

WENATCHEE VALLEY COLLEGE FOUNDATION



Capacity Analysis

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METHODOLOGY AND DEFINITIONS

METHODOLOGY



Data Collection

WVCF sent C&C data for 20,584 individuals and organizations, including biographical information, giving history, and proposals.



Wealth Screening with DonorSearch

C&C sent 16,577 records of individual constituents to DonorSearch for wealth screening, which looks for publicly available assets and philanthropic gifts. Results were returned to C&C to use in analysis, and detailed results were returned to WVCF in DonorSearch's prospect research platform.



Household De-duplication

C&C cleaned data and de-duplicated households and organizations so that constituents with identified spouses or the same address and last or organization name were grouped into one household, resulting in 19,640 householded constituents.



Quantification of Capacity

C&C quantified capacity for each householded constituent in the form of the Best Wealth Indicator (BWI) as detailed in upcoming slides.



Segmentation

C&C segmented householded constituents into Prospects and Future Prospects as detailed in upcoming slides.

Quantification of Capacity

The capacity of a constituent is quantified in the form of the Best Wealth Indicator (BWI).

The BWI is the estimated amount that a constituent is able to give to **all** philanthropic interests over **five** years. For this analysis, the BWI was calculated as the maximum/largest of the following:

- Largest gift amount to WVCF (hard or soft credit, outright gifts and pledges)
- Largest expected amount from WVCF's outstanding proposals
- Five years of giving on a cash basis to WVCF (8/1/14 – 8/1/19, hard and soft credit, outright gifts and pledge payments)
- Five years of giving on a fundraising progress basis to WVCF (8/1/14 – 8/1/19, hard and soft credit, outright gifts and pledges)
- Estimated capacity from DonorSearch
- Low end of the range of largest gift found by DonorSearch

Segmentation

A **Prospect** is a household or organization that looks like a near term major gift donor to WVCF. A Prospect is categorized as such if the household or organization meets the following conditions:



AFFINITY



RECENCY

Largest gift \geq \$10,000

OR

DS Rating of DS1-1 or
DS1-2

OR

DS MGL > 250

OR

Top 20% of RFM
Score*

Giving in the
last 3 years
(8/1/16 –
8/1/19)

A **Future Prospect** is a household or organization that does not look like a near term major gift donor to WVCF because they look less engaged and/or less philanthropic. They may be a Prospect in the future with proper qualification and cultivation.

A Future Prospect is categorized as such if the household or organization is not active or does not satisfy any of the Prospect conditions.

Note: Constituents who would not be solicited for a gift are removed from the analysis, including inactive constituents, those marked “do not contact”, current staff, government entities, and donor advised funds.

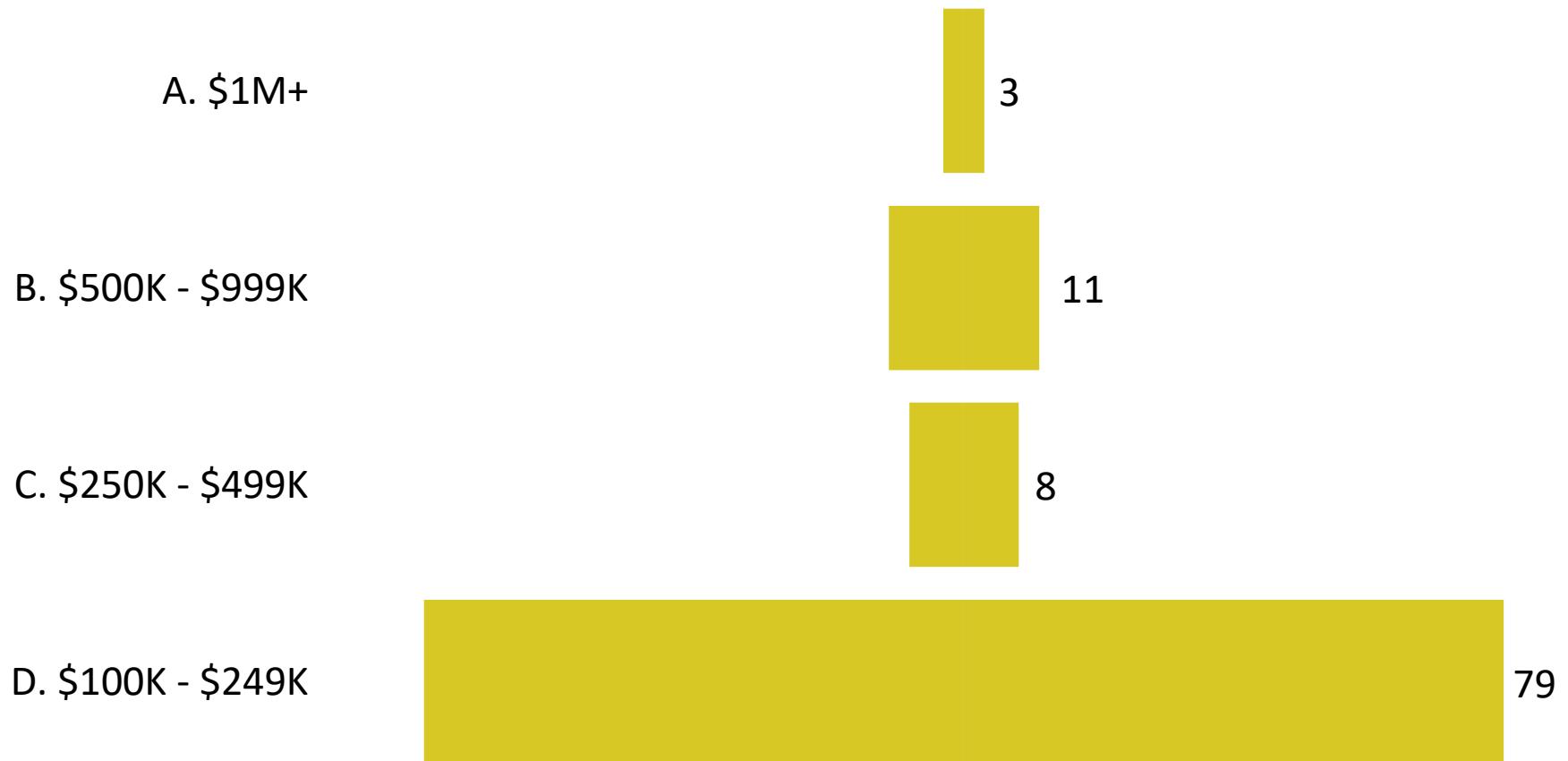
* See Appendix A for details on how the RFM score was created.



CHARACTERISTICS OF TOP PROSPECTS

CAPACITY OF TOP PROSPECTS

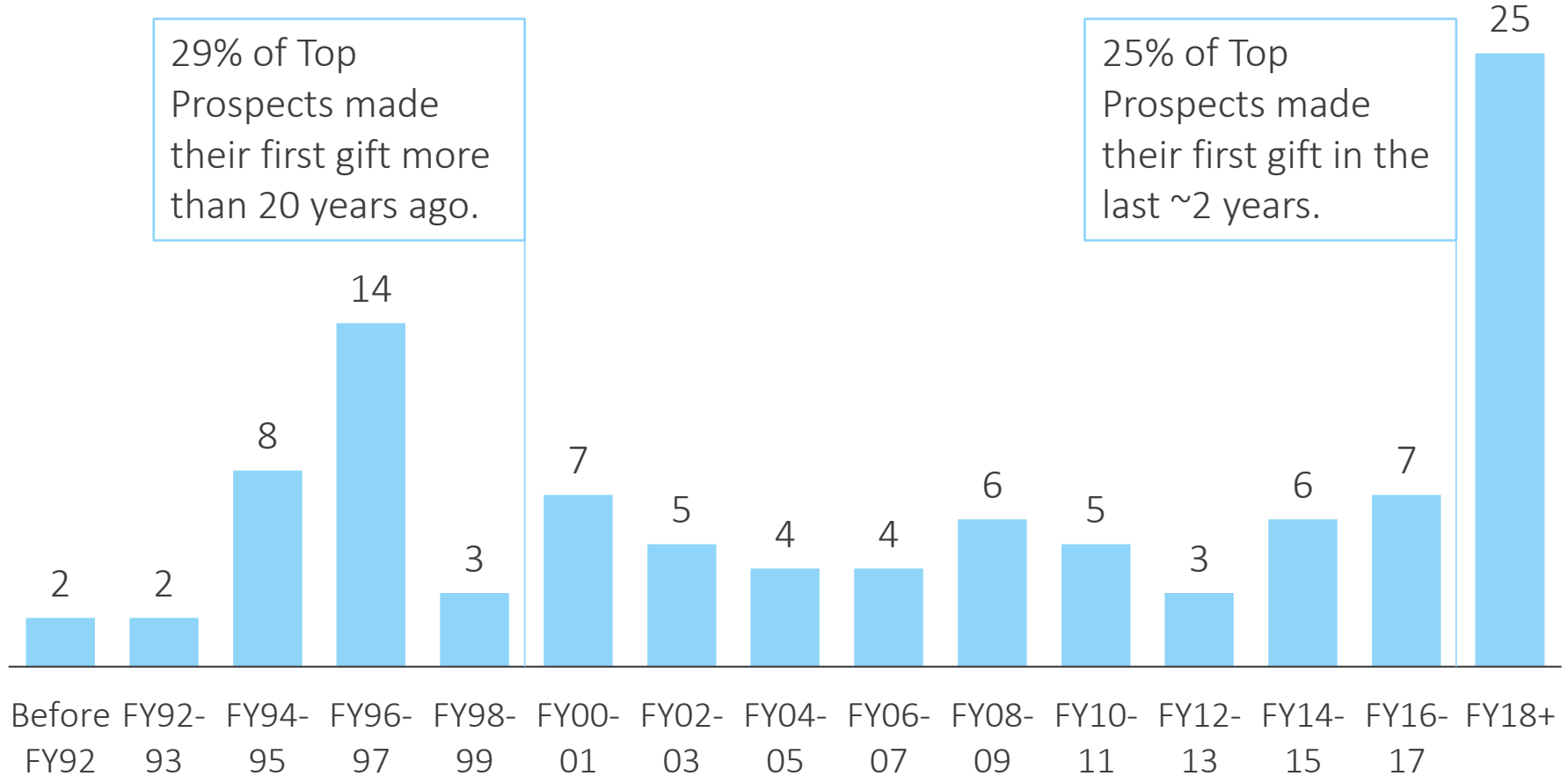
Campbell & Company found \$44.2M in capacity* from 101 Prospects rated \$100K+, as well as another \$156.8M in capacity from 651 Future Prospects rated \$100K+.



* Capacity is defined in terms of the BWI, as detailed on a previous slide. BWI is the estimated amount a household or organization is able to give to all philanthropic interests over five years.

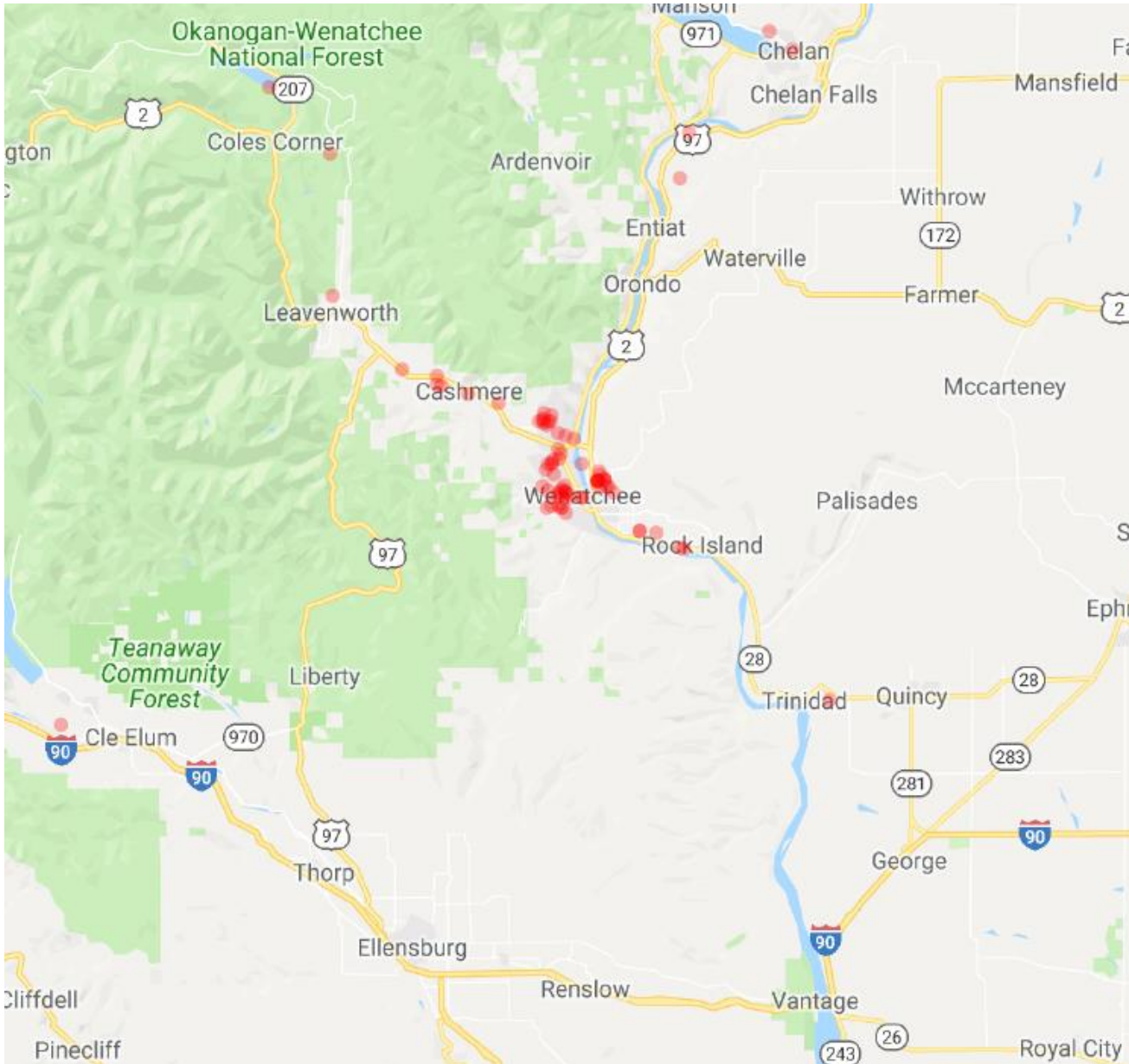
LONGEVITY OF TOP PROSPECTS

Top Prospects by Fiscal Year of First Gift



Engagement of top Prospects who are longtime donors may look different than those who made their first gift more recently.

LOCATION OF TOP PROSPECTS



96% (97) of Top Prospects live in Washington which represents 98% of capacity. The remaining Top Prospects (4) live outside of Washington.

The map at the left maps the Top Prospects in the Wenatchee area. 76 Top Prospects are represented here.

OTHER CHARACTERISTICS OF TOP PROSPECTS

- 95% of Top Prospects are individuals or households while 5% are organizations.
- 62% of Top Prospects have not yet attended an event, 17% have attended just one event, and 21% have attended two or more events.
- 15% of Top Prospects are WVC alumni.
- Most current foundation board members are Prospects (72%). The breakdown can be seen below.

Foundation Board	\$100K+ Prospects	<\$100K Prospects	\$100K+ Future Prospects	<\$100K Future Prospects
Current Member	1	12	0	5
Former Member	8	13	6	53
Emeritus Member	4	7	2	8
Total	13	32	8	66

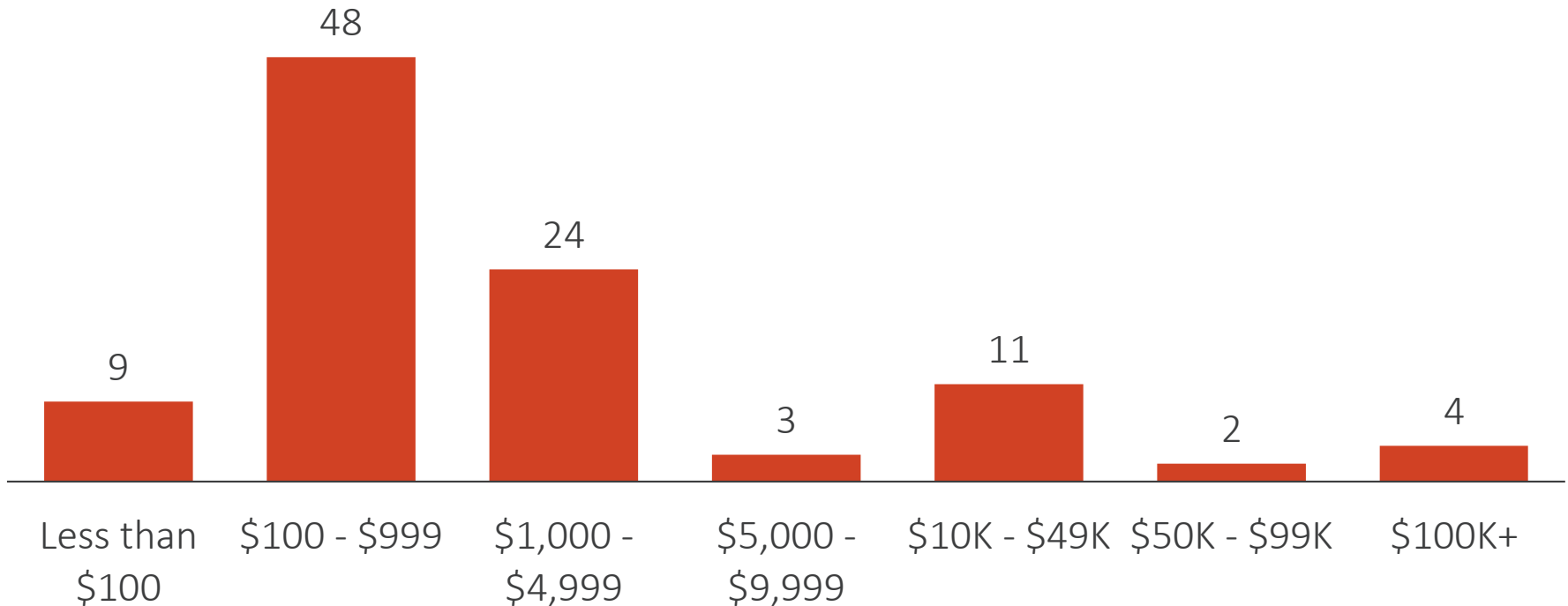


CAMPAIGN POTENTIAL

OPPORTUNITY TO INCREASE GIVING



Top Prospects by Largest Gift



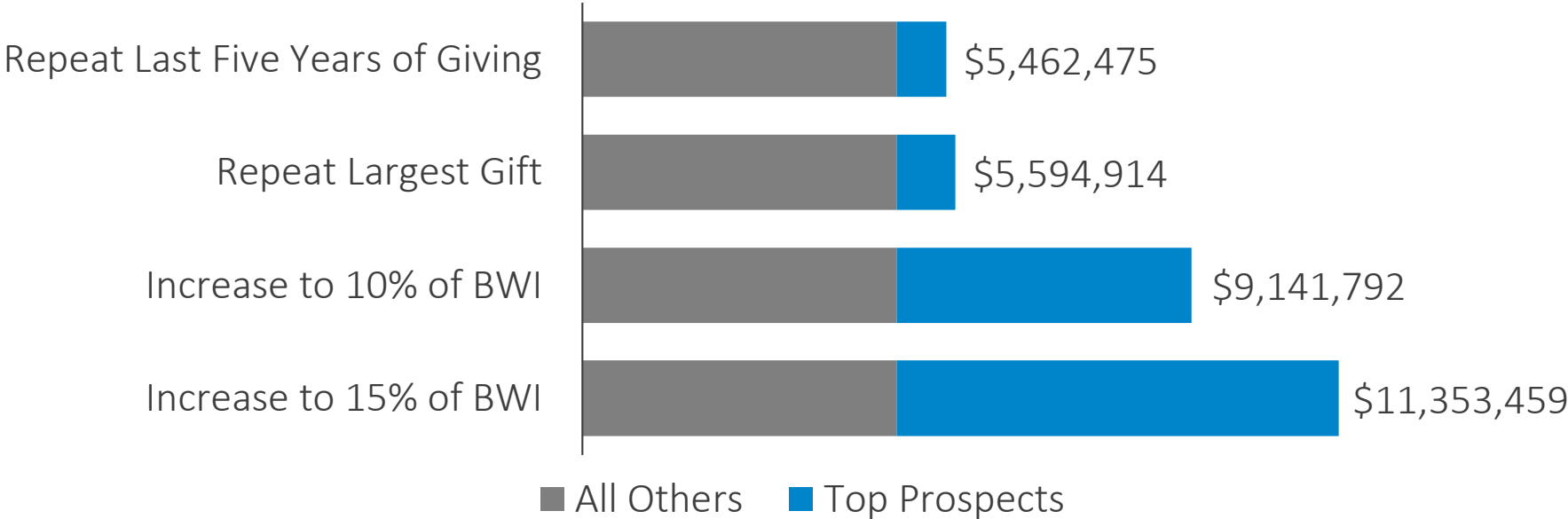
Most top prospects are not giving commensurate with their capacity. This marks a significant opportunity to increase giving:

- 56% have not given a gift of \$1,000 or more, and
- 83% have not given a gift of \$10,000 or more.

OVERALL CAMPAIGN POTENTIAL



The graph below shows four scenarios for an upcoming campaign. It assumes that anyone who is not a Top Prospect will continue to give on average what they gave in the last five years which totals \$4.7M. It also assumes that those who are not Top Prospects will not get additional attention from WVCF staff while Top Prospects will. Using these assumptions, we prepared the following four scenarios for WVCF's 101 Top Prospects:



On average, Top Prospects' largest gift to WVCF has been 5.9% of their capacity.

\$5M GIFT TABLE

\$5M Gift Table					Current Prospect Pool		
Level	Gifts Needed	Qualified Prospects Needed	Subtotal (\$)	Cumulative (%)	Identified Prospects	Surplus (Gap)	Future Prospects
\$1,000,000	1	3	\$1,000,000	20%	3	0	14
\$500,000	2	6	\$1,000,000	40%	11	5	48
\$250,000	3	9	\$750,000	55%	8	(1)	66
\$100,000	8	24	\$800,000	71%	79	55	523
\$50,000	11	33	\$550,000	82%	58	25	465
\$25,000	18	54	\$450,000	91%	138	84	1,992
\$10,000	35	105	\$350,000	98%	92	(13)	1,557
Less than \$10K	Many	Many	\$100,000	100%	274	NA	13,106
Total	78+	234+	\$5,000,000	100%	663	NA	17,771

There are two gaps shown. These highlight where Future Prospects may need to be qualified and cultivated.

Note that this does not include two bequests which may be included in the campaign at a total of ~\$1.3M.

\$7M GIFT TABLE

\$7M Gift Table					Current Prospect Pool		
Level	Gifts Needed	Qualified Prospects Needed	Subtotal (\$)	Cumulative (%)	Identified Prospects	Surplus (Gap)	Future Prospects
\$1,000,000	1	3	\$1,000,000	14%	3	0	14
\$500,000	2	6	\$1,000,000	29%	11	5	48
\$250,000	3	9	\$750,000	39%	8	(1)	66
\$100,000	8	24	\$800,000	51%	79	55	523
\$50,000	25	75	\$1,250,000	69%	58	(17)	465
\$25,000	25	75	\$625,000	78%	138	63	1,992
\$10,000	40	120	\$400,000	83%	92	(28)	1,557
Less than \$10K	Many	Many	\$1,175,000	100%	274	NA	13,106
Total	104+	312+	\$7,000,000	100%	663	NA	17,771

There are multiple gaps shown. This may suggest restructuring the gift table after vetting and verifying prospects at each level.

Note that this does not include two bequests which may be included in the campaign at a total of ~\$1.3M.



APPENDICES

APPENDIX A: RFM SCORES



Campbell & Company created a modeled score for each household and organization called a Recency, Frequency, Monetary (RFM) score. The purpose of this score is to reflect a constituent’s giving patterns to WVCF as a measure of affinity. The RFM score is from zero to fifteen and is made up of three distinct scores of zero to five. The distribution of each score is displayed below.

Score	Recency: Last Gift Date		Frequency: Number of Gifts In Last 10 Years		Monetary: Amount of Gifts In Last 10 Years	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
1	11/25/81	12/30/03	1	1	\$5.00	\$40.00
2	1/5/04	8/31/10	NA	NA	\$41.20	\$100.00
3	9/3/10	10/31/14	NA	NA	\$101.20	\$205.00
4	11/10/14	1/26/17	2	3	\$205.50	\$600.00
5	2/2/17	8/1/19	4	142	\$605.00	\$1,483,178.00