July 22, 2010

To: Ann J. Wolpert, Director of Libraries

R.e.: FY2010 Annual Report, Office of Donor Relations and Stewardship

The beginning of fiscal year 2010 in July 2009 marked two important transitions in the Office of Donor Relations and Stewardship: the adoption of a new administrative role and the hiring of a new head for the office. Following the spring 2009 meeting of the Libraries’ Visiting Committee, a new position was created in the Office of Resource Development to fulfill the leadership gifts needs of the Libraries (along with other priorities). Thus, the position formerly called Director of Development and Communications was reconfigured as Head, Donors Relations and Stewardship. The two primary changes in this reconception of the role are the passing of all prospect management responsibilities for individual donors the leadership gifts officer and the transfer of reporting the Libraries’ Communications Office from Development to Administrative Services where it is overseen by Keith Glavash.

In adopting a vision for the first year of the newly configured Office of Donor Relations and Stewardship, I defined five broad goals:

1. Streamline the operations of the Office and use technology more effectively
2. Increase stewardship activity
3. Increase foundation fundraising and proposals to other grant making organizations
4. Deepen relationships between the Libraries and key MIT fundraisers and Alumni Association staff, and volunteers
5. Increase annual funds raised while broadening participation

Overall, I feel we were successful in approaching all of these goals. In many cases, the benefit of changes and increases in activity will be seen only in long-term performance but in several instances there was a payoff within the year. The vision through which we approached all of our activities in the past year was one of long-term capacity building and increasing the Libraries pool of prospects (and thus defining a community of prospects for the leadership gifts officer to work with long-term).
1. Streamline the operations of the Office

Upon arrival, it was clear that the Office suffered from administrative challenges related to out-dated systems, inconsistent use of technology and records management tools, and inefficient use of human resources. Immediate review of the acknowledgements production process resulted in a more logical system and weekly rather than monthly production of gift acknowledgments. Better use of database “canned” reports, scanned signatures, and template letters decreased the amount of time needed to produce gift acknowledgements and overall resulted in better messaging and better stewardship of donors. Adjusted letter approval and signature processes were introduced to use senior administrators’ time more carefully.

Maintenance of the Office’s records was also addressed. Filing in both donor files (in my office and in MIT Resource Development) and in the MIT donor database was inconsistent since there were no standing guidelines. Multiple sets of donor files at the Libraries were consolidated upon my arrival with duplicates merged and unnecessary information weeded out. A new policy for recording appropriate information in MIT Resource Development files, Libraries files and the donor database was defined and is being followed.

New letter templates were designed, new content written and new monarch letterhead designed for the Director to allow for less formal communication with donors. The language of all acknowledgments, stewardship communications and appeals was completely reworked to increase depth of content and effectiveness, and to consistently reflect the Libraries dedication to supporting the work of students and faculty.

New protocols were developed and introduced related to Libraries’ staff interaction with donors, in person and in written communications. To ensure consistent messaging and that projects being discussed are key Libraries priorities, all staff have been encouraged to keep my office informed of any activities related to donors or grants. The Libraries’ staff have been very attentive to these new protocols and, I feel, are eager to partner with the Office to raise funds for the Libraries. Additionally, Libraries’ staff have been reminded of MIT Resource Development protocols related to contact with managed individual prospects and are being quite respectful of these policies.

Finally, the look and feel of Libraries events primarily geared towards donors or prospects was examined and enhanced. Messaging, invitation format, timing of invitations prior to event, invitation follow up, talking points at events, catering and other arrangements were all adjusted to better reflect the world-class caliber of the Libraries to our donors and colleagues at MIT.
2. Increase stewardship activity

Implementation of a comprehensive stewardship program was a key goal assigned to me upon my hiring as head of the Office (as is obvious from my title). Written stewardship reports to donors of endowed funds, space and unrealized planned gifts (bequest intentions and life-income gifts where the donors are still alive) were in some cases sporadic, in many non-existent. We have approached this goal in three key ways in this first year. First, a management system was implemented, in consultation with the MIT Resource Development stewardship office, using pre-existing Institute-wide databases, procedures and reports. A system was then worked out with Collections to easily extract purchase records for specific funds to allow for reporting on acquisitions from endowed funds. In the fall of 2009 letters were sent to living donors (or spouses of deceased donors) of all endowed collections funds thanking them for their support and sharing examples of purchases made with the endowments they created. Happily, this led in multiple cases to new gifts being made to the Libraries by the donors for the first time in many years.

Stewardship communications was also expanded to engage a broader audience—donors of gifts of space, significant collections or materials, and donors of unrealized bequests. Appropriate communications were sent to some of these donors related to their previous gifts—in the coming year this group will be stewarded more comprehensively—and they were coded in the donor database to ensure they are included in Libraries donor events.

A series of events was planned and implemented to steward lead ($1,000+) Annual Fund donors—newly christened as the “Director’s Circle” for marketing purposes—as well as active stewardees in the Libraries formalized stewardship program. Two events, one in the fall and one in the spring were planned to coincide with openings at the Maihaugen Gallery and included donor targeted remarks from Ann Wolpert, intellectual content related to the respective exhibitions and festive receptions.

Many individualized stewardship activities and communications were planned and carried out from the director or appropriate librarians, to lunches between collections fund donors and subject selectors. In cases where donors are actively managed by Resource Development officers, these activities were carefully coordinated with them.

Finally, the Office worked closely with Gifts Librarian Charlene Follett and several colleagues from across the Libraries to draft, revise, adopt, distribute and implement a new bookplating policy for endowed and expendable collections funds at the Libraries. The primary result is a complete transition from paper bookplates to “Electronic Bookplate Notations” in the public Barton records for materials purchased with these funds. Additionally, stewardship policies related to materials purchased using expendable gifts were updated for better efficiency in fund management and bookplating. This transition will result in significant financial and human resources cost savings related to processing as
well as the ability to bookplate all materials purchased with specific funds, regardless of whether they are physical or digital resources. The new policy and procedures were implemented effective July 1, 2010 for all collections materials purchased from that point forward.

3. Increase foundation fundraising and proposals to other grant making organizations

Unfortunately this is the area that saw the least attention during the year, though a plan for significantly increased activity is in place. Two grant proposals were prepared during the year with assistance or leadership from this Office, including a request to the National Endowment for the Humanities for phase two FACADE funding (not funded) and a proposal to a private foundation to complete the cataloging of the Charles J. Connick Stained Glass Foundation Collection. This proposal was submitted on July 20, 2010. A decision is pending.

Responsibility for foundation and grant activities was reassigned mid-year from the Development Officer to me. An initial survey of likely funders of library projects has been completed and a strong and effective working relationship has been built with our assigned Foundation Relations Officer from MIT Resource Development. Initial conversations have already been taken place both internally and with foundation/agency program officers related to grant opportunities for the Archives and for Scholarly Publishing programs. Donor Relations and Stewardship staff also participated as facilitators of a grant proposal to support physics collections, submitted by the Archives to the Council on Library and Information Resources (CLIR) which resulted in an invitation to submit a full proposal in FY2011.

4. Deepen relationships between the Libraries and key MIT fundraisers and Alumni Association staff, and volunteers

New leadership in the Libraries Donor Relations and Stewardship Office and the creation of the Leadership Gifts Officer position in MIT Resource Development introduced excellent opportunities for deepening relationships with peers across the Institute involved in outreach to donors, prospects and grant making organizations. In addition to expending significant time in welcoming the Leadership Gift Officer for the Libraries and sharing with her important information about the Libraries and past fundraising initiatives, I have worked hard to establish cooperative working relationships between the Office and MIT’s school-based fundraisers, other Leadership Gift Officers and senior Resource Development and Alumni Association staff.

Development and dissemination of updated giving opportunities for the Libraries was an ongoing project throughout the year. This updated list reflects a wider variety of giving options and the new
Libraries administrative structure and goals as defined in the “Desired Future State.” These were shared with gift officers during a two part educational program for Resource Development and Alumni Association staff who work directly with donors. The first was an information session with Ann Wolpert about the Libraries priorities and needs. This was followed later in the spring by a tour of the newly-renovated Dewey Library, lunch and presentations by Library staff to illustrate what is a 21st century academic research library.

Prior to the presentations, new summary materials for sharing with donors (a.k.a. “printables”) were developed and released for use by Resource Development officers. These include a printable about the Libraries’ director as part of a suite of printables on Institute leaders. The general Libraries printable was also updated to better reflect our current priorities and giving needs. These and other key information and marketing pieces were distributed to all Resource Development front line staff, key Alumni Association leaders, School Development Officers and Library Council regardless of whether they participated in any our information sharing programs.

Also a priority in the first year was to increase outreach by the Director’s Office to the Libraries’ visiting committee with the goal of keeping members even better informed of Libraries activities and to activities related to feedback received from the committee at the spring 2009 meeting of the visiting committee. The Office of Donor Relations and Stewardship has assisted the Director’s Office in enhancing communications with members of the Visiting Committee, including periodic targeted informational communications. Furthermore, Visiting Committee members have been included in invitation mailings for all Libraries donor events.

Key to deepening the level of collaboration between the Libraries and MIT fundraisers is the strict adherence to protocols related to contact with managed prospects which we have followed even more stringently in the past year. Additionally, by taking full advantage of Institute-wide information systems (primarily the donor database and electronic development files), the Office has been able to share even more information, in the spirit of collaboration, resulting in increased attention to Libraries activities and needs from Resource Development staff.

5. Increase annual funds raised while increasing participation

The Libraries annual appeal was formalized ten years ago and has seen fluctuating financial results and participation. Increasing both money raised and participation in the annual appeal—gifts of less than $100,000 raised for any fund at the Libraries—is a key priority for the Office of Donor Relations and Stewardship. Not only is the money raised critical in this time of economic uncertainty and Institute mandated budget cuts, but annual support is also often the precursor to major and planned gift support of
the Libraries. So, a more robust Annual Appeal today is critical to a more robust major gifts program in the future.

The two initial strategies for enhancing the annual fund are refining our solicitation list and reworking the format, design and messaging of the fall Annual Appeal mailing have broader appeal. Finally, at the end of the year we were more active in following up with non-donors to encourage fiscal year end activity. Working with an outside designer, we came up with a visually appealing template—including a variety of images of students working in the Libraries. The content was also significantly deepened with quantifiable statistics about the Libraries and our service to the MIT community included on the back. Rather than printing a separate card or insert, the appeal remained in letter format (albeit with great images incorporated and a radically different look from most Libraries correspondence) so as to not look too expensive and send an inappropriate message about use of resources to donors in a year of fiscal austerity. The appeal does seem to have gotten the attention we hoped for and was widely compliment both for the information content and general look.

In examining the prospects and donors including in the annual appeal mailing, we were focused on likelihood of making a gift and also were mindful of managing the number of pieces to be mailed to minimize expense. Large segments of people with little connection to the Libraries were removed, having been solicited multiple times with little result. And, additional populations were added in (in some cases added back in, having been dropped from the list years before). These included purchasers of library privileges and people who have indicated in past alumni surveys that they consider the Libraries a primary interest at MIT. Finally, the mailing list for the Music Library newsletter was incorporated with the mailing list for the Libraries to ensure that Music Libraries patrons will be solicited along with others with an interest in the Libraries.

We also reviewed the Libraries gift funds. The MIT online giving page was updated to better reflect the purpose of each fund and two new funds were created. The Libraries Technology Innovation Fund was established as a discretionary fund for the development of new information management technologies and their implementation at the Libraries. The Library Collection Fund was reconceived as a general collections fund therefore presenting a suite of three discretionary funds of the Libraries—general (the Director’s Fund), technology r&d, and collections. It is hoped that these three funds will appeal broadly to the primary interests that lead people to Libraries.

A new recognition program was developed also resulting in a new fund. In place of “Honor with Books,” which was phased out at the beginning of FY10, “Take a Seat” was implemented. Donors can honor someone with a gift to this program as they could with Honor with Books” but the staff time commitment related to stewardship and processing of the books is radically decreased. The gifts to name a chair are $1,000 as opposed to “Honor with Books” $100 gift size so the audiences and
participation are very different. “Take a Seat” was marketed through the MIT Parents Fund and the Emma Rogers Society and resulted in $8,000 in gifts from new donors in the initial year, including several gifts under $1,000 from donors who wanted to support enhanced facilities. Donors to this program have been well stewarded and we hope there will be repeat gifts from these donors in coming years.

Complementing our November 2009 annual appeal mailing were two targeted e-mail solicitations. Calendar year end donors received an e-mail in December and lapsed donors and never givers received an e-mail at the end of May. FY09 donors who had not made a gift yet in FY10 received a fiscal year end letter from the Director in June soliciting their support and the results were quite positive. Mailed fiscal year end reminders to lapsed donors and never givers at the end of the fiscal year also were successful—much more so that the e-mail reminder sent to the members of the same groups who have e-mail addresses on file at MIT. Additionally, in previous years a giving envelope was included only in the fall newsletter (mailed roughly three weeks before the annual appeal is mailed). This year, and enveloped was included in the spring newsletter as well and resulted in over 20 gifts, some from donors who had previously made a gift in the year and resulted in gifts well over $10K.

We were delighted to see a significant trend of donors who had not made a gift in three or more years supporting the Libraries again and by the acquisition of many new donors. Both dollars raised and participation in the annual giving program represented increases over the previous year. Details are included below. For the purposes of reporting, annual giving totals do not include pledge payments or targeted major gifts (such as specific initiatives at the Libraries) or gifts to life income funds. These totals reflect cash received, not new pledges, even when those pledges are for general Libraries funds.
FY2010 Annual Appeal Statistics:

Total raised: $208,786 (up 11% from FY09, 10 year average = $138,656)

Number of gifts: 423 (up 8% from FY09, 10 year average = 439)

Repeat donors (made a gift in FY09): 276

New donors (no previous gifts to the Libraries): 45

Gifts from rejoined lapsed donors by number of years lapsed:

1 year: 42
2 year: 37
3 year: 13
4 year: 4
5 year: 2
>5 years: 2

Key goals for FY2011:

- Continue to identify new prospect pools for the Libraries’ annual appeal
- Deepen stewardship reporting to include more non-collection endowment donors
- Significantly increase grant seeking activities
- Continue outreach to MIT Resource Development to help increase major gifts activity for the Libraries