Rethinking Major Donors

The way you think about Philanthropy is wrong

Micah Demmert MFIA
Head of Philanthropy
Oxfam Australia

Progress Conference
June 2019
OR...

HOW UNIVERSITIES GET ALL THE MONEY...

... AND DON'T ACTUALLY NEED IT!

Micah Demmert MFIA
Head of Philanthropy
Oxfam Australia

Progress Conference
June 2019
INTRODUCTION
## Top Donors of 2018

<table>
<thead>
<tr>
<th>Rank</th>
<th>Foundation/Individual</th>
<th>Amount (m)</th>
<th>Causes and Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Paul Ramsay Foundation</td>
<td>$85.8m</td>
<td>Health, Education</td>
</tr>
<tr>
<td>2</td>
<td>Minderoo Foundation</td>
<td>$60.4m</td>
<td>Community, cancer, oceans, Indigenous disparity, higher ed research, early childhood, slavery.</td>
</tr>
<tr>
<td>3</td>
<td>Ian Potter Foundation</td>
<td>$25.8m</td>
<td>Arts, community wellbeing, education, environment, health</td>
</tr>
<tr>
<td>4</td>
<td>Lowy Foundation</td>
<td>$22m</td>
<td>Arts, medical research and the Lowy Institute for international policy.</td>
</tr>
<tr>
<td>5</td>
<td>Graham and Louise Tuckwell</td>
<td>$20m</td>
<td>Australian National University</td>
</tr>
<tr>
<td>6</td>
<td>Ainsworth family</td>
<td>$19m</td>
<td>Arts, health and medical research at Western Sydney University.</td>
</tr>
<tr>
<td>7</td>
<td>Kinghorn Foundation</td>
<td>$17.9m</td>
<td>Medical research, poverty and Australian youth.</td>
</tr>
<tr>
<td>8</td>
<td>Susan and Isaac Wakil Foundation</td>
<td>$17.2m</td>
<td>Arts, nursing and health at University of Sydney.</td>
</tr>
<tr>
<td>9</td>
<td>Gandel Philanthropy</td>
<td>$16.7m</td>
<td>Arts, education, health and medical research, youth at risk, Jewish identity, Indigenous, poverty</td>
</tr>
<tr>
<td>10</td>
<td>Pratt Philanthropies</td>
<td>$14.1m</td>
<td>Food security, health, arts, education, Jewish life, Aboriginal advancement, environment</td>
</tr>
<tr>
<td>11</td>
<td>Andrew and Paula Liveris</td>
<td>$13.5m</td>
<td>Liveris Academy at University of Queensland</td>
</tr>
<tr>
<td>12</td>
<td>Myer Foundation and Sidney Myer Fund</td>
<td>$12.9m</td>
<td>Arts, education, poverty and disadvantage, sustainability and environment.</td>
</tr>
<tr>
<td>13</td>
<td>Stan Perron Charitable Trust</td>
<td>$12.8m</td>
<td>Disadvantage and improving children’s health.</td>
</tr>
<tr>
<td>14</td>
<td>Packer family and Foundations</td>
<td>$12.1m</td>
<td>Arts, medical research and community.</td>
</tr>
<tr>
<td>15</td>
<td>Hansen Little Foundation</td>
<td>$11.5m</td>
<td>University of Melbourne, State Library of Victoria.</td>
</tr>
</tbody>
</table>
“Universities, the arts and medical research are the beneficiaries of the biggest gifts. It's not uncommon for a top-tier university to raise more than $50 million each year. Thanks to its alumni networks the tertiary sector is considered one of the most sophisticated fund raising machines in the market.”

(Source: John McLeod, co-founder of the JBWere's Philanthropic Services division, which manages over $5 billion in charitable assets, and compiler of the Philanthropy 50 list, AFR, April 2018)
TOTAL CHARITABLE INCOME IN 2015:
$134.5 BILLION

- Donations and Bequests: 8%
- Government Grants: 42%
- Other income: 50%

Source: The Conversation, Mar 2017
# Giving Australia - 2016

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2005 revised</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Donations from Individuals</strong></td>
<td>$7.7b</td>
<td>$10.1b</td>
<td>$12.5b</td>
</tr>
<tr>
<td>* Donor numbers</td>
<td>13.4m</td>
<td>13.4m</td>
<td>14.9m</td>
</tr>
<tr>
<td>* Percentage</td>
<td>87%</td>
<td>87%</td>
<td>81%</td>
</tr>
<tr>
<td><strong>Average Donation</strong></td>
<td>$424</td>
<td>$553.92</td>
<td>$764.08</td>
</tr>
<tr>
<td><strong>Median Donation</strong></td>
<td>$100</td>
<td>$130.64</td>
<td>$200</td>
</tr>
</tbody>
</table>

(Source: Giving Australia, QUT, 2016)
INCOME BY SECTOR - 2015

Income by sector
Total sector income for registered charities 2015

Education and Research
(Total sector income: $60.2b)

Religion
($6.2b)

Development and Housing
($10.1b)

Social Services
($12.3b)

International
($1.2b)

Health
($33.6b)

Philanthropic, intermediaries and voluntarism promotion
($3.6b)

Culture and recreation
($2.9b)

Law, advocacy and politics
($1.7b)

Environment
($1.2b)

Other/Unknown
($1.2b)

Source: The Conversation, Mar 2017
SOURCES OF INCOME - 2015

Sources of income
Circles scaled on average total income.

- Donations and Bequests
- Government grants
- Other income

Bracket:

<table>
<thead>
<tr>
<th>Income bracket</th>
<th>XS</th>
<th>S</th>
<th>M</th>
<th>L</th>
<th>XL</th>
<th>XXL</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$50K</td>
<td>38%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4%</td>
</tr>
<tr>
<td>$50K-$250K</td>
<td>39%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$250K-$1m</td>
<td>28%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1m-$10m</td>
<td>12%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$10m-$100m</td>
<td>8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&gt;$100m</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>51%</td>
<td>45%</td>
</tr>
<tr>
<td>Average</td>
<td>($15,945)</td>
<td>($125,340)</td>
<td>($515,893)</td>
<td>($3,268,287)</td>
<td>($24,929,700)</td>
<td>($422,165,017)</td>
</tr>
</tbody>
</table>

Source: The Conversation, Mar 2017
‘GROUP OF 8’ TOTAL REVENUE - 2017
% OF CHARITIES WITH DGR STATUS

Source: The Conversation, Mar 2017
1. Credibility
2. Ambition
3. Contacts
4. X-Factor
5. Ask For It

SO WHAT HAPPENED?
2014

Total raised: $2,012,369
Appeals: $541,311
Tied: $845,325
Untied: $612,133

Total expenditure: $38,000
2 x Full time staff
1 x 0.6 FTE
1 x 0.5 FTE Trusts and Foundations

New product:
Thematic Proposals & Impact Report

2015

<table>
<thead>
<tr>
<th>Total raised:</th>
<th>$2,583,880</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appeals:</td>
<td>$356,832</td>
</tr>
<tr>
<td>Tied:</td>
<td>$1,155,849</td>
</tr>
<tr>
<td>Untied:</td>
<td>$988,510</td>
</tr>
</tbody>
</table>

Total expenditure: $38,000

New product:
The Oxfam Circle
CHECK OUT
www.w4kbl.org
CQ CQ
CALLING ALL
STATIONS
145.230
179.9 PL
WELCOME
TO THE
PENNINGTON FOLK MUSIC FESTIVAL
FIRST ANNUAL
"PENNINGTON"
HAMFEST
INDOOR TABLES ARE AVAILABLE - FCFS
NO FEES TO ENTER OR SETUP
FOOD AND DRINKS
WILL BE AVAILABLE
PRINCETON, KY
FIRE TRAINING CENTER
EXIT 12 OFF WK PKWY
2001 HWY 62 WEST
JUNE 2nd, '12 7:00 AM till NOON
PRINCETON HAM RADIO CLUB AND CALDWELL CO ARES

WELCOME
HAM RADIO
SWAPMEET
VE TESTING AT 800 WALKINS WELCOME
YOUR FINANCIAL SUPPORT

The Oxfam Circle, Oxfam’s key supporter program, recognising your generous support and bringing you closer to our important work.

By making an annual commitment to support Oxfam’s critical work in the fight against poverty and injustice, you are making a declaration that goes beyond a financial transaction. By considering the gift in your Will, you’re making a visionary statement.

You are also inspiring and influencing others to give, creating meaningful change in impoverished communities, establishing new leaders who are empowered to make a real difference, and forging a pathway for a better, more equal world.

Join the Oxfam Circle today and make your mark out of many times.
Total expenditure: $38,000

New product:

2 x Full time staff
1 x 0.6 FTE
1 x 0.5 FTE Trusts and Foundations

2016

Total raised: $3,004,788
  Appeals: $237,600
  Tied: $1,399,255
  Untied: $1,367,933

New product:

Site visits

Face to face asking
New product:

Capital Campaign

2017

Total raised: $4,385,271
Appeals: $244,374
Tied: $2,488,458
Untied: $1,609,879

Total expenditure: $38,000
<table>
<thead>
<tr>
<th>Staffing Model</th>
<th>Description</th>
<th>FTEs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2 x Full time staff</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 x 0.6 FTE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 x 0.5 FTE</td>
<td></td>
</tr>
</tbody>
</table>

**Capital Campaign Support**

### 2018

**New product:**
- **Major Donor RG and multi-year pledges**

**Total raised:**
- **$5,012,182**
- **Appeals:** $216,578
- **Tied:** $2,110,476
- **Untied:** $2,732,709

**Total expenditure:** $38,000
New product: Capital Campaign Committee

2 x Full time staff
1 x 0.6 FTE
1 x 0.5 FTE Capital Campaign Support

Total expenditure: $38,000

New product: Stewardship plan

2019

Total raised: $5,500,000
Appeals: $200,000
Tied: $2,600,000
Untied: $1,700,000
## Donations

<table>
<thead>
<tr>
<th></th>
<th>$50,000+</th>
<th>$100,000+</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014:</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>2018:</td>
<td>13</td>
<td>8</td>
</tr>
</tbody>
</table>
ANDREW AND BETH PHILLIPS
DO THIS ONE THING...
MAJOR GIFTS...
DO THIS OTHER THING...
NEW ‘PRODUCTS’ AND PROCESSES
<table>
<thead>
<tr>
<th>Products</th>
<th>Processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thematic proposals &amp; Impact Reports</td>
<td>Appropriate budgeting</td>
</tr>
<tr>
<td>Site visits</td>
<td>Board Peer Screening</td>
</tr>
<tr>
<td>Targeted functions</td>
<td>The Oxfam Circle – donor club</td>
</tr>
<tr>
<td>Capital Campaign</td>
<td>Multi-year pledges</td>
</tr>
<tr>
<td>Major Donor RG</td>
<td>Prospecting</td>
</tr>
<tr>
<td>Stewardship Plan</td>
<td>CEO engagement</td>
</tr>
</tbody>
</table>
THANK YOU

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