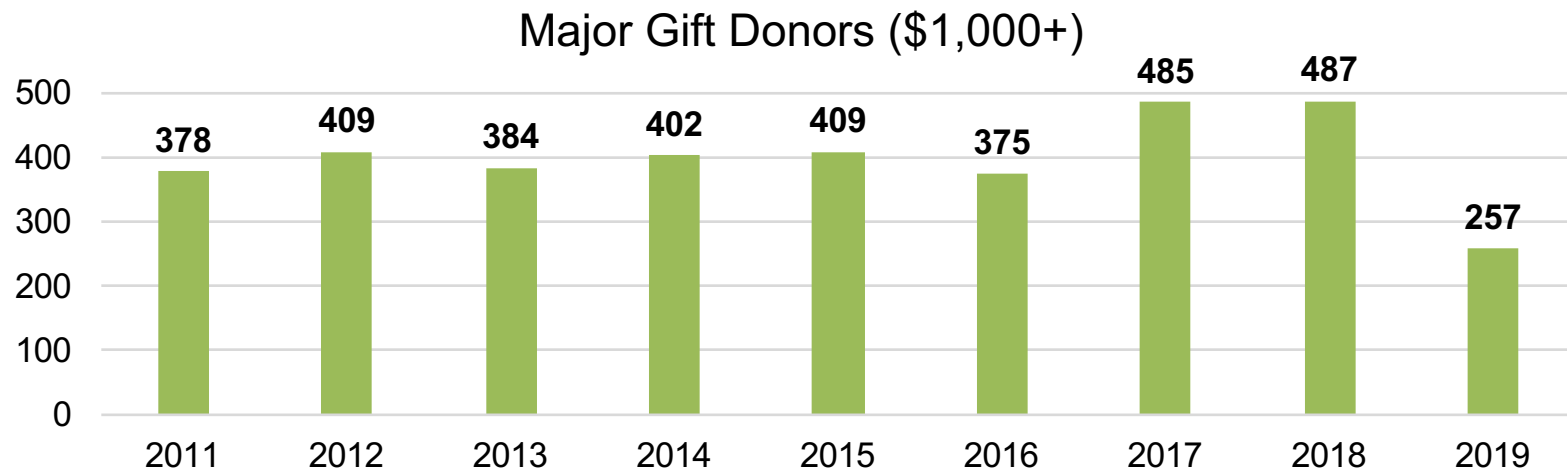
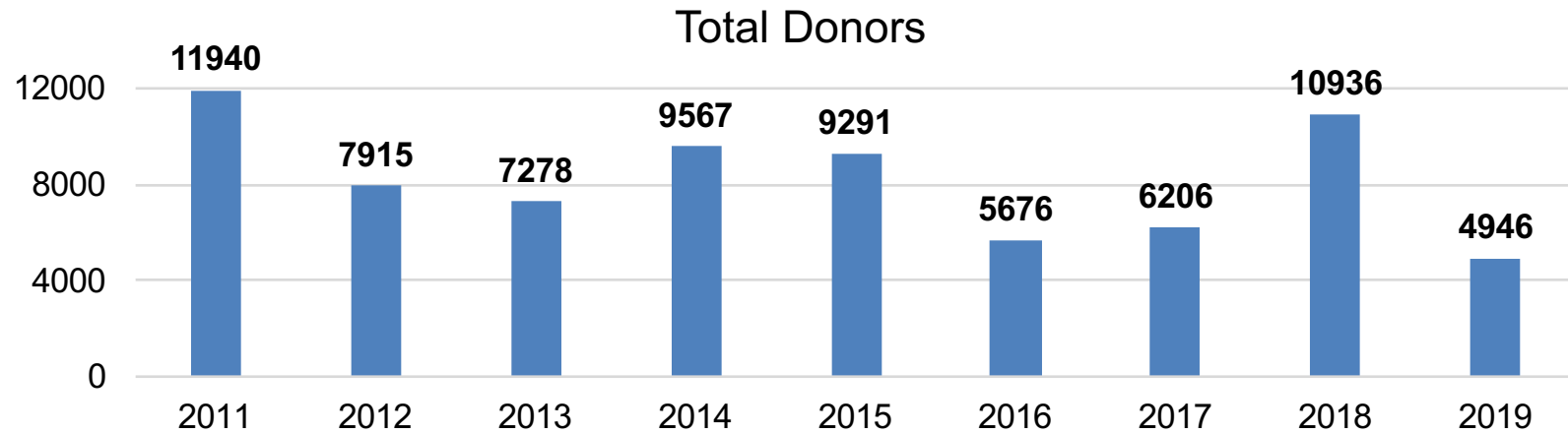
Historical Fundraising Data

9-Year Total Revenue



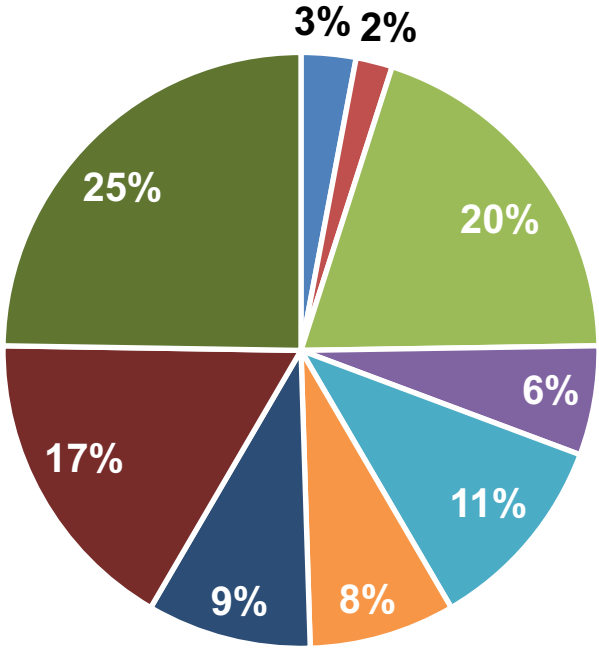
Totals include income from the following sources: endowment, special events, sponsorships, major donors, contributions, grants, contracts, and contributed services. Excluded are interest and dividends and other miscellaneous income.

9-Year Donor Totals



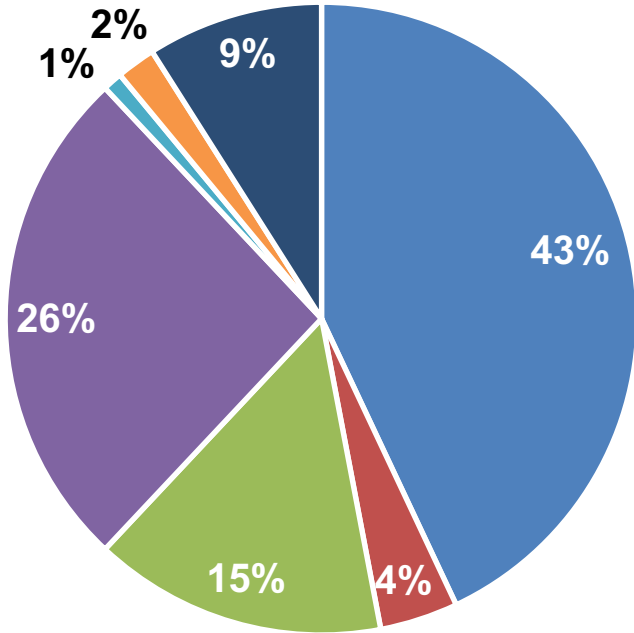
2019 totals are for the six months ended June 30.

9-Year Average Percentage Contribution to Total Raised by Gift Range



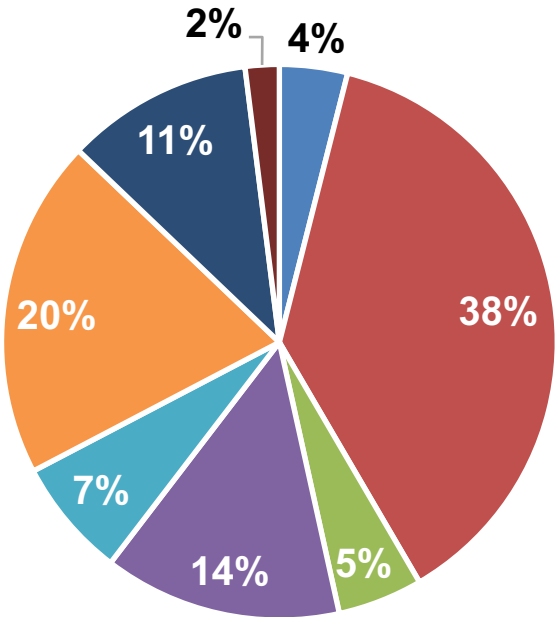
- \$1,000,000+
- \$500,000-\$999,999
- \$100,000-\$499,999
- \$50,000-\$99,999
- \$20,000-\$49,999
- \$10,000-\$19,999
- \$5,000-\$9,999
- \$1,000-\$4,999
- <\$1,000

9-Year Average Percentage Contribution to Total Raised by Constituent Group



- Individual
- Family Foundation
- Other Foundation
- Corporation
- State/Federal Gov.
- Matching Gift Co.
- Other

9-Year Average Percentage Contribution to Total Raised by Source



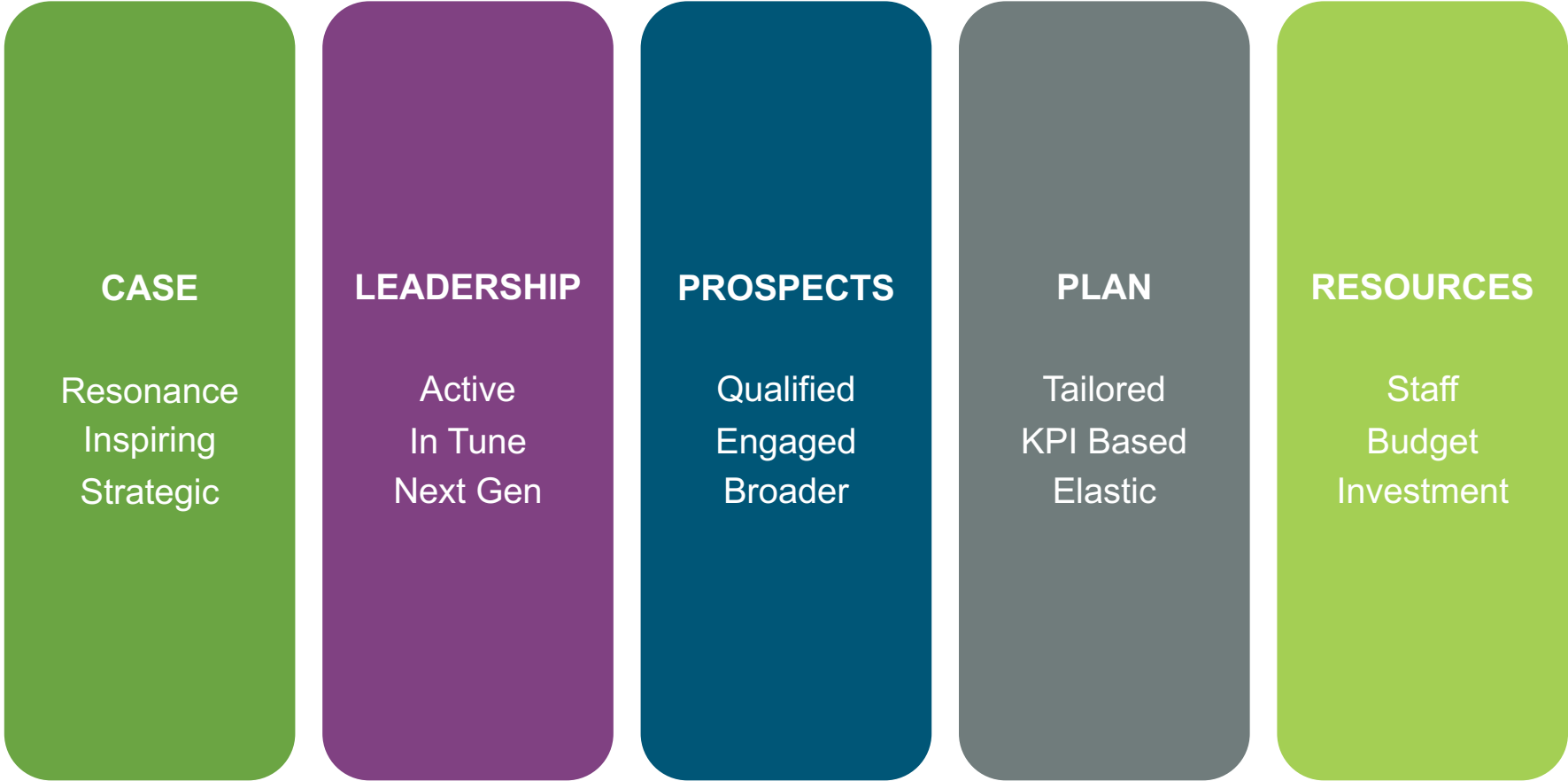
- Endowment
- Major Donors
- Contracts
- Special Events
- Contributions
- Research Investment Fund
- Sponsorships
- Grants

Observations: 9-Year Fundraising Results

- Fundraising results (plus contract revenue) have ranged from \$4 million to \$5 million between 2011 and 2015, and in the last three years TS Alliance has consistently raised between \$5 million and \$6 million.
- Donor totals fluctuated over the 9-year period, with the average being 8,600 donors per year. The number of major gift donors (i.e. those giving \$1,000 or more per year) remained constant (average: 393), although there was a significant increase in major donors in 2017 and 2018 (average: 486).
- Between 2016 and 2018, there was 30% growth in the number of donors giving between \$1,000 and \$500,000, increasing from 374 to 486 donors. Likewise, income increased 17% within this range.
- The two years with the highest fundraising totals (2016 and 2018) were the only years with gifts over \$500,000.
- Average gift size is \$484.
- Special events remain the single largest contributor (38%) to overall fundraising income. This is down from 60% prior to 2011, indicating that TS Alliance is less reliant on income from special events.
- Individuals and family foundations make up 47% of overall fundraising income; corporate giving accounts for 26%.

Critical Macro Observations

Campaign Critical Success Factors



Critical Macro Observations

Leadership

Administrative leadership will require support in order to devote adequate time to fundraising activity.

Board members must be active players in securing campaign success, through their participation either as donors or as campaign ambassadors.

Critical Macro Observations

Case for Support

Donors will want to understand how the campaign goal was determined and how funds will be distributed among the five research areas.

The case for support must illustrate impact and outcomes made possible by the proposed investment.

Critical Macro Observations

Prospects

A concerted effort will be required to engage new prospects and elevate existing prospects in order to achieve campaign success.

Participants expressed concerns about engaging donors beyond the TSC community.

Critical Macro Observations

Plan and Resources

New investment in staff and resources will be necessary to support the campaign.

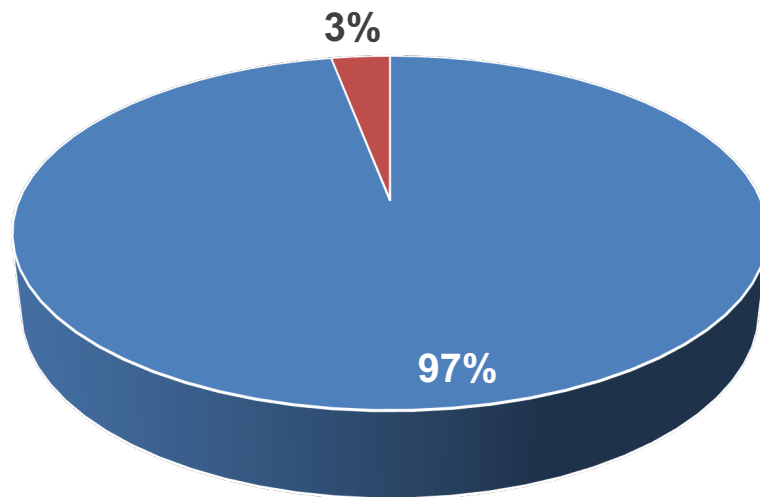
TS Alliance must commit to major gift best practices and the moves management process to ensure that prospects progress efficiently through the solicitation cycle.

All fundraising staff must be laser-focused on frontline activity for major and principal gifts. Metrics will be needed to assess activity.

Key Findings

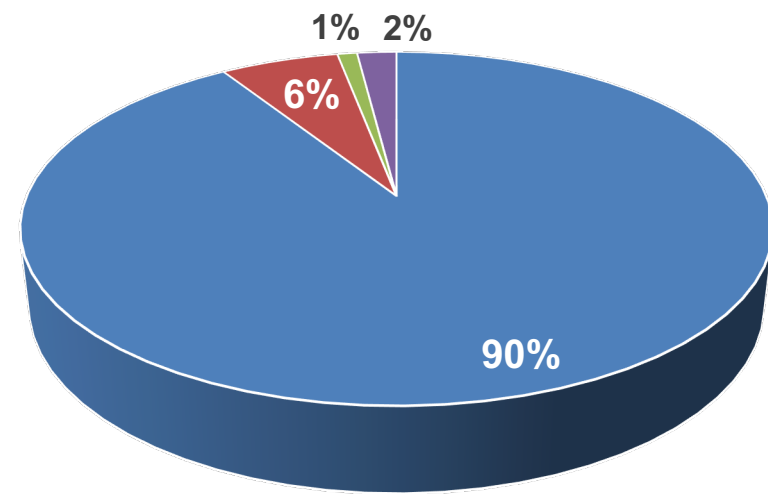
What is your overall perception of TS Alliance?

Strategic Discussions



■ Favorable ■ Mixed

E-Survey



■ Favorable ■ Mixed ■ Unfavorable ■ No Opinion

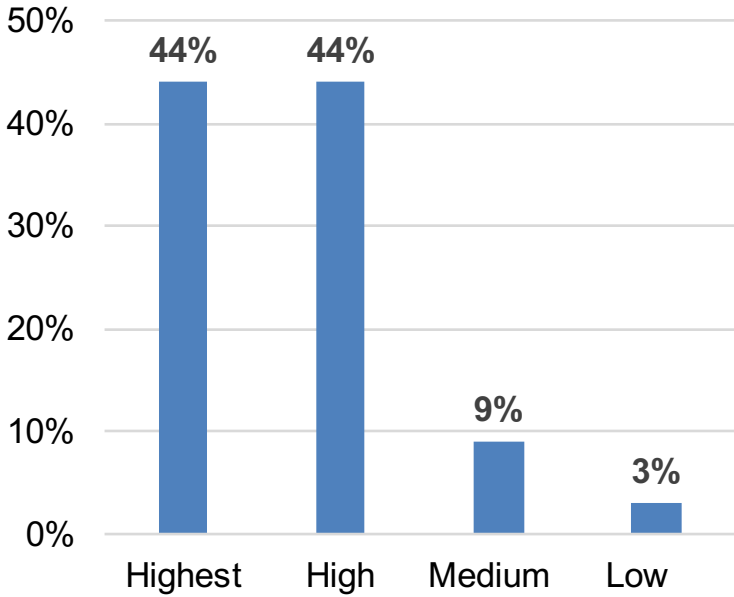
Observations: Top Strengths

- The TS Alliance team is perceived as passionate and trustworthy.
- TS Alliance is perceived as very effective at “running lean,” giving rise to the perception that they are both efficient and good stewards of donor dollars.
- TS Alliance is seen as a lifeline for those affected, particularly at initial diagnosis; the organization facilitates access for those who might not otherwise have it.
- Volunteers report feeling valued.
- TS Alliance funding and support encourages researcher involvement in the field.
- The organization is viewed as engaged in driving solutions.
- Event fundraising is perceived as particularly strong.

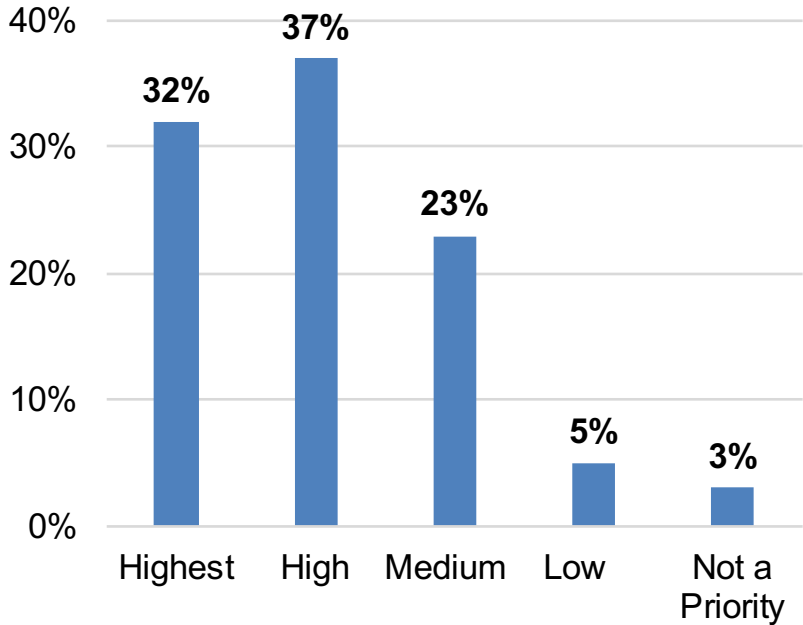
Observations: Areas for Growth

- The small size of the organization can contribute to operational inefficiency.
- Organizational focus is challenged by the variations of disease presentation experienced by those affected.
- TS Alliance must more clearly define the roles it will play in support, research, and advocacy.
- TS Alliance has had limited success gaining traction outside of the TSC community; public awareness has been slow to develop; direct connections to autism and epilepsy.
- The Board is viewed as knowledgeable and emotionally supportive of fundraising efforts, but there is opportunity for members to more actively engage in fundraising efforts.
- A growing major gift culture is in evidence at TS Alliance, but it will require significant development to maximize giving and ensure donor retention.

How Would You Rank TS Alliance as a Philanthropic Priority?



Strategic Discussions



E-Survey

What Is Your Overall Reaction to the Case for Support?

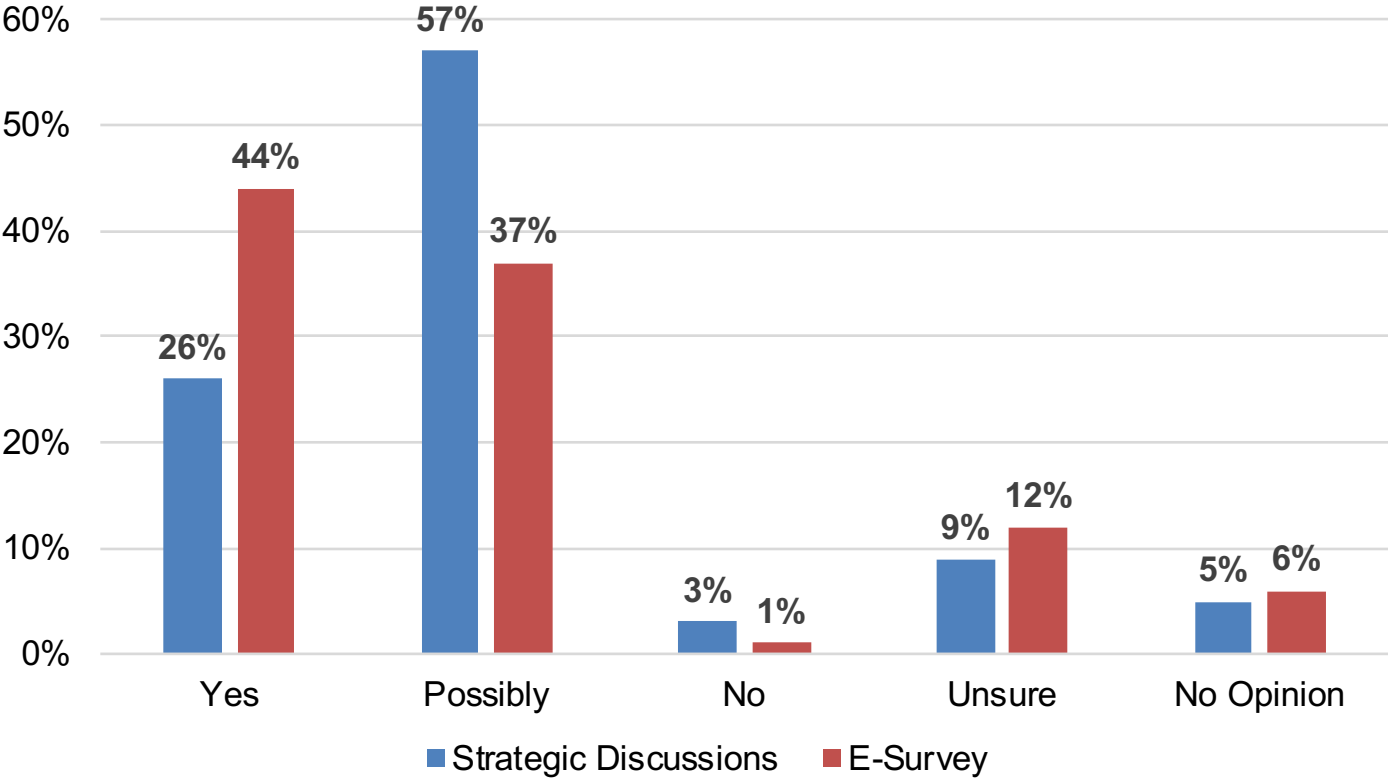
Representative Quotes:

- *“The plans are a good snapshot of research priorities. It’s a bold move in the right direction.”*
- *“They need to build the credibility of the organization in the eyes of donors. Are they prepared to make decisions regarding investment in advanced research?”*
- *“They need to do a better job of presenting goals and outcomes that go along with each research priority. What new and innovative things will happen as a result of this investment?”*
- *“Show the urgency. What are the stakes? The case needs a stronger call to action.”*
- *“Patient and family care is critically important and is not represented in this case for support. We need research in this area as well as research into TSC causes and treatments.”*

Ranking of Funding Priorities

	Strategic Discussions	E-Survey
Natural History Database/ Biosample Repository	#1	#3
Preclinical Consortium	#2	#4
Clinical Research	#3	#1
Innovative Research	#4	#2
General Research	#5	#5

Do you believe TS Alliance can raise \$56M in total philanthropic support over a 5-year period?



Is TS Alliance leadership ready to lead a campaign?

79%

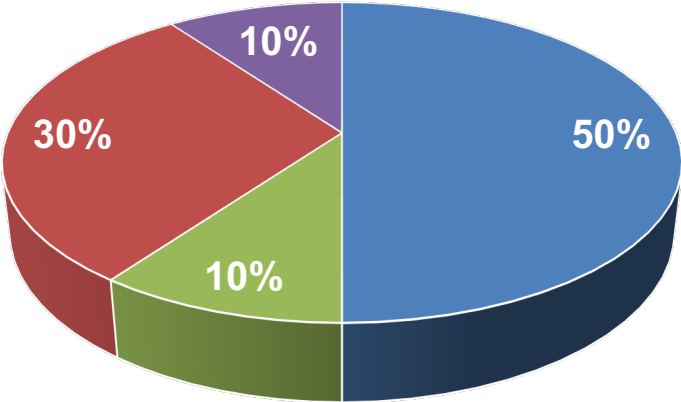
- YES, TS Alliance has the right **administrative leadership** for a campaign.

33%

- YES, the TS Alliance **Board** is ready to lead a campaign (67% unsure or no opinion).

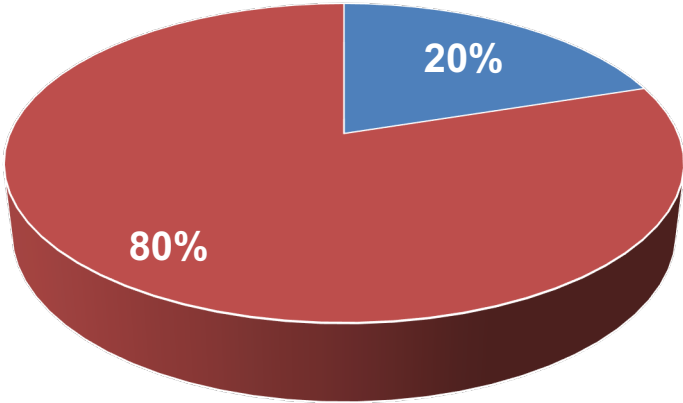
Do you perceive any significant obstacles to campaign success?

Strategic Discussions



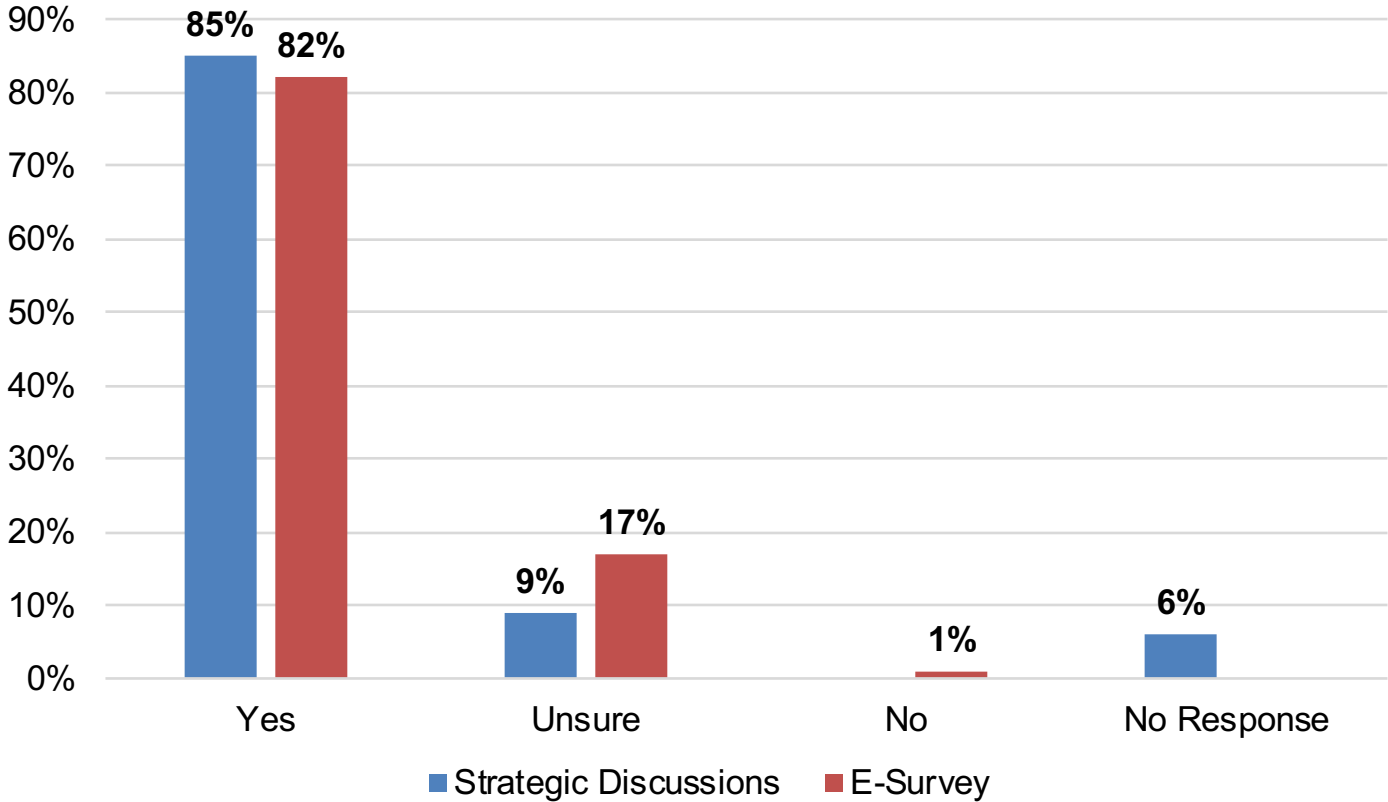
■ Yes ■ Possibly ■ No ■ No Response

E-Survey



■ Yes ■ No

In the final analysis, do you believe TS Alliance should proceed with a campaign?



Summary of Strategic Discussion Metrics Compared to Industry Benchmarks

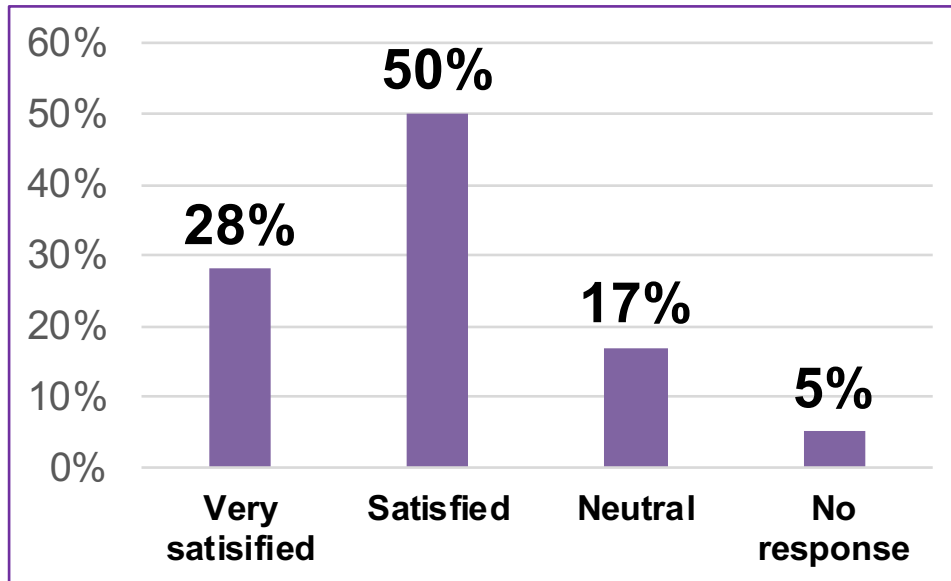
Belief/Action	TS Alliance	Industry Benchmarks
Favorable perception of the organization	97%	80%
Favorable about the proposed campaign case	63%	75%
“High” or “highest” philanthropic priority	88%	65%
Will or will possibly give to campaign	100%	80%
Indicated a gift range	39%	65%
Will serve on a committee	37%	40%
Will serve as a leader	20%	30%
Will talk to prospective donors	60%	50%
Will host an event	34%	40%
Should proceed with a campaign	85%	80%

Note: The chart reflects strategic discussion metrics only.

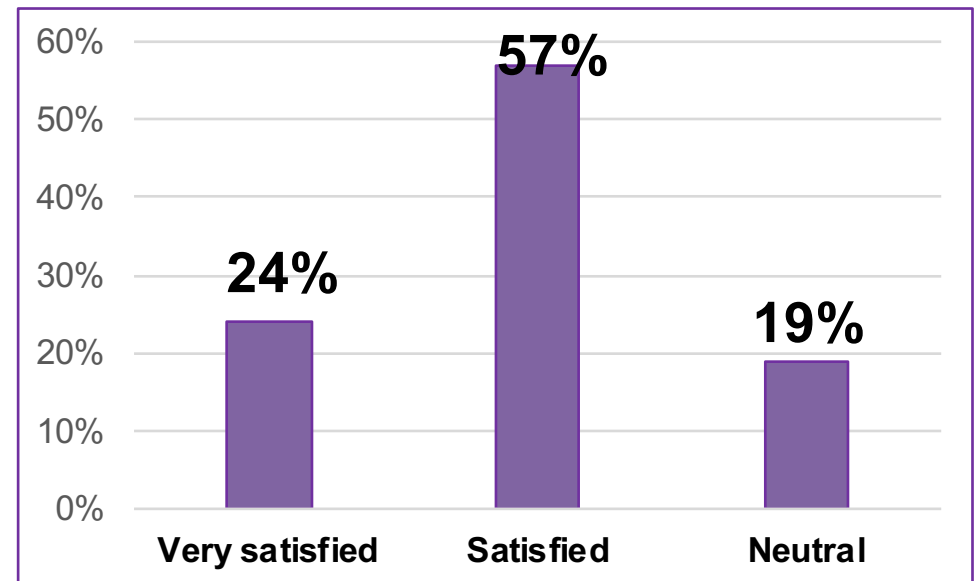
Internal Assessment: Board and Staff

Overall Satisfaction with Development Program

Staff

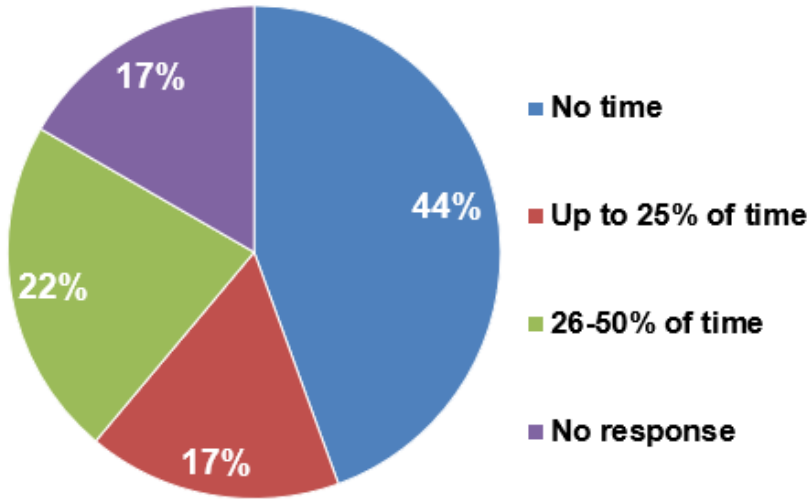


Board

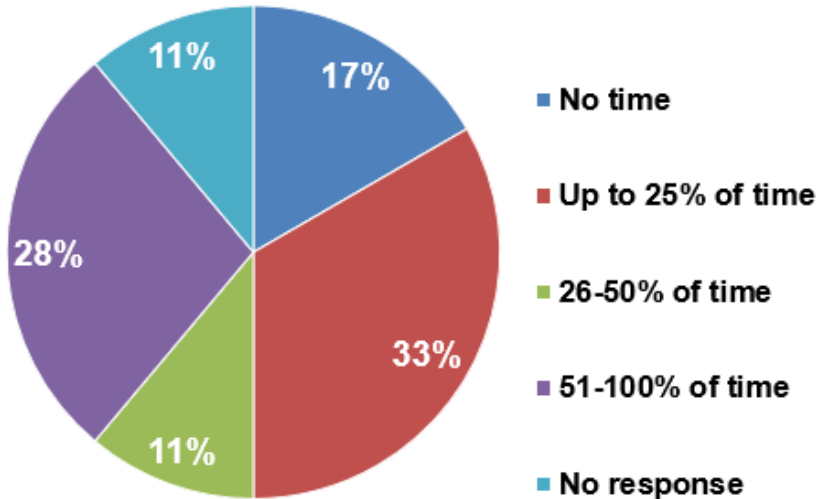


Staff Time: Direct vs. Indirect Fundraising

Percentage of Time Spent on Direct Fundraising

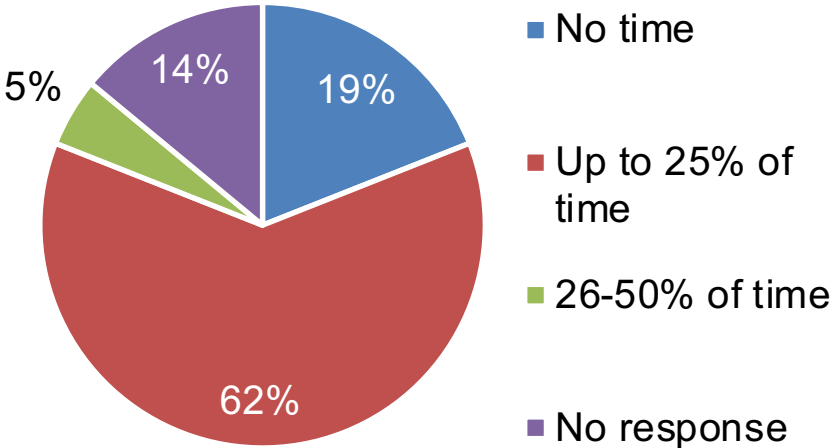


Percentage of Time Spent on Indirect Fundraising

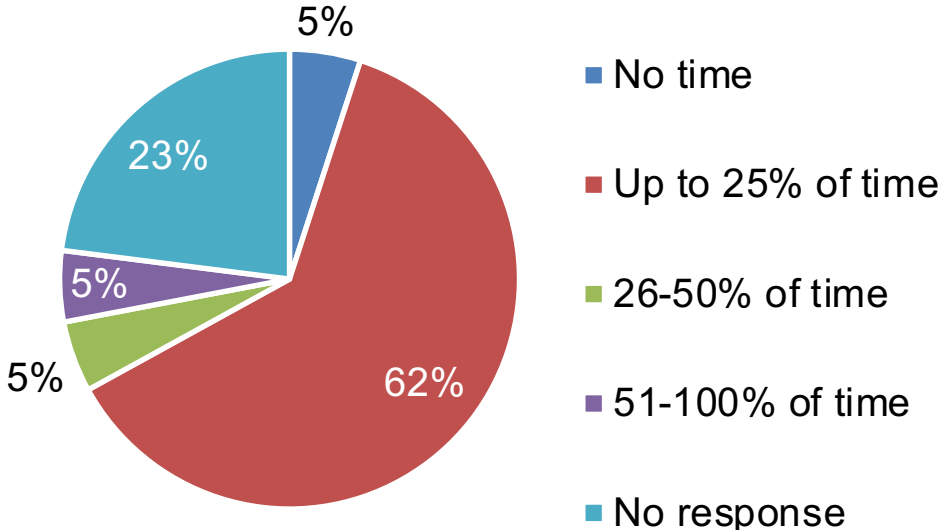


Board Time: Direct vs. Indirect Fundraising

Percentage of Time Spent on Direct Fundraising



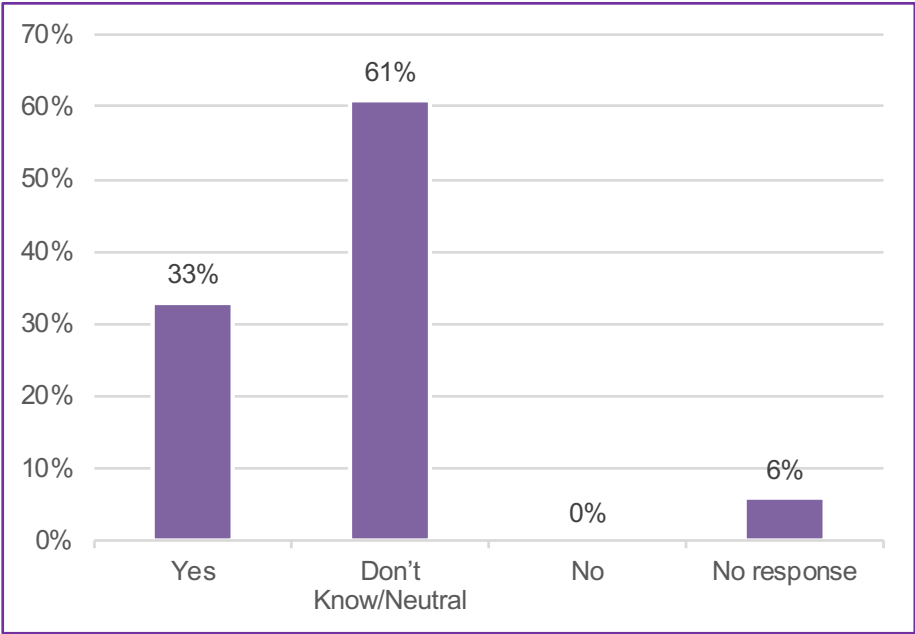
Percentage of Time Spent on Indirect Fundraising



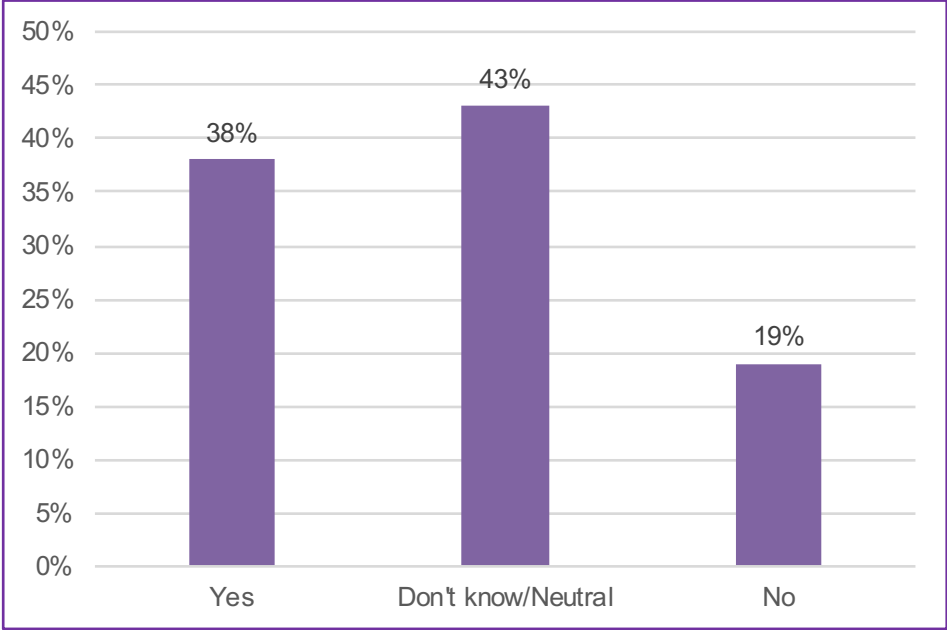
Of the 13 Board members who fell within the “Up to 25% category,” over half reported spending <5% or “very little” time on both direct and indirect fundraising.

Does TS Alliance Have the Necessary Budgetary Resources for High-Performing Development Program?

Staff



Board



Key Findings and Themes from Internal Staff Discussions

- TS Alliance staff members believe strongly in the organization's mission and impact, regardless of whether or not they have a personal connection to TSC; tangible positive impacts drive staff members to strive for success.
- Staff members share a sense of pride in the amount the organization is able to accomplish in light of the small size of its staff.
- A goal of \$56 million will require a significant increase beyond current levels of cultivation and solicitation activity, indicating a need for additional frontline fundraising staff and resources, as well as adherence to major gift best practices to secure success.
- Organizational leadership is perceived favorably, and staff feel a sense of empowerment due to the collaborative goal-setting process; a high degree of collegiality and collaboration is evident among team members.
- Organizational activity is planned and implemented with strong attention to strategic plan alignment; consistent review and evaluation ensures that employees and efforts remain goal-oriented and on track.
- Board leadership is seen as highly supportive of TS Alliance fundraising efforts; additional education will be required to increase their direct involvement in the fundraising process in support of a bold goal.

Key Findings and Themes from Board Survey

- TS Alliance Board members report being satisfied with the development program, noting that TS Alliance has been very successful relative to its staff size.
- The commitment of TS Alliance staff is recognized as a significant strength that impacts the success of its development efforts.
- The majority of Board members report spending only a small amount of time on direct or indirect fundraising activity; they acknowledge that while some among them are well equipped to assist in development efforts through networking, cultivation, and solicitation, others are uncomfortable with “asking.”
- Several Board members cited the need to expand TS Alliance’s donor base to include donors who may not have a personal connection to TSC; the potential impact of TSC research on other diseases is cited as a factor in possible engagement outside the TSC community.
- Only 38% of Board members report feeling that TS Alliance has the necessary budgetary resources for a high-performing development program.

Data Analytics and Wealth Screening Highlights

Graham-Pelton Data Analytics Service

Objectives:

The intent of our analysis is to:

1. **Confirm** what you know about your top prospects' capacities.
2. Identify a number of **donors that may have more capacity** than you originally believed they had.
3. **Discover new prospects** in your prospect pool with strong philanthropic activity to other organizations.
4. Following vetting, have a **clear path forward** to conduct in-person qualification and/or manage prospects through a major gift moves management system.



Strongest Predictors of Giving



Analysis Results – Highlights

- There were **21,741** constituents considered for wealth screening and analysis. In collaboration with TS Alliance staff, **21,670** constituents were identified and screened through Graham-Pelton’s wealth screening partner, iWave. This represented all “screenable” individuals/households in TS Alliance’s database.
- Based on the raw data, **2,089** major gift prospects (prospects with \$50,000+ GPC Capacity Score over a five-year period) were segmented and tiered, based on past giving and wealth and philanthropic indicators.
- The **2,089** prospects tiered through this process have a cumulative raw Graham-Pelton Capacity Score of around **\$500M** (close rates and additional vetting need to occur prior to estimating actual prospect pool potential).
- On August 28, 2019, Graham-Pelton delivered the screening results and facilitated a discussion with staff to better understand TS Alliance’s existing relationships and institutional knowledge about its top prospects.
- *Note: Further vetting is imperative prior to estimating actual prospect pool potential.*

Analysis Results – Highlights

Capacity Score	Count	Percentage
\$1,000,000+	157	8%
\$500,000–\$999,999	131	6%
\$250,000–\$499,999	249	12%
\$100,000–\$249,999	699	33%
\$50,000–\$99,999	853	41%
Total	2,089	

Note: This is based on raw data; further vetting is imperative.

Campaign Goal Analysis

Pathway to Campaign Success

Funding Source	Low Range	High Range
<p>Discussion Participants</p> <p>Multipliers of 1.5 and 2.0 for self-identified gift indications. For those who did not indicate, Graham-Pelton estimated a gift range.</p>	\$7,197,000	\$10,267,000
<p>E-Survey Responses</p> <p>Multipliers of 1.0 and 1.5 on low end of gift indication range.</p>	\$925,000	\$1,387,500
<p>All Other Prospects (Wealth Screening)</p> <p>Prospects reviewed during vetting (varied yields of 5%–33%). Additional prospects with \$50,000+ gift capacity not vetted (varied yields of 1%–5%).</p>	\$16,575,812	\$27,011,627
<p>Corporations and Foundations</p> <p>Continued giving by corporations and foundations (based on 3%–5% growth of historical average of \$1.5M).</p>	\$11,493,693	\$12,213,013
Total	\$36,191,505	\$50,879,140

\$40 Million in Perspective

Gift Level	Number of Donors Needed	Number of Prospects Needed	Providing	Cumulative Total
\$5,000,000	1	4	\$5,000,000	\$5,000,000
\$2,500,000	3	12	\$7,500,000	\$12,500,000
\$1,000,000	5	20	\$5,000,000	\$17,500,000
\$500,000	10	40	\$5,000,000	\$22,500,000
\$250,000	20	80	\$5,000,000	\$27,500,000
\$100,000	35	140	\$3,500,000	\$31,000,000
\$50,000	65	260	\$3,250,000	\$34,250,000
\$25,000	100	400	\$2,500,000	\$36,750,000
\$10,000	120	480	\$1,200,000	\$37,950,000
Less than \$10,000	Many	Many	\$2,050,000	\$40,000,000

Recommendations

Overarching Recommendations

- Seek to **incrementally grow the Development budget** during the campaign with a long-term strategy for sustaining a higher annual run rate.
- As part of budgetary growth, invest in additional resources and training, including **additional frontline fundraising and other staff**, to build a robust major gift program and increase fundraising capacity and activity.
- Commit to the development of a **major gift program** and adhere to major gift best practices including development of major gift portfolios, a moves management tracking system, and a Top 50 approach.
- Develop **targeted cultivation strategies** leading to more intentional solicitations, particularly at the principal and major gift levels.

Overarching Recommendations

- Develop a clearly articulated **campaign vision** and a compelling **case for support** that communicates outcomes expected as a result of TS Alliance research funding.
- Recruit leaders to help guide the campaign; recruit and train a **Campaign Steering Committee**, adding members as the campaign progresses.
- Develop a comprehensive **campaign plan and timetable**.
- Build out a comprehensive **communications plan** for donors that elevates philanthropy, clarifies the need for fundraising, excites outsiders, and acknowledges support. Sharing positive stories will be key.

Recommendations: Campaign Leadership

- **Four types of essential human resources** will be required for the campaign:
 - Administrative leadership
 - Volunteer leadership (Board and Campaign Steering Committee)
 - Development staff
 - Campaign counsel, as appropriate
- **Kari Rosbeck will be in great demand as a persuasive fundraiser**; it is critical to supplement her leadership with **increased internal resources, as well as influential individuals and pacesetter donors** in order to have a robust leadership team.
- **Recruit a Campaign Chair (or Co-Chairs)** to lead campaign efforts; deliberate cultivation of a campaign leader may be required and will be bolstered by the assurance of a disciplined plan, structure, and staffing by members of the TS Alliance Development team.
- **Recruit a Campaign Steering Committee** of individuals who will make significant investments in the campaign and actively participate in the cultivation and solicitation of others.
- **Right-size staff** to accommodate increased campaign activity, including the addition of a major gift officer (MGO), support for the President & CEO, and prospect research and grant writing resources.

Additional Recommendations

- **Communications** during a campaign must serve to introduce TS Alliance to new prospects and encourage current donors to elevate their levels of support. A comprehensive **communications plan** will:
 - Elevate TS Alliance among the philanthropic priorities of its existing prospects.
 - Educate the broader philanthropic community about TSC and TS Alliance.
 - Acknowledge and celebrate milestones of success.
- **Planned Giving** is an important component of successful campaigns, providing donors additional philanthropic opportunities. Successful integration of planned giving into campaign fundraising will require:
 - Assessment, proactive outreach, and tracking.
 - Appropriate gift acceptance policies and comprehensive solicitation strategies.
 - Impact storytelling to drive ongoing communications.

Campaign Timeline

Preliminary Campaign Timetable: Organizational Phase

Organizational Phase:

August–October 2019

(3 months)

- Initiate a process to articulate vision of TS Alliance. Further develop the case for support and campaign messaging to reinforce the vision.
- Recruit and train the Campaign Steering Committee.
- Conduct executive briefings with identified top prospects and leadership.
- Begin Board and campaign leadership solicitations.
- Create a detailed campaign plan, policies, budget, and timetable.
- Identify the list of the top prospects for the campaign and begin developing individual cultivation and solicitation strategies.
- Provide major, principal, and planned gift training for all frontline fundraisers.
- Implement new procedures around prospect management, research, and qualification.

Preliminary Campaign Timetable: Quiet Phase

Quiet Phase

(Principal and Major Gifts Phase):

November 2019–January 2023

(approx. 3.25 years)

\$26 million goal

- Focus on securing 65% of goal.
- Continue identification, cultivation, and solicitation of the top prospect list. Conduct targeted six-, seven-, and eight-figure gift solicitations.
- Complete Board and campaign leadership solicitations.
- Build out systems and resources.
- Launch amplified stewardship and communication activity.
- Ongoing cultivation and stewardship activity throughout the campaign.
- Recruit additional Campaign Steering Committee members.
- Communicate the vision for the campaign to all internal and external constituents.
- Plan Public Phase launch with a comprehensive PR and communications plan.

Preliminary Campaign Timetable: Public Phase

Public Phase:

February 2023–January 2026

(approx. 3 years)

\$14 million goal

\$40 million total raised

- The objective of this phase is to reach or exceed the goal.
- Solicitation of all constituency groups including friends/supporters, staff, corporations, and foundations.
- Outreach to TSC community.
- Emphasize annual giving's role in campaign success. Send appeals and integrate e-philanthropy.
- Add resources to TS Alliance team to sustain fundraising efforts and relationships.
- Plan campaign completion celebrations (Spring 2026).
- Continued solicitation of principal and major gift prospects.

**The Public Phase launch date should be adjusted based on Quiet Phase progress toward campaign goal. Only once 65% of the campaign goal has been committed should the Public Phase commence.*

Conclusion

Success Will Depend On:

1. The commitment of TS Alliance leadership (including Board members) and staff to identify and solicit transformational lead gifts.
2. 100% giving participation from Board and Campaign Steering Committee at personally significant levels.
3. “Stretch-giving” early in the campaign to set the pace for others.
4. Volunteer leaders trained in proven solicitation methods who commit their own gifts before asking others to do so.
5. An investment mindset in executing the campaign plan.
6. A clearly defined, compelling case for support.
7. An effective communications and stewardship plan.
8. A strategic approach to engagement and solicitation of major donors.
9. A coordinated effort to secure funding from all sources—including individual giving, planned giving, corporate sponsorships, and foundation grants.
10. An investment in staff to support campaign goal.



Stuart P. Sullivan
Senior Vice President
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**Appendix:
Campaign Goal & Planning Study**

Campaign Goal Recommendation: Achieving Success

- This campaign goal may change based on progress over the course of the Quiet Phase of the campaign.
- A final goal will be established and voted on by the Board in advance of the public launch of the campaign.
- Graham-Pelton recommends a phased approach to the campaign:
 - 3 months in the Organizational Phase
 - 3.25 years in the Quiet Phase
 - 3 years in the Public Phase
- Achieving and exceeding this goal will require focus on building and engaging the prospect pool, stewarding current major donors to maximize philanthropic potential, providing transformational opportunities for principal gift prospects, and resourcing for growth.
- Campaign success will require successful solicitations of donors at all levels and from all constituencies, but particularly donors at the six-, seven-, and eight-figure levels.

Planning Study Timetable

Study Kickoff:	July 2, 2019
TS Alliance Staff Discussions and Retreat Session:	July 22–30, 2019
Began Strategic Discussions:	July 22, 2019
Launched E-Survey:	August 13, 2019
Delivered Interim Report:	August 28, 2019
Delivered Screening Results:	August 28, 2019
Completed Strategic Discussions:	September 16, 2019
Preview Final Report with TS Alliance Staff:	September 27, 2019
Present Final Report to TS Alliance Board:	October 4, 2019

Strategic Discussion Participants

Mike Augustine
Mark and Kelly Carroll
David Coit
Will Cooper, Sr.
David Cowlin
Peter Crino
Kathi Dills
Joy and Chris Dinsdale
Darian Downs
Gregg and Molly Engels
Rusty Field
David Fitzmaurice
Julián Gangolli
Geri Greenberg
Danielle Hartigh
Carol Herscot
Linda Jackson
Ken Kocher
Kristi Lengyel

Anton Levy
Doug Loftus
Jim Maginn
Ted Mastroianni
Adolfo Orive
David Parkes
Carla Price
Bonnie Rothberg
Dom Ruscio
Leslie and Chris Russell
Haydn Scarr
David Schenkein
Henry Shapiro and Christy Hobart
Marc Shapses
Judy Shoulak
Heidi and Jerrill Sprinkle
Bill Watts
Lorne and Heidi Waxlax
Paul Waxlax

TS Alliance Staff Discussion Participants

Kari Luther Rosbeck, *President & Chief Executive Officer*

Rich Gollub, *Chief Financial Officer*

Steve L. Roberds, *Chief Scientific Officer*

Dean J. Aguiar, *Director, Preclinical Research*

April Cooper, *Director, Community Programs*

Dena Hook, *Vice President, Support Services*

Jaye Isham, *Vice President, Communications Strategy*

Dan Klein, *Director, Digital Platforms*

Justin Martucci, *Database Project Manager*

Shelly Meitzler, *Regional Program Manager, North*

Lisa Moss, *Senior Director, Donor Relations*

Gail Saunders, *Senior Associate Director, Community Programs*

Julie Scroggins, *Regional Program Manager, West*

Katie Smith, *Director, Government & Global Affairs*

Appendix: Historical Fundraising Data

9-Year Donor Totals by Gift Range

Gift Range	Number of Donors								
	2011	2012	2013	2014	2015	2016	2017	2018	2019*
\$1,000,000+	0	0	0	0	0	1	0	0	0
\$500,000–\$999,999	0	0	0	0	0	0	0	1	0
\$100,000–\$499,999	5	2	7	4	5	3	8	8	2
\$50,000–\$99,999	2	3	6	5	8	4	11	11	2
\$20,000–\$49,999	14	11	9	7	7	12	24	25	11
\$10,000–\$19,999	16	16	16	26	29	19	20	31	15
\$5,000–\$9,999	38	38	51	60	48	46	54	77	42
\$1,000–\$4,999	303	339	295	300	312	290	368	334	185
Below \$1,000	11,562	7,506	6,894	9,165	8,882	5,301	5,721	10,449	4,689
Total Donors	11,940	7,915	7,278	9,567	9,291	5,676	6,206	10,936	4,946
Total Raised, including Contracts (in thousands)	\$4,008	\$3,418	\$4,180	\$4,455	\$4,122	\$5,297	\$4,892	\$5,950	\$2,096

**Totals for the six months ended June 30.*

9-Year Fundraising Revenue by Gift Range

Gift Range	Total Value of Gifts								
	2011	2012	2013	2014	2015	2016	2017	2018	2019
\$1,000,000+	-	-	-	-	-	\$1,474,685	-	-	-
\$500,000– \$999,999	-	-	-	-	-	-	-	\$877,474	-
\$100,000– \$499,000	\$985,489	\$516,000	\$575,000	\$953,316	\$721,197	\$858,009	\$1,453,000	\$569,000	\$185,933
\$50,000– \$99,999	\$186,279	\$277,830	\$270,000	\$234,900	-	\$212,900	\$106,000	\$333,804	\$249,506
\$20,000– \$49,999	\$603,029	\$240,353	\$384,841	\$379,573	\$600,934	\$234,067	\$422,895	\$436,000	\$232,478
\$10,000– \$19,999	\$299,648	\$234,384	\$238,984	\$303,190	\$469,494	\$201,612	\$325,566	\$363,455	\$180,306
\$5,000– \$9,999	\$294,526	\$249,801	\$327,684	\$375,335	\$263,960	\$280,274	\$310,425	\$457,456	\$239,203
\$1,000– \$4,999	\$596,721	\$688,985	\$576,973	\$648,257	\$630,940	\$613,774	\$683,156	\$649,360	\$348,854
Below \$1,000	\$1,211,288	\$975,977	\$879,392	\$984,500	\$928,154	\$839,449	\$921,325	\$1,053,826	\$478,570
Total Raised, including Contracts	\$4.0M	\$3.4M	\$4.2M	\$4.5M	\$4.1M	\$5.3M	\$4.9M	\$5.9M	\$2.1M

Variances due to differences in tracking donations on a cash basis in Raiser's Edge versus accrual basis for financial reporting; (average variance = \$26,000).

Appendix: Findings

Overall Perception of TS Alliance

Representative Quotes:

- *“TS Alliance has the right networks and knows the right channels to access for support.”*
- *“TS Alliance is very sophisticated for their small size.”*
- *“The utility of the organization changes over time as children get older.”*
- *“TS Alliance is the most aggressive and well-organized advocacy organization we work with.”*
- *“A small, mighty group; they are passionate about overcoming obstacles.”*
- *“TS Alliance has become dramatically more professional due to Kari’s leadership.”*

Do you believe TS Alliance has the right administrative leadership in place to support and execute a campaign?

79%

of discussion participants believe TS Alliance has the right administrative leadership for a campaign.

Is the TS Alliance Board ready to lead a campaign?

33%

of discussion participants said **yes** or **possibly**. 67% were unsure or had no opinion, suggesting that TS Alliance needs to do more to raise the profile of the Board among key stakeholders.

Potential Leaders and Donors

31

names mentioned when asked what volunteer leaders could make a difference in the success of the campaign. This includes names for volunteer roles and leadership gift prospects.

Note: A confidential report listing all suggested leaders and prospects will be provided under separate cover.

Giving Behaviors and Motivators of Study Participants

Strategic Discussions

100% of participants currently support or have in the past supported TS Alliance.

Top cited motivators:

- Giving back to an organization that supported them
- Funding research
- Finding a way to prevent this disease and improve quality of life
- Ensuring that families have access to resources regardless of financial situation

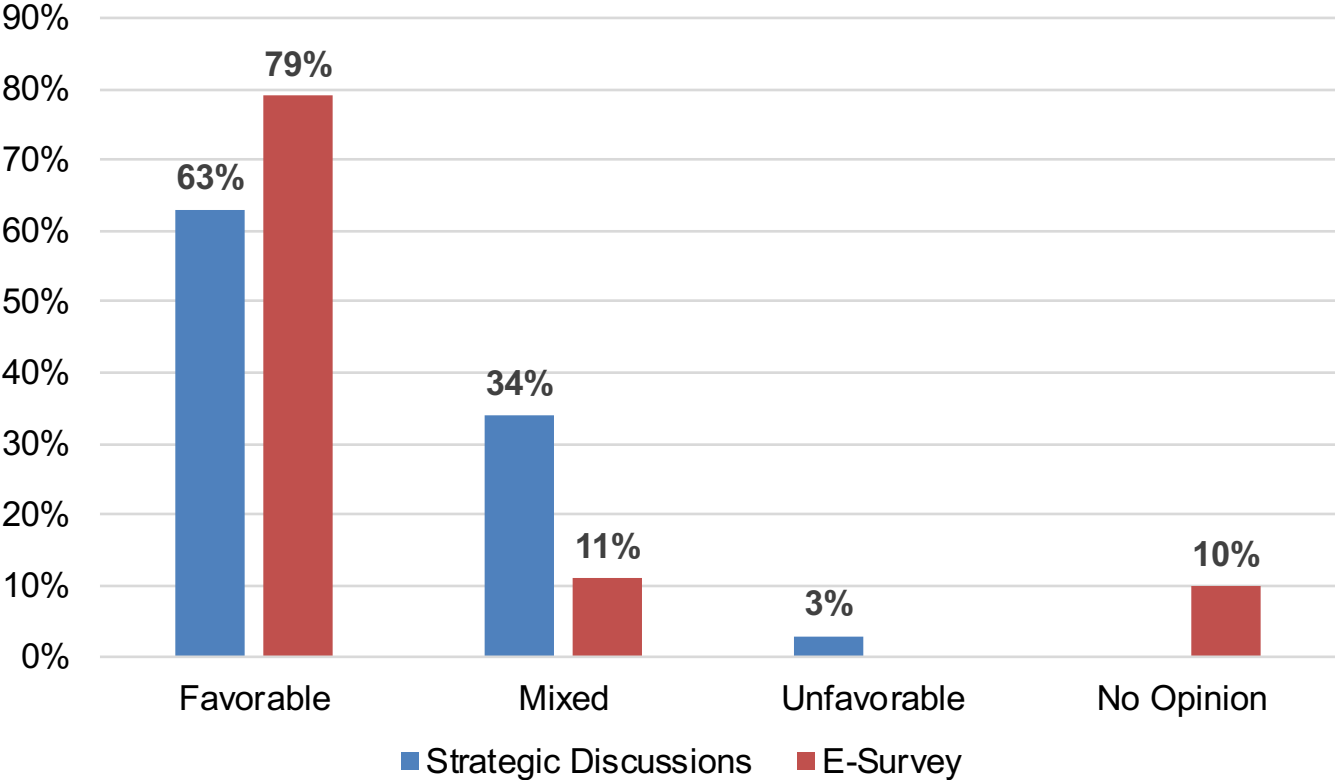
E-Survey

75% of participants currently support or have in the past supported TS Alliance.

Top cited motivators:

- Giving back to TS Alliance in recognition of the support they received
- Helping/supporting individuals, their loved ones, and others impacted by TSC
- Funding research and working toward a cure
- Providing opportunities for innovative treatments and better outcomes

What Is Your Overall Reaction to the Case for Support?



Do you believe TS Alliance can raise \$56M in total philanthropic support over a 5-year period?

Representative Quotes:

- *“It is ambitious, but that’s what TS Alliance is here to do.”*
- *“It’s a big goal, a quantum leap beyond what is being raised now. We have to be sure there is a pathway to achieve it.”*
- *“Getting beyond the TSC community is a challenge.”*
- *“It will be necessary to tap into other disease communities.”*
- *“TS Alliance will need to find the right people to kick-start the effort and convince them their commitment could fund the next major breakthrough.”*
- *“It may be necessary to break down the goal into more manageable chunks tied to specific outcomes.”*

Cited Potential Obstacles to Campaign Success

- Small staff size
- Underdeveloped major gifts program and pipeline
- Lack of awareness outside the TS community
- Identifying and cultivating lead gifts
- Economic and political variables
- Board exposure and inclination to participate actively in campaign efforts
- Competition with researchers already conducting own research

Note: Cited potential obstacles should be considered but do not preclude a successful campaign.

Observations: Participant Ideas for Additional Funding Priorities

Increasing public awareness

Adult quality of life

Medication affordability

Quality of and access to care

Family and community support programs

Non-drug therapies

Education of medical practitioners

More genetic research

Willingness to Participate in a Campaign (Strategic Discussions)

Are you willing to:	Yes	Possibly	No	No Response
Serve as a campaign leader?	20%	34%	31%	14%
Serve on a committee?	37%	31%	23%	9%
Talk to prospective donors?	60%	11%	23%	6%
Host an event?	34%	29%	23%	14%
Give to the campaign?	94%	6%	0%	0%
Make a challenge gift?	9%	18%	35%	38%

Willingness to Participate in a Campaign (E-Survey)

Are you willing to:	Yes	Possibly	No	No Response
Serve as a campaign leader?	10%	30%	42%	17%
Serve on a committee?	20%	36%	31%	13%
Talk to prospective donors?	21%	35%	28%	16%
Host an event?	12%	29%	40%	19%
Give to the campaign?	55%	30%	6%	9%

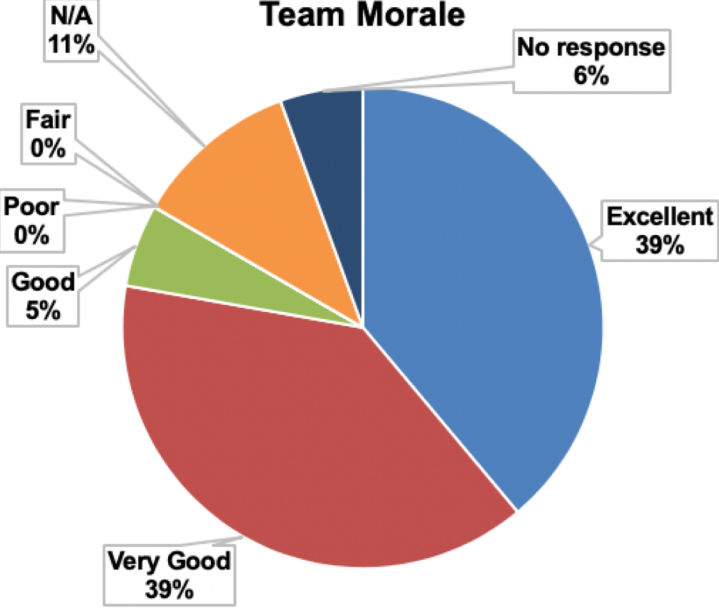
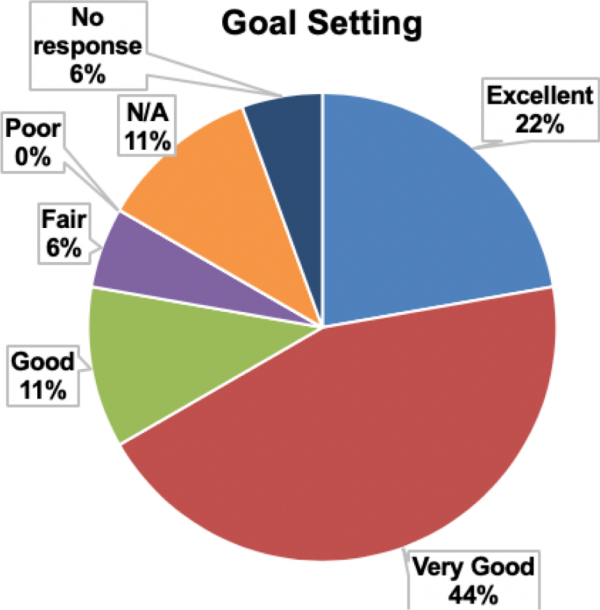
Potential Gift Indications By Level

Total Gift Amount	Gifts Needed for a \$56M Campaign	# of Gift Indications	Potential Low Range	Potential High Range
\$5,000,000+	2	-	-	-
\$1,000,000–\$4,999,999	10	2	\$3,000,000	\$5,000,000
\$500,000–\$999,999	30	1	\$500,000	\$1,000,000
\$250,000–\$499,999	40	-	-	-
\$100,000–\$249,999	50	4	\$475,000	\$625,000
\$50,000–\$99,999	60	2	\$100,000	\$100,000
\$10,000–\$49,999	200	4	\$55,000	\$55,000
Below \$10,000	Many	2	\$10,000	\$10,000
Total Indicated Gifts (Discussions)		15	\$4,140,000	\$6,790,000
Total Indicated Gifts (E-Survey)		173	\$925,000	\$1,405,000
TOTAL POTENTIAL GIFTS IDENTIFIED			\$5,065,000	\$8,195,000

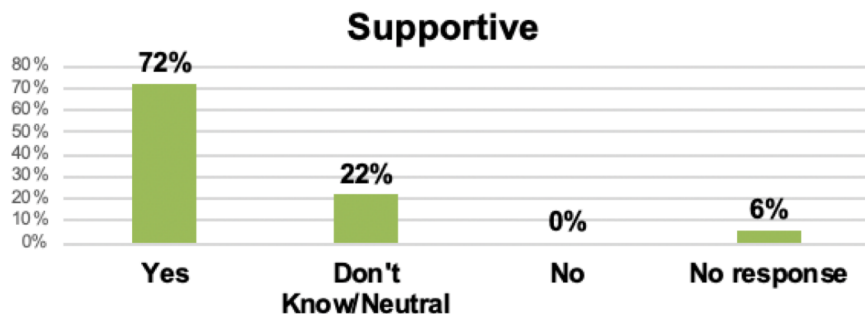
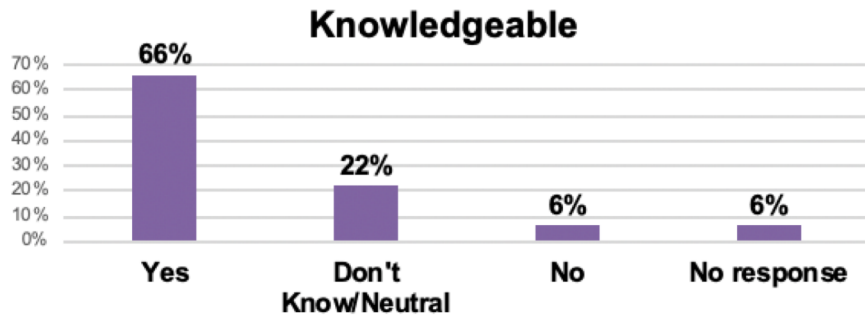
Note: The table above reflects the responses from discussion participants as they pertain to the ranges listed. Actual pledges and gifts may differ once a campaign is launched.

Appendix: Internal Assessment (Staff)

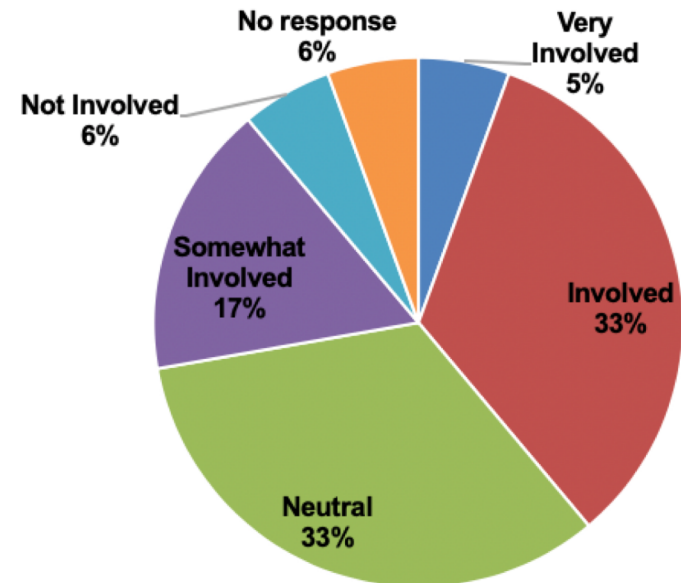
Staff Ratings: Goal Setting and Team Morale



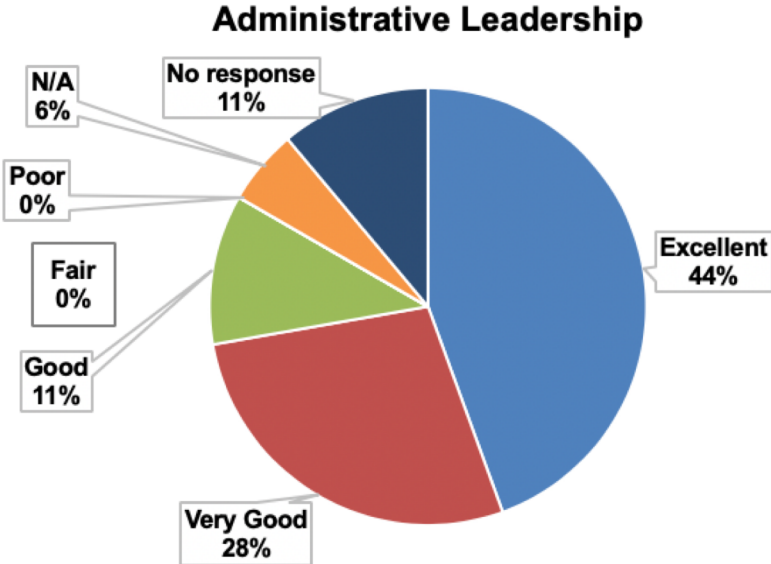
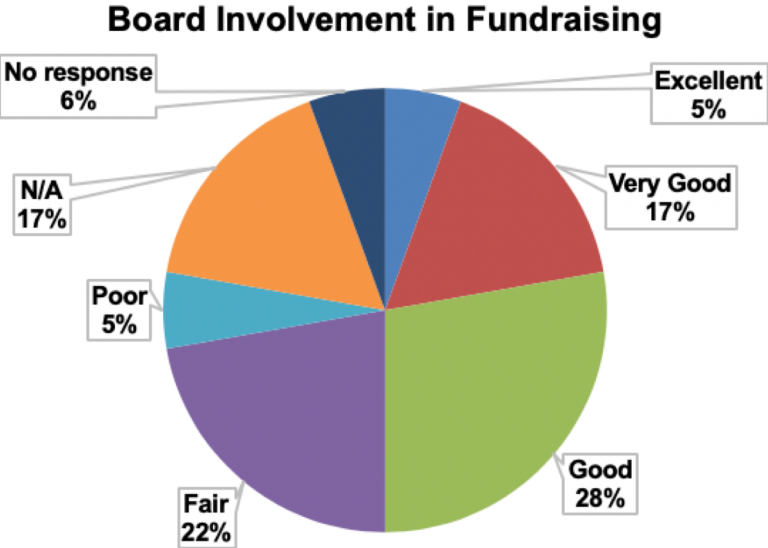
Board is Knowledgeable and Supportive of Fundraising Priorities



Board Involvement: Prospect Identification, Donor Relations, Stewardship



Ratings: Board Involvement and Administrative Leadership



How would you rate the following components of frontline fundraising operations? (*Internal Discussions*)

	Excellent	Very Good	Good	Fair	Poor	N/A	No Response
Annual Giving	5%	33%	39%	6%	0%	11%	6%
Major Gift Fundraising	11%	50%	22%	0%	0%	11%	6%
Special Events	22%	50%	11%	0%	0%	11%	6%
Planned Giving	0%	17%	28%	17%	11%	22%	5%
Endowment Giving	0%	5%	28%	28%	0%	28%	6%
Corporate and Foundation Giving	11%	33%	22%	0%	0%	28%	6%

How would you rate the following components of development operations? (*Internal Discussions*)

	Excellent	Very Good	Good	Fair	Poor	N/A	No Response
Communications	22%	50%	6%	0%	0%	11%	11%
Gift Recognition and Stewardship	5%	50%	22%	6%	0%	11%	6%
Data Management	0%	33%	17%	22%	5%	17%	6%
Prospect Research	0%	11%	28%	28%	5%	17%	11%

Appendix: Data Analytics and Wealth Screening

Prospect Pool Analysis

As with all prospect pool analyses, data is only one element of predicting success.

- Wealth screenings are based on information run through sophisticated computer algorithms that access publicly available sources of information.
- A strong organization will always know its donors in a more familiar way than any screening can predict. This nuanced information must be taken into account.
- Data should be viewed as one element of fundraising, albeit an important one, to provide detail for analysis coupled with building donor relationships.
- All identified prospects should be reviewed for accuracy in screening, relationships to the institution, and potential outreach opportunities.
- Once vetted, data should be strategically added to the database as soon as possible, identifying major gift prospects, solicitor assignments, and individualized plans.

Appendix: Goal Analysis

Study Factors to Consider in Campaign Goal Setting

Case for Support

- How strongly do study participants believe in the case and need for philanthropy? Is the need clear and compelling? Which priorities resonate most with participants?

Leadership

- What is the level of endorsement from current leadership to give and participate? How evident is potential leadership? Will constituents lead and participate?

Prospective Donors

- Did lead gift prospects indicate support and at what level? Were lead gift prospects identified with capacity and inclination? Can we broaden the base for support and raise sights? What potential exists in new areas (new prospects outside the TSC community)?

Infrastructure

- What internal capacity and structure is in place to support the campaign organization, and how much growth is required?

Communications

- Do constituents feel connected to TS Alliance? Do constituents believe in the vision for TS Alliance and envision success for a campaign?

\$56 Million in Perspective (A)

Gift Level	Number of Donors Needed	Number of Prospects Needed	Providing	Cumulative Total
\$5,000,000	2	8	\$10,000,000	\$10,000,000
\$2,500,000	4	16	\$10,000,000	\$20,000,000
\$1,000,000	9	36	\$9,000,000	\$29,000,000
\$500,000	14	56	\$7,000,000	\$36,000,000
\$250,000	26	104	\$6,500,000	\$42,500,000
\$100,000	40	160	\$4,000,000	\$46,500,000
\$50,000	65	260	\$3,250,000	\$49,750,000
\$25,000	100	400	\$2,500,000	\$52,250,000
\$10,000	120	480	\$1,200,000	\$53,450,000
Less than \$10,000	Many	Many	\$2,550,000	\$56,000,000

\$56 Million in Perspective (B)

Gift Level	Number of Donors Needed	Number of Prospects Needed	Providing	Cumulative Total
\$10,000,000	1	4	\$10,000,000	\$10,000,000
\$5,000,000	2	8	\$10,000,000	\$20,000,000
\$2,500,000	3	12	\$7,500,000	\$27,500,000
\$1,000,000	6	24	\$6,000,000	\$33,500,000
\$500,000	12	48	\$6,000,000	\$39,500,000
\$250,000	20	80	\$5,000,000	\$44,500,000
\$100,000	30	120	\$3,000,000	\$47,500,000
\$50,000	50	200	\$2,500,000	\$50,000,000
\$25,000	70	280	\$1,750,000	\$51,750,000
\$10,000	110	440	\$1,100,000	\$52,850,000
Less than \$10,000	Many	Many	\$3,150,000	\$56,000,000

\$56 Million in Perspective (A)

Gift Level	Number of Donors Needed	Number of Prospects Needed	Providing (Subtotal)	Cumulative Total	Number of Prospects After Wealth Screening, Vetting, and Discussions	Total Estimated Capacity	Ratio of Prospects to Prospects Needed	Percentage of Total Est. Capacity Needed to Realize Subtotal
\$5,000,000	2	8	\$10,000,000	\$10,000,000	-	-	-	
\$2,500,000	4	16	\$10,000,000	\$20,000,000	1	\$3,000,000	0.1	333%
\$1,000,000	9	36	\$9,000,000	\$29,000,000	150	\$150,000,000	4.2	6%
\$500,000	14	56	\$7,000,000	\$36,000,000	128	\$92,638,825	2.7	6%
\$250,000	26	104	\$6,500,000	\$42,500,000	242	\$85,624,190	2.3	8%
\$100,000	40	160	\$4,000,000	\$46,500,000	687	\$101,201,720	4.3	4%
\$50,000	65	260	\$3,250,000	\$49,750,000	850	\$55,329,525	3.3	6%

Appendix: Detailed Recommendations

Recommendations: Internal Leadership and Staff

- Commit to the allocation of at least **60% of the President & CEO's time** to direct fundraising activity.
- Invest in a **staff position to directly support the President & CEO** in her administrative duties, freeing her time for additional fundraising activity.
- Invest in **additional frontline fundraising staff** to increase incremental philanthropic revenue beyond current levels in alignment with the campaign goal.
- Provide **training and professional development** for all Development team members, and set expectations for involvement in these activities to build confidence in the fundraising role.
- Develop **metrics and goals** for frontline fundraisers tied specifically to direct fundraising activity.
- Undertake a **coordinated prospect research effort** as a first step toward the qualification and eventual engagement of now only marginally engaged high-capacity prospects.

Recommendations: Board and Campaign Leadership

- Maintain expectations for **100% participation** in the campaign effort from both the Board and the Campaign Steering Committee. Recruit volunteer leadership with an emphasis on transformational philanthropy and the equal importance of direct campaign participation as donors and indirect participation as campaign ambassadors.
- Utilize Campaign Steering Committee and Board members to further develop and refine the **campaign Top 50 prospect list**. Encourage and support Board, Campaign Steering Committee, and other volunteer leadership in making and developing connections, including with individuals, corporations, and foundations that have not previously supported TS Alliance but may be engaged by Committee members.
- Develop descriptions of administrative, staff, and volunteer leadership positions, outlining with specificity the **roles and responsibilities** of all leaders within the campaign effort.
- Provide training for all campaign volunteers, including Board and Campaign Steering Committee members, in order to build **confidence in fundraising** role.

Recommendations: Campaign Steering Committee

- Develop a **job description framework** for the Campaign Steering Committee. Provide Committee members with individualized and group support to facilitate their effectiveness as campaign ambassadors.
- Identify **10–12 Campaign Steering Committee candidates** and begin to cultivate, solicit, and recruit as soon as possible during the Quiet Phase.
- Aim for **diverse age, geographical, and industry representation** on the Campaign Steering Committee. Recruit donors of influence from varied areas of interest/industry; it may be appropriate in some instances to include individuals without a direct connection to TSC.
- Host **ongoing training sessions** for the Campaign Steering Committee that cover proven methods of preparing for, soliciting, and closing gifts. Include Board members and fundraising staff when appropriate.
- Remember to **recognize volunteer leadership** efforts consistently throughout the campaign.

Recommendations: Case for Support

- Refine case for support to include **greater focus on the impacts and outcomes** associated with the research objectives being highlighted.
- Be able to **explain the funding targets** for each campaign investment priority: **how** were they determined, **why** is funding at these levels significant, why is it needed now, and how it will be distributed?
- Approach case refinements with consideration of precise funding opportunities that may appeal to **principal gift donors** and how such principal gifts will align with the case narrative.
- Include **compelling arguments/stories** that grip donors and celebrate TS Alliance success stories.

Recommendations: Case for Support

- Campaign materials should have a **distinctive “look and feel”** from other TS Alliance communications, while ensuring consistency with the existing brand.
- Once the core case for support has been finalized, a variety of **collateral materials** should be developed for use in campaign fundraising:
 - Executive briefing document
 - Letter of intent/gift agreement
 - Frequently asked questions
 - Visual identity (logo, theme, etc.)
 - Donor recognition plans
 - Proposal templates
 - Gift acceptance and counting policies
- Case materials will need **periodic updating** based on progress.

Recommendations: Prospect Pool Development

- All identified prospects from the **wealth screening** should be reviewed for accuracy, relationship connections, and potential outreach opportunities. Priority should be given to identifying possible lead and major gift donors and/or volunteers. Vetted prospect data should be strategically added to the database as soon as possible.
- Ensure that all top prospects are assigned strategically to the appropriate staff member, with special focus on **six-figure gifts** and above.
- The addition of a **new frontline fundraiser presents a novel opportunity** for that individual to introduce him- or herself to potential prospects and to qualify them in an authentic way. TS Alliance should move expeditiously to maximize this opportunity.
- Develop **wealth screening and prospect research** procedures to assess walk donors and attendees, as well as other individuals TS Alliance may wish to engage as donors.
- Create a plan to **vet and qualify all major gift prospects** identified through Graham-Pelton's wealth screening process.

Recommendations: Prospect Pool Development

- Identify an initial campaign prospect pool consisting of the **top 100–150** campaign prospects based on study results, screening, giving history, and institutional knowledge.
- Further refine the list of top prospects to identify 25–50 prospects with capacity to make gifts of **\$1 million or more** within the next 12 months (paid over a five-year period).
- Challenge donors to stretch. Where appropriate, do not hold back in asking donors to commit their **largest philanthropic gift** to TS Alliance.
- Formalize the preliminary list of **naming opportunities** to inspire stretch gifts and recognize leadership giving.
- Develop tailored cultivation/solicitation strategies for each prospect, leveraging **natural partners** to grow relationships.
- Establish and embrace, as part of TS Alliance culture, regular opportunities for Board, Campaign Steering Committee, and other key **volunteers to help identify, qualify, and/or cultivate** campaign prospects, including corporate and foundation contacts.

Recommendations: Major Giving

- Launch a focused effort on major gift fundraising (qualification, strategic cultivation, and ongoing stewardship), deploying frontline fundraisers to **major gift-focused activities** and revising team metrics and goals, as appropriate.
- Create a formal **moves management** process and establish a monthly meeting to review portfolios (with a focus on top 50), upcoming solicitations, and campaign opportunities. Celebrate big and small wins regularly in these meetings.
- Prioritize **training and development** for all frontline staff, hosting periodic in-house training sessions and encouraging participation in industry fundraising conferences.
- Review **roles and responsibilities** for all frontline fundraisers; ensure time is spent on direct fundraising activities at the appropriate capacity level.
- Establish and evaluate **gift officer metrics** and performance based on portfolios and major gift best practices. Review for productivity and ROI; adjust accordingly as the campaign progresses.

Recommendations: Planned Giving

- Develop planned giving strategies and ensure **proactive outreach** to those who indicate interest in this area.
- Review current and prospective donors that fit the profile of someone who can make a planned gift. Assign a code or identifier to each planned giving prospect's record in the database to **track** this group.
- Establish **gift acceptance** and recognition policies that provide for the incorporation of planned giving commitments in total dollars raised each fiscal year, and establish ambitious annual planned giving targets.
- Train all frontline fundraising staff on how to incorporate planned giving into their **comprehensive solicitation** strategies.
- Build out strategy to invite additional current donors to the Eternal Flame Society.
- Feature planned giving **donor stories** in ongoing communications.

Recommendations: Annual Giving

- During a campaign, it is critical to ensure that other programs that are reliant on philanthropic revenue do not suffer as a result of the campaign effort.
 - In cases in which campaign prospects historically support non-research funding priorities, ensure that proposals account for any existing non-research giving alongside the campaign funding request.
- Personalize annual appeals in order to grow low-level annual donors into major donors.
 - Encourage donors to **elevate their annual giving** as a first step toward directed, visionary support by including tailored ask strings in each appeal based on individual giving history.
 - Ensure donors feel known as individuals by segmenting appeals based on constituency, donor status, and other relevant characteristics.

Recommendations: Communications

- Communications during a campaign must serve to introduce TS Alliance to new prospects and encourage current donors to consider even larger levels of support. A comprehensive **communications plan** will bring this activity and success to a much larger pool of donors.
- Develop a **campaign newsletter** and send to a select group of potential donors to highlight campaign goals (without soliciting or directly referencing the campaign).
- The campaign requires a **communications infrastructure** to:
 - Elevate TS Alliance among the philanthropic priorities of its existing prospects and donors.
 - Educate the broader philanthropic community of individuals, corporations, and foundations about Tuberous Sclerosis Complex and position TS Alliance as a charity worthwhile of their support.
 - Acknowledge and celebrate milestones of success.

Recommendations: Stewardship and Events

- Evaluate ROI of each existing event and establish clear metrics and objectives related to **major gift strategy** (see Appendix).
- Consider how existing events can be leveraged to support **campaign strategy** and donor **stewardship** and any adjustments that need to be made to the event calendar.
- Re-evaluate the current **stewardship process** and identify creative, individualized opportunities to thank and recognize major donors during the campaign.

Recommendations: Support and Operations

- Develop a **campaign budget**, taking into account the increased cultivation and stewardship activities, events, and materials required to successfully complete a campaign. Resources must be in place to support **increased activity**.
- Evaluate the existing **gift acceptance policy** and develop additional policies for campaign counting and naming guidelines. Seek Board approval of campaign policies.
- Review all staff roles and responsibilities to determine how each team member can contribute to and **optimize campaign efforts**.
- Invest in additions to staff to achieve **desired growth**. Staffing to directly and indirectly support increased frontline fundraising activity, as well as prospect research/management and qualification efforts, will be essential to campaign success.
- Develop priority-specific philanthropic interest codes/tags within the database to identify prospect interests/affiliations and facilitate **campaign tracking and moves management**.

Appendix: Organizational Growth Model

Staffing for Growth: Investment Mindset

- In a growing Development program, among the most critical decisions an institution must make is how and when to increase staffing to the levels needed to increase revenue. TS Alliance must **assess how quickly to bring on new staff** relative to its budget.
- Recruiting qualified candidates can take months, so it is recommended to **begin the search process** as soon as a decision is made.
- **Strategic staff investments** will allow TS Alliance to increase frontline activity allowing for smart, impactful growth.
- A plan that includes the **early recruitment of a Major Gift Officer (MGO)** with a proven track record of success in securing major philanthropic support, is advisable.
- As budgetary decisions are made, keep in mind that short-term costs give way to long-term gains, and a high-performing Development team is ultimately **self-funded and drives revenue**.

**Fundraising Activity/Method
Average Cost to Raise One Dollar**

Capital Campaign/Major Gifts	\$0.05 to \$0.10 per dollar raised
Corporations and Foundations (Grant Writing)	\$0.20 per dollar raised
Direct Mail Acquisition	\$1.00 to \$1.25 per dollar raised
Direct Mail Renewal	\$0.20 per dollar raised
Planned Giving	\$0.25 per dollar raised
Benefit/Special Events	\$0.50 of gross proceeds
Overall National Average	\$0.20

Staffing Growth Model: Expenses

Growth Model: Development Staffing and Expense								
Personnel	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	TOTALS
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
Existing Development Expenses	\$855,008	\$1,026,010	\$1,231,212	\$1,477,454	\$1,772,945	\$1,950,240	\$2,145,263	\$10,458,132
Recommended New Staff								
Major Gift Officer		\$90,000	\$97,650	\$105,950	\$114,956	\$124,727	\$135,329	\$668,613
Chief of Staff to President & CEO		\$45,000	\$90,000	\$97,650	\$105,950	\$114,956	\$124,727	\$578,284
Grant Officer			\$50,000	\$54,250	\$58,861	\$63,864	\$69,293	\$296,269
Prospect Researcher (PT)		\$30,000	\$32,550	\$35,317	\$38,319	\$41,576	\$45,110	\$222,871
New Staff Benefits @ 25%	\$0	\$41,250	\$67,550	\$73,292	\$79,522	\$86,281	\$93,615	\$441,509
Total Development Expenses	\$855,008	\$1,232,260	\$1,568,962	\$1,843,913	\$2,170,553	\$2,381,644	\$2,613,337	\$12,665,677

**Note: Expense figures cited for FY2019-FY2023 are projections as detailed in TS Alliance's Research Business Plan. Expense figures for FY2024-FY2025 are based on a projected 10% increase in expenses each year.*

Staffing Growth Model: ROI

Growth Model: Cost to Raise a Dollar and ROI								
REVENUE	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Totals
Major Gifts	\$889,939	\$925,537	\$962,558	\$1,001,060	\$1,041,103	\$1,082,747	\$1,126,057	\$7,029,001
Events	\$1,641,155	\$1,450,000	\$1,493,500	\$1,538,305	\$1,584,454	\$1,631,988	\$1,680,947	\$11,020,349
Sponsorships	\$110,000	\$0	\$150,000	\$600,000	\$0	\$204,000	\$0	\$1,064,000
Grants	\$411,300	\$765,000	\$765,000	\$765,000	\$765,000	\$765,000	\$765,000	\$5,001,300
Research Fund	\$1,500,000	\$6,000,000	\$12,000,000	\$18,000,000	\$8,000,000	\$6,000,000	\$4,500,000	\$56,000,000
Endowment	\$222,000	\$228,660	\$235,520	\$242,585	\$249,863	\$257,359	\$265,080	\$1,701,067
Other Contributions	\$275,000	\$347,903	\$358,340	\$369,090	\$380,163	\$391,568	\$403,315	\$2,525,379
Total Philanthropic Revenue	\$5,049,394	\$9,717,100	\$15,964,918	\$22,516,040	\$12,020,583	\$10,332,662	\$8,740,399	\$84,341,095
TOTAL EXPENSES	\$855,008	\$1,232,260	\$1,568,962	\$1,843,913	\$2,170,553	\$2,381,644	\$2,613,337	\$12,665,677
Total Cost to Raise \$1	\$0.17	\$0.13	\$0.10	\$0.08	\$0.18	\$0.23	\$0.30	\$0.15
ROI	491%	689%	918%	1121%	454%	334%	234%	566%
Net Revenue	\$4,194,386	\$8,484,840	\$14,395,956	\$20,672,127	\$9,850,030	\$7,951,018	\$6,127,062	\$71,675,419

**Note: Philanthropic revenue figures cited for FY2019–FY2023 are projections as detailed in TS Alliance's Research Business Plan. Philanthropic revenue figures for FY2024–FY2025 are based on the following projected % increases each year: Major Gifts 4%, Event 3%, Endowment 3%, Other Contributions 3%, Sponsorships 36% (biannually). Grant revenue was held steady FY2020–FY2023; that was continued in FY2024–FY2025. Research fund revenues were realigned to account for a 7-year campaign that reaches 65% of goal by the end of the Quiet Phase, projected in FY2022.*

Investing in Growth

- It is important to note that the national average overall cost to raise a dollar in sophisticated and fully functioning fundraising programs *in a non-campaign environment* is generally \$0.20.
 - Graham-Pelton estimates TS Alliance's current **cost to raise a dollar is \$0.17**, which on the surface is a positive indicator.
 - Based upon current philanthropic revenue projections, the cost to raise a dollar can be **expected to decrease** to a low of \$0.09 during the campaign years with the highest projected revenue, even with staffing growth.
 - **Graham-Pelton cautions**, however, that an exceptionally low projected cost to raise a dollar should be viewed as a red flag that indicates the activity level at that point may be pushing the limits of staff capacity and **may not be sustainable**. Further additions to staff may need to be considered to maintain momentum.

Appendix: Best Practices

Responsibilities of Board Members in a Campaign

1. Craft a “personal narrative” and answer why you give and support TS Alliance for today and tomorrow.
 - Understand the campaign design, intended impact, and funding priorities.
2. Set the bar high as a model for stretch giving. In a campaign, boards typically provide 20%-30% of the campaign goal.
3. Serve as volunteer testimony to the value of the organization and the campaign.
4. Identify, cultivate, solicit, and steward prospects/donors.
5. Support both campaign and other fundraising efforts.
6. Provide accountability for the donated dollars.

Major Gifts Overview

The following Major Gift Best Practices are proven in successful fundraising programs to secure leadership giving:

- Personal, face-to-face solicitations are most successful.
- Use of effective gift solicitation techniques is key.
- Pledges, rather than outright commitments, are acceptable and encouraged.
- Specific gift requests.
- Sequential solicitation of prospects.
- Use of a moves management program.

It is important to keep in mind:

- The cultivation-to-solicitation cycle can take up to 12–18 months and require five or more “touches” to close a major gift.
- For each major gift that is successfully closed, 3–4 prospects need to be cultivated.

Best Practices: Gift Officer Productivity



Sample Development Staffing Metrics for Growth and Transparency

	Measure	Annual Giving	Major Gifts	Corporate/ Foundation Relations
Full Team Metrics	# visits	#	#	#
	# proposals submitted	#	#	#
	# proposals closed	#	#	#
	% close rate	%	%	%
ROI Measures for Leadership Only				
	Dollars raised	\$	\$	\$
	Cost of employment	\$	\$	\$
	ROI	%	%	%

Other Metrics to Consider

➤ Major Gifts Metrics

- Number of identified prospects
- Number of qualified prospects
- Number of cultivation meetings and activity
- Number of asks/proposals
- \$ pledged, \$ raised

➤ Engagement/Stewardship

- Number of cultivation events
- Number of tailored communications
- Number of stewardship activities
- Number of sign-ups to online platform/wanting more info

➤ Annual and Planned Giving Metrics

- Number of donors (ever)
- Number of donors (current financial year)
- Number of donors retained (%)
- \$ pledged, \$ raised
- Number of planned gifts (and value if known)

➤ Volunteering

- Volunteering hours
- Volunteer pledges

➤ Events

- Number of attendees
- Number of first-time event attendees
- Number of events for cultivation purposes

➤ Communications

- Number of click-throughs from e-news
- Number of visits to webpages
- Open rates of email newsletters and invitations
- Social media follows/likes

Key Performance Indicators

Develop and implement a scorecard for measuring and reporting these statistics:

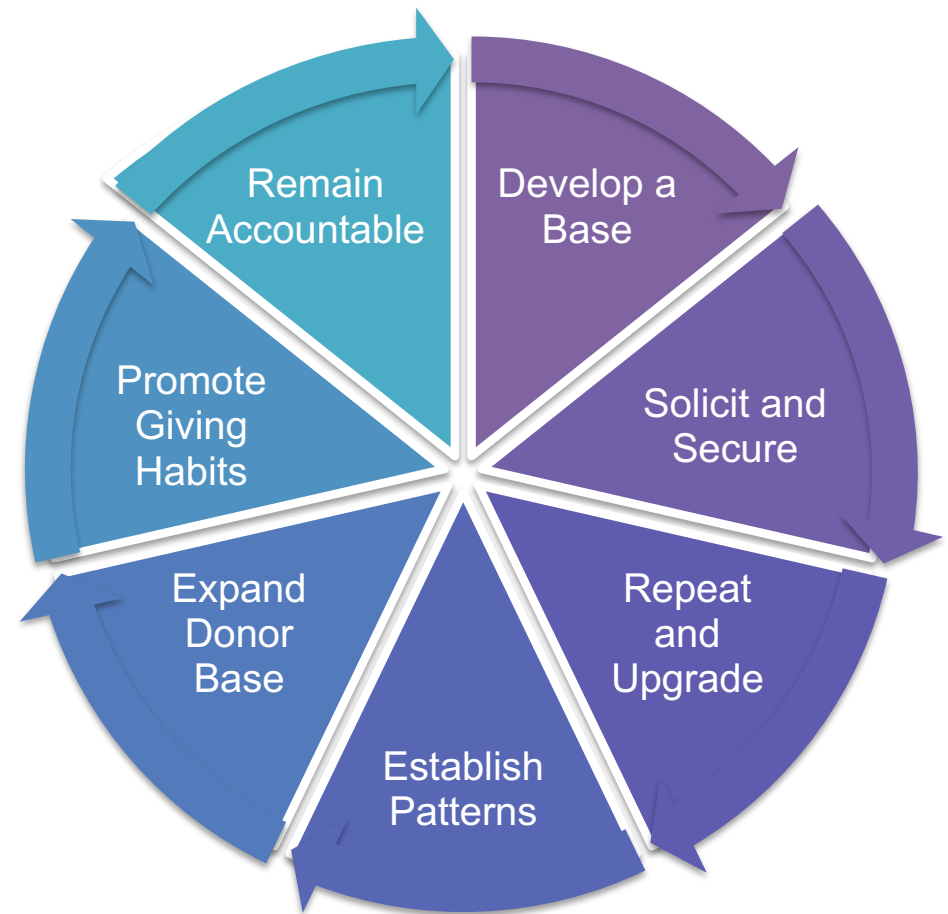
- Total Dollars Raised (\$) and Participation from Key Constituent Groups (%)
- Annual Growth of the Development Program (\$)
- Growth of the Donor Base (#)
- Gift Renewal Rate (%)
- Average Gift Increasing (\$)
- Cost per Dollar Raised is within Limits (\$)
- New Members in Giving Societies and Eternal Flame Society (#)

Objectives of Annual Giving

Guiding Principals

- Qualify Major Gift Prospects
- Increase Donor Value
- Sustain Giving Relationships
- Grow Affinity to the Organization
- Build the Culture of Philanthropy

A strong annual giving program is the most logical and immediate way to begin to build the major gifts pipeline while simultaneously spreading the message about TS Alliance.



Measuring Success/Reasonable Costs per Dollar Raised

- Direct Mail Acquisition \$1.25–\$1.50 per dollar raised
- Direct Mail Renewal \$.20–\$.25 per dollar raised
- Special Events \$.50 per dollar raised
- Donor Clubs \$.20–\$.30 per dollar raised
- Major Gifts \$.10–\$.20 per dollar raised
- Corporations \$.20 per dollar raised
- Foundations \$.20 per dollar raised
- Capital Campaigns \$.10–\$.20 per dollar raised
- Planned Giving \$.20–\$.30 per dollar raised

Appendix: Philanthropic Landscape

The Philanthropic Landscape

2018 Contributions in the United States

1.57 million

number of nonprofits in the US



\$427 billion

2018 charitable contributions



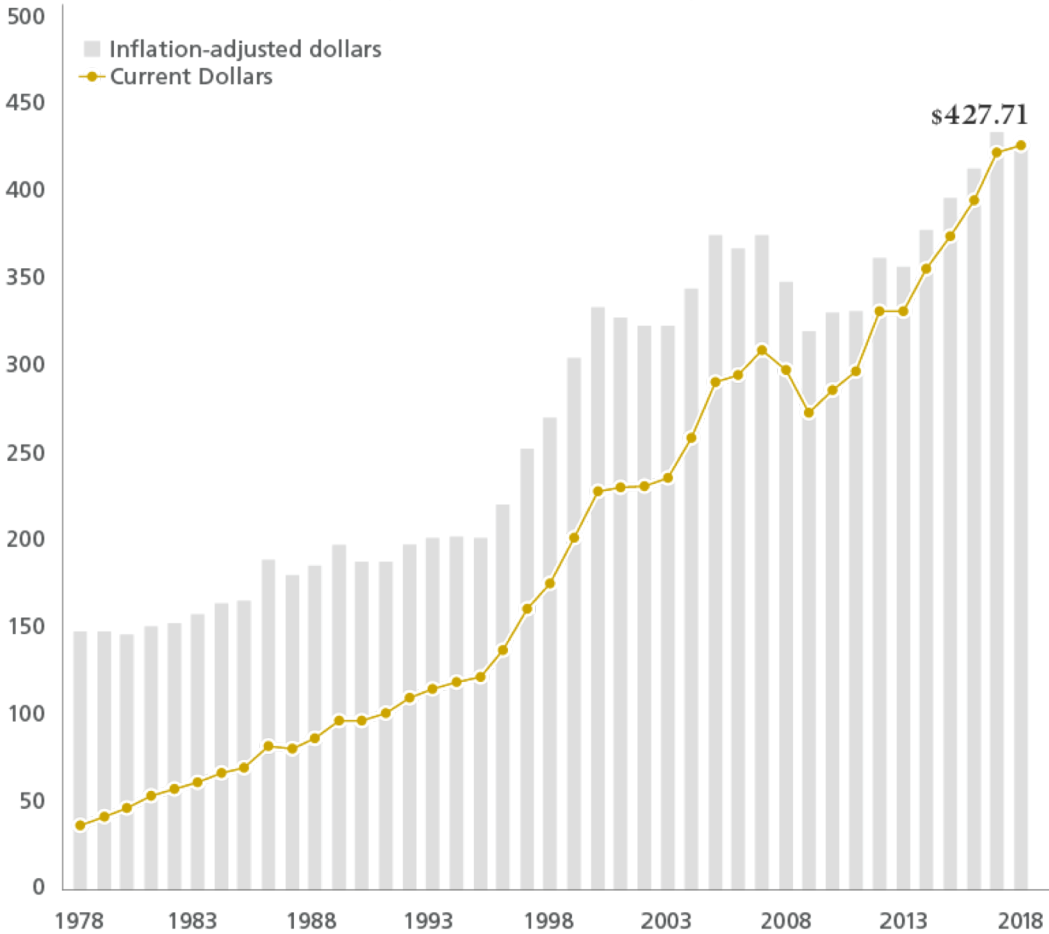
77%

percent of \$427B provided by individuals & bequests



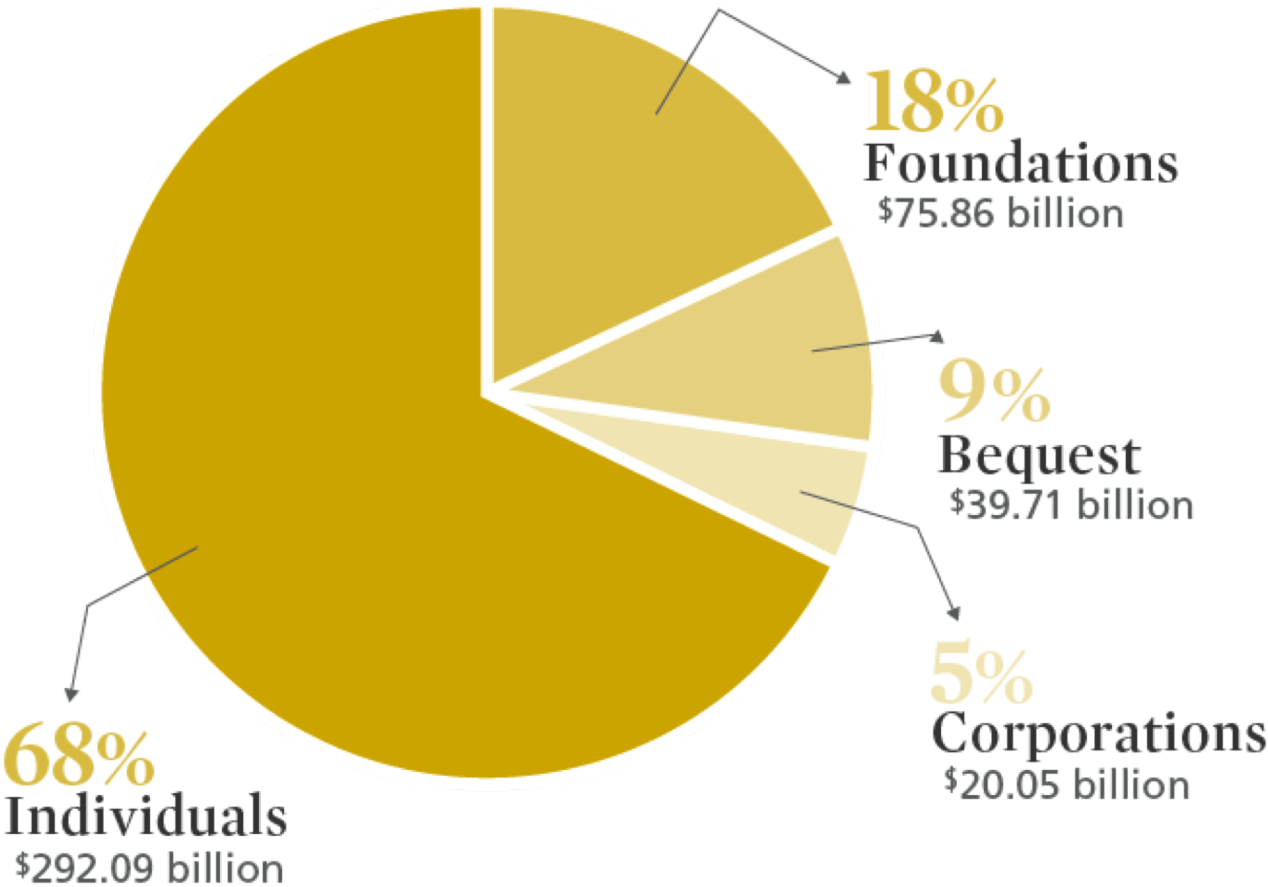
Total Giving, 1978–2018

(in billions of dollars)



2018 Contributions: \$427 Billion by Source

(in billions of dollars – all figures are rounded)



2018 Contributions: \$427 Billion by Sector

(in billions of dollars – all figures are rounded)



* Estimate developed jointly by Candid (formerly Foundation Center) and Giving USA
 ** Includes gifts to non-grantmaking foundations, deductions carried over, contributions to organizations not classified in a subsector, and other unallocated

