



Advancing Health Care
Through Philanthropy



BENCHMARKING IN STRATEGIC PLANNING



ASSOCIATION FOR
HEALTHCARE
PHILANTHROPY™

Connecting People • Enriching Lives



OVERVIEW

- Summary Findings from FY 2008
- CentraCare Health Foundation Case Study
- Discussion



SAMPLE COMPOSITION

Participant Type	Percent (Number)
Community hospital	62% (36)
Academic/teaching hospital	12% (7)
Tertiary hospital	10% (6)
Systems	7% (4)
Long-term rehabilitation	2% (1)
Other programs	3% (2)
Children's Hospital	2% (1)
Other specialty hospitals	2% (1)

Region	Percent (Number)
Canada	29% (17)
South	29% (17)
West	19% (11)
Northeast	14% (8)
Midwest	9% (5)



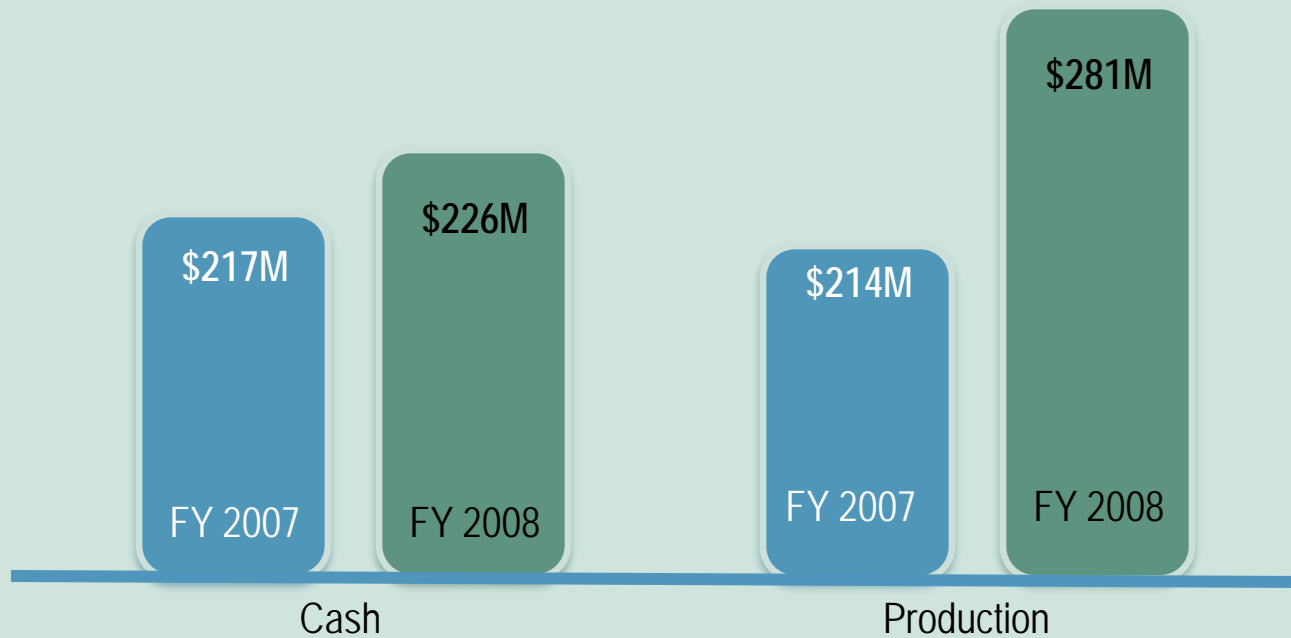
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FISCAL YEAR 2008 SUMMARY FINDINGS



NET FUNDRAISING RETURNS



Note: Results displayed represent aggregate figures.

SAMPLE WIDE RESULTS

Net Fundraising Revenue

Overall \$2.8M

Hospitals \$2.7M

Systems \$4.2M

Return on Investment

Overall \$4.06

Hospitals \$4.08

Systems \$3.05

Cost to Raise a Dollar

Overall \$0.25

Hospitals \$0.25

Systems \$0.33

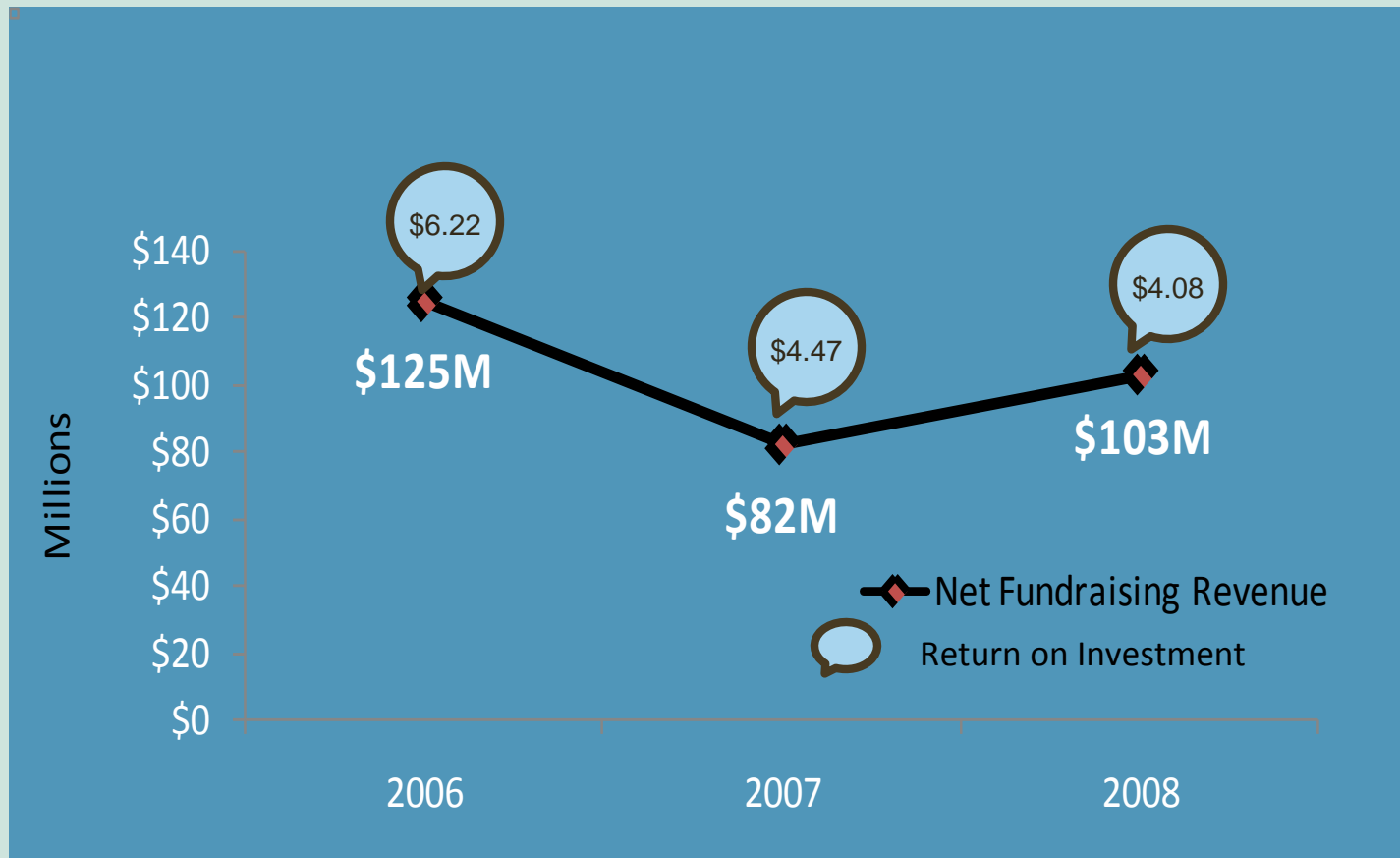
Note: Results displayed represent median production figures.

PROGRAM ANALYSIS

Program Area	• % of Funds Raised	change
Annual Giving	• 15%	-3%
Special Events	• 11%	no change
Major Gifts/Corp/Fdn	• 47%	-9%
Planned Giving	• 17%	+6%
Public Support	• 9%	+6%

Program Area	• Average Gift Size	change
Annual Giving	• \$68	-\$3
Special Events	• \$503	-\$146
Major Gifts/Corp/Fdn	• \$10,911	-\$3,055
Planned Giving	• \$100,146	-\$7,225
Public Support	• \$120,782	+\$65,827

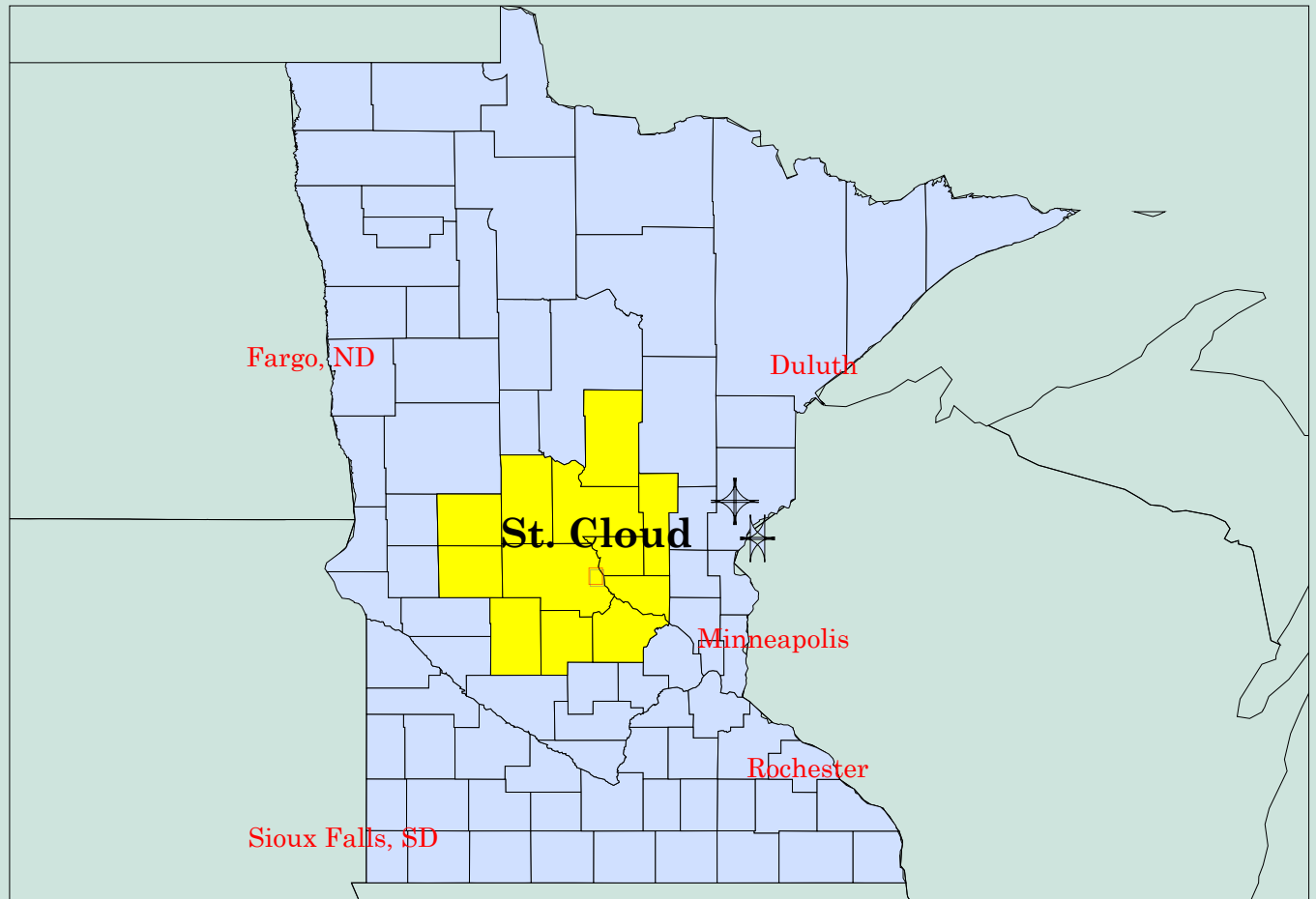
LONGITUDINAL COMP



Note: Results displayed represent combined net fundraising production figures and median ROI figures for 21 continuing partners.

PARTICIPANT CASE STUDY

CENTRA**CARE** Health Foundation



SYSTEM CHARACTERISTICS

- 6,400 employees and 400 physicians
- Bed Number 537 total between 3 Hospitals
 - 91% of the beds are at the flagship facility
- \$750 million in revenue
- Flagship hospital in St. Cloud, MN
 - Summary Service area statistics:
 - Service population 650,000
 - Median Income: \$49,106
 - Area Characteristics: suburban and rural
 - Area demographics:
 - ✓ Median age 39
 - ✓ 95% white
 - ✓ fastest growing region in the State
 - ✓ great culture of giving





Where we Began

CENTRACARE
Health Foundation

1997

CENTRACARE Health Foundation

Highlights:

Funds Raised: \$590k

Return on Investment:

\$2.33

Cost to Raise: \$0.45

Direct FTEs: 3

1997

STRATEGIC PLANNING



Steps in 18 month timeline:

- ✓ Research, Goal Setting, Retreats...and Cultural Change
- ✓ Identifying Priorities
- ✓ Understanding potential of region
 - Reality Check - Raising \$3.2M, Potential \$18.0M
 - Benchmarking
 - Goal setting
- ✓ Increasing capacity
 - Budget Changes
 - Additional FTE directs





Vital Stats

CENTRACARE
03-05 Health Foundation



Vital Stats

CENTRACARE
09 Health Foundation

CENTRACARE
Health Foundation

Highlights
2003-2005 Averages

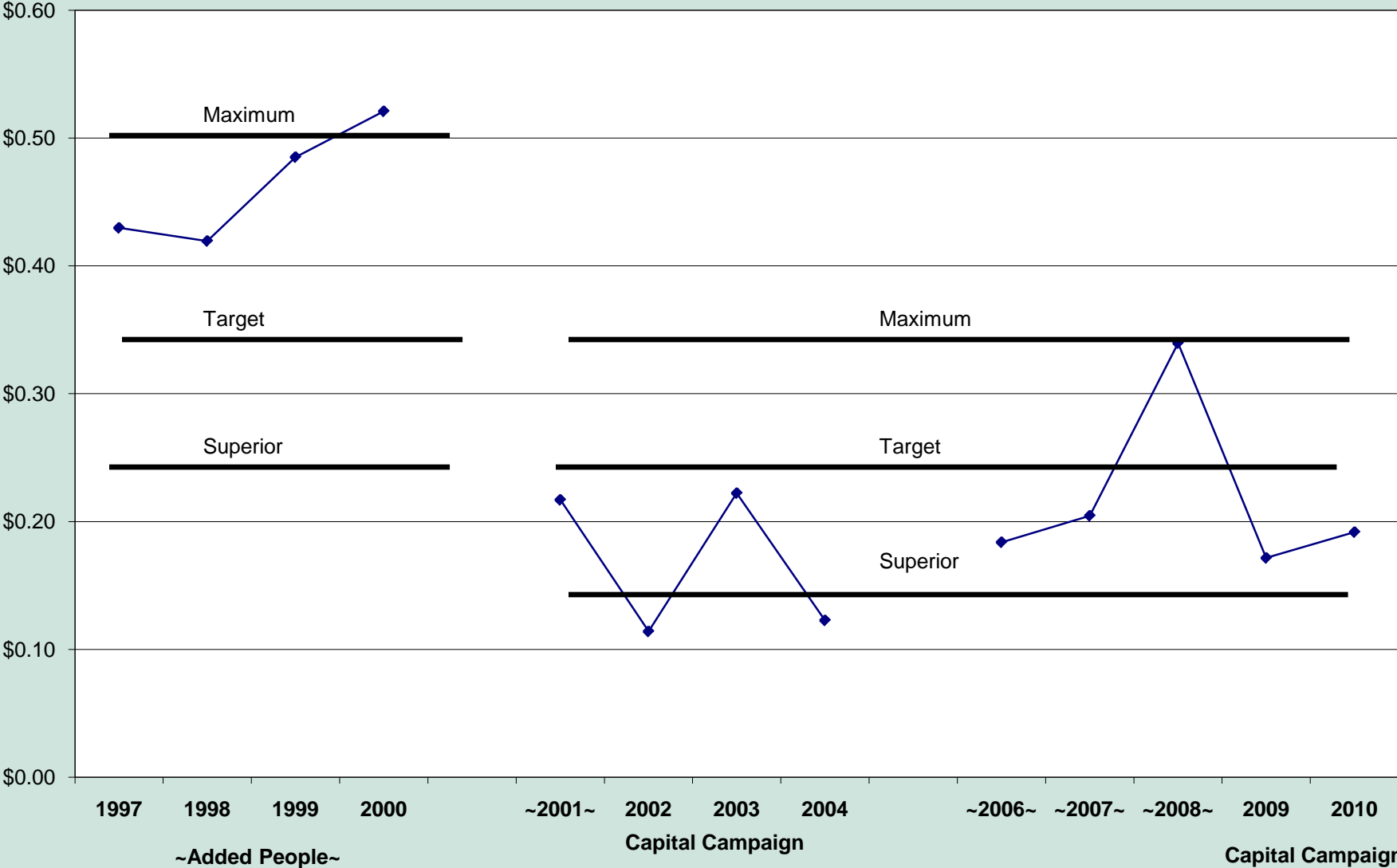
Funds Raised:	\$3.5M
Return on Investment:	\$5.66
Cost to Raise:	\$0.19
Total FTEs:	7.3
Direct FTEs:	4.3
Net Returns:	\$2,955,213
FR Expense Budget:	\$633,121

CENTRACARE
Health Foundation

Highlights
2009 Actual

Funds Raised:	\$9M
Return on Investment:	\$5.49
Cost to Raise:	\$0.18
Total FTEs:	15.5
Direct FTEs:	9.2
Net Returns:	\$8,064,907
FR Expense Budget:	\$1,796,468

CCHF Cost to Raise a Dollar



BENCHMARKING COMPARISONS

Selection Criteria:

- 300-800 beds
- Tertiary or community hospitals
- Fundraising expense budget of \$1M - \$2.5M

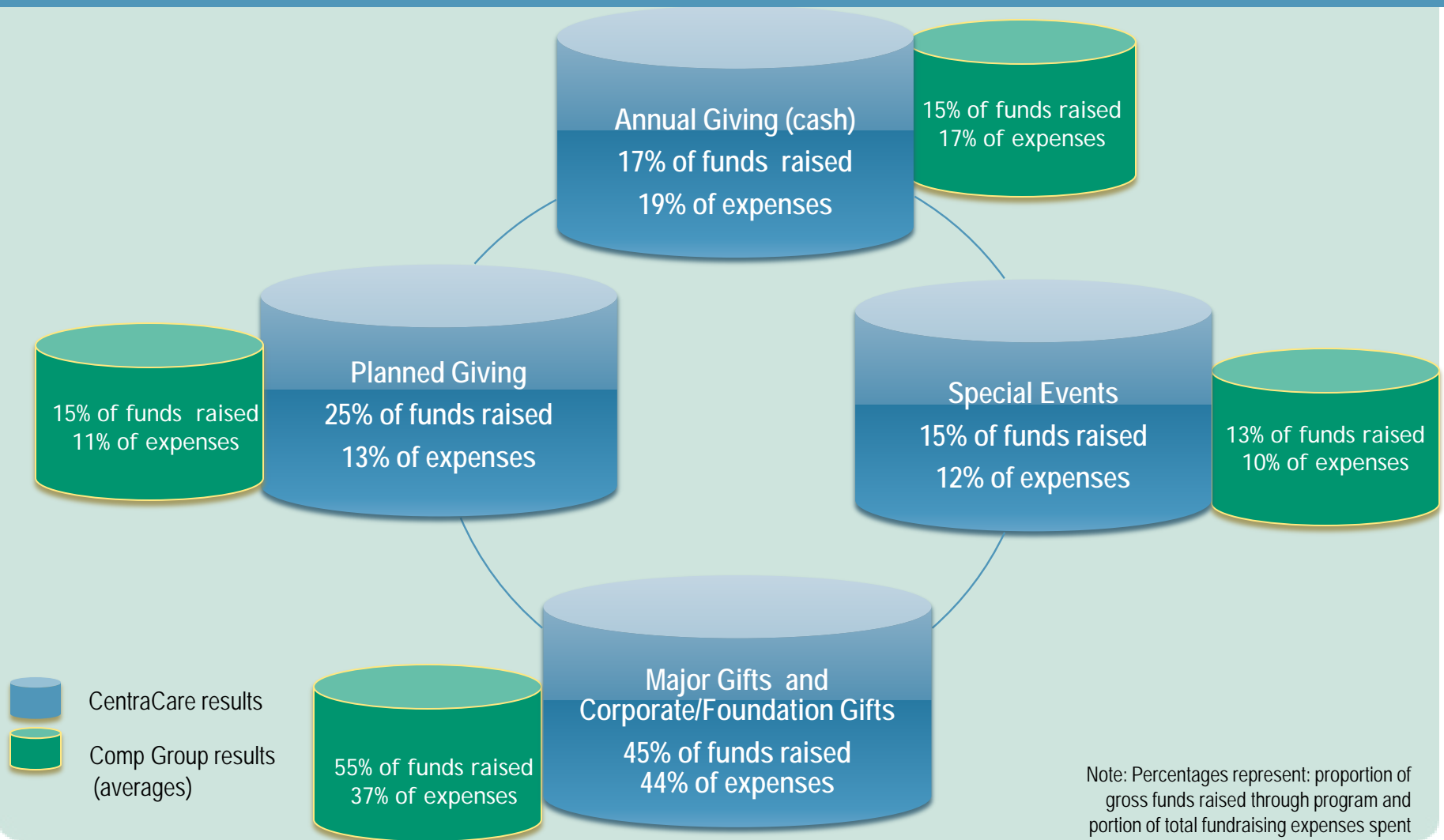


BENCHMARKING COMPARISONS

Organization	Net Fundraising Revenue	Return on Investment	Direct FTEs	Compensation	Maturity of Operation
Organization A	\$8,572,994	\$9.03	6	\$610,040	17 years
Organization B	\$5,914,181	\$4.12	6	\$788,000	21 years
Organization C	\$5,659,376	\$4.08	9	\$897,575	36 years
CentraCare	\$3,789,181	\$3.30	10.6	\$939,154	12 years
Organization D	\$2,807,907	\$4.08	4	\$495,560	1 year
Organization E	\$1,813,098	\$3.83	5	\$548,690	24 years
Organization F	\$515,219	\$1.39	5.25	\$642,033	25 years

Note: Calculations based on production figures

PROGRAMMATIC EMPHASIS



MANAGEMENT CHANGES

- Focus on major gifts
 - Metrics
 - Limiting number of special events
 - Added Grant Writer
 - Annual Gifts through direct mail
 - Orientation and training
 - Teambuilding
-
- ROI and CTRD
 - Overall, by Fund Raising Program ie Annual, PG
 - Sources: AHP and Philanthropy Leadership Council*
 - Expense Budgets and Total Dollars Raised
 - Source: AHP*
 - Sizing of Staff to Meet Revenue Goals
 - Dollars Raised per MGO
 - Source: Philanthropy Leadership Council*
 - Salaries and Position Description
 - Source: AHP*
 - Budget Builder
 - Enter Assumptions based on benchmarks
 - Salaries, Number of MGO and other staff
 - Number of Planned Gifts
 - Response Rate on Direct Mail and Average Size Gift
 - Special Events Assumptions

ONGOING IMPACT OF BENCHMARKING



DISCUSSION

