

Subject: Campaign FAQs

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To: faculty-list@skidmore.edu, admin-prof-list@skidmore.edu

Dear All,

During the many good conversations taking place about strategic planning a number of questions have come up regarding the comprehensive campaign that we intend to launch to help us achieve our goals. I have met and will continue to meet with groups across campus to explain how we plan to move forward with the campaign. In the meantime, a number of individuals have indicated that it might be helpful to outline some basic facts about the campaign plan, at least as it stands today, and to answer what appear to be the most frequently asked questions.

How long? The campaign, as currently projected, would be six years in length. That timeframe could be lengthened or shortened depending upon circumstances.

When will we start? *If* the Board of Trustees resolves to launch the Campaign at its May meeting, we would begin counting all gifts (hence the term "comprehensive campaign") that we receive beginning June 1st, which is the start of our next fiscal year.

What is the dollar goal? The Trustees have not as yet approved a formal goal. We are, however, basing our projections on a campaign in the \$125-150 million dollar range.

How have we arrived at that range? We looked at our top 800 prospective donors, reviewing giving histories, interest levels, and current financial situations and then assigned three potential gift outcomes – low, medium, and high – for each individual. We also factored in an aggregate projection for all other donors as well as the anticipated (though difficult to quantify) impact of gifts from prospective donors who will surface during the campaign. The sum of our high projections fell in the middle of the proposed range. The sum of the medium projections was well below the proposed range and the sum of the low projections far below. In short, we believe that such a range is aggressive but not unattainable.

Is it sufficient to base our calculations on 800 individuals when we expect to receive gifts from more than 15,000 during the course of the campaign? Most of the money raised in a campaign comes from a small number of donors. Of the \$86.5 million raised in the Journey Campaign, for example, \$75.8 million came from 271 donors, i.e., 87.5% of the dollars came from 1.6% of the donors.

How much of the campaign total can be put toward new initiatives? Certainly not all. A significant portion of what we raise will support our existing operations. For example, we now raise more than \$4 million annually towards our operating budget and that is already factored into our financial planning in future years. Moreover, some of the money raised will be in the form of planned gifts, i.e., charitable trusts, annuities, etc., which will not be available for use until after the donor's death. Finally, we expect to receive gifts to the endowment, the income from which (about 5% annually) we can use for current purposes but not the principal. Each of these variables is factored into the preliminary funding model that has been provided with the draft of the strategic plan.

How long before we receive all of the money committed? We will allow donors to spread their gifts over a period of up to five years. It is likely, therefore, that we will be receiving gifts up to 11 years from the start of the campaign, i.e., five years from the final year of the campaign to accommodate donors who make a five-year commitment in that final year.

What is the relationship of the strategic plan to the campaign? There is a strong relationship but they are not one and the same. The plan is necessarily about the College and its needs. The campaign is essentially a translation of those needs into the needs and interests of our donors. The first clearly informs the second but there is not a direct, unmediated correlation.

I'm sure there are more questions but I hope that this answers some of the more common ones out there.

Michael

