I. The changing need for philanthropy by non-profit hospitals
   A. Non- Profit hospitals have 3 sources of capital
      1. “The Bottom Line” (excess of revenue over expense)
      2. Borrowing
      3. Philanthropy
   B. As the Bottom line has declined, philanthropy has become urgently needed
      1. Funding needed for priority needs of the institution
      2. No longer funding “nice to have”

II. How some non-profit hospitals cope with the new reality – by becoming “For Profit”
   A. Is philanthropic support no longer needed?
   B. How can a for-profit hospital advance your Auxiliary’s non-profit mission

III. How the role of hospital volunteers has changed
   A. Before the advent of Medicare, nearly all fundraising was done by Auxiliaries.
      1. Events
      2. Gift shops
      3. Patient care and comfort
   B. Foundations began when Medicare funding began to be restrictive.
      1. Most foundations have been created since 1970
      2. Early Foundation staff was limited in size, often a former volunteer or staff member
      3. Much animosity between Auxiliaries (and other Volunteer Groups) who saw the Foundation as usurping their traditional fundraising role
   C. The passage of “Diagnosis Related Groups,” as a method of paying hospitals for caring for Medicaid patients, changed the way hospitals paid their costs
      1. Resulted in the creation of the concept of “Managed Care”
      2. Hospitals attempt to pay costs with cost shifting.
      3. Insurance companies contracted with hospitals – advent of “Preferred Providers”

IV. How the Role of Auxiliaries has changed
   A. Women entering the workforce reduced number available to volunteer
   B. Regulatory Requirements
      1. HIPAA
      2. Labor Union Contracts
      3. Liability Issues
   C. Need for Funds has caused hospitals to create larger more comprehensive Foundations
V. How Auxiliaries can assist Philanthropic effort of the Non-Profit Hospital
   A. Collaborate with the Foundation to achieve common objectives
   B. Help volunteers to become donors
   C. Help identify potential donors from among patients and community members
   D. Conduct events and activities aimed at cultivating potential friends for the hospital

VI. How Foundations and their staff members can assist Auxiliaries
   A. Provide advice and expertise for Auxiliary activities
   B. Provide legally required acknowledgement for the Auxiliary’s donors
   C. Assist in helping the Auxiliary remain compliant with Governmental Regulations
   D. Assist the Auxiliary in recognizing its donors and maintaining its mailing list
   E. Provide Fundraising training for Auxiliary Volunteers

VII. How the modern Hospital Foundation raises money
   A. The focus is on “Major Gifts”
      1. Campaigns
      2. Planned Giving
      3. Developing Relationships with “Grateful Patients” and smaller donors.
   B. The Pyramid of Giving
      1. Acquiring donors
      2. Annual Giving Programs
         a. Direct Mail
         b. Events aimed at developing relationships with potential major donors
         c. Minimum Giving Societies
         d. Memorials and Remembrances
   C. Major Gifts
      1. Capital and Endowment Campaigns – multi-year pledges
      2. Foundation Grants – Government Grants
      3. Corporate Giving – Sponsorships
   D. Planned Gifts
      1. Bequests
      2. Life Income Gifts
      3. Estate Planning techniques

VIII. Whatever happened to the Fundraising Event?
   A. Guidelines for special events
GUIDELINES FOR A NEW SPECIAL EVENT

1. Do no Special Event that will net less than 50% of gross income.

2. Eighty percent of the tickets should be sold before the invitation goes out.

3. Do not expect the invitation to sell your event. A mailing to a list of people who know and like your organization will produce a response of about 2%. A mailing to people unfamiliar with your organization (a purchased mailing list) probably won't produce enough income to pay for the mailing.

4. Plan to sell about five tickets for every person you have actively selling tickets by personal solicitation. Do not ask anyone to sell tickets who is unable or unwilling to purchase a ticket himself or herself.

5. The vast majority of the participation in your event will come from your organization's family, so:
   A) Make sure the event is within the means of the majority of your organizational family.
   B) Make sure it will be of interest to your organizational family.
   C) Make sure that the event will take place in a location convenient to your organizational family.

6. Don't mimic another organization's traditional event. A traditional event sells itself – our new event will not, and a comparison will make your event appear a failure.

7. Never hire a promoter who charges a percentage of gross receipts.

8. Never ask an underwriter to subsidize those attending. (i.e. reduce the price of your event because some or all of your expenses are being underwritten.)

9. Never say something is tax deductible if it isn't. Seek the advice of a C.P.A. or other tax expert.

10. Always prepare a detailed budget in advance - and stick to it - don't guess about what your expenses will be.

11. Make your events fun so people will want to attend again next year. To that end:
   A) Don't try to force people to spend more money than they expected.
   B) Don't belabor them with speeches about how great your organization is.
   C) Do, however, tell them how great they are for participating and tell them how the proceeds will be used.

12. Design the event to make friends first, then raise funds.

13. Do not decide what the benefiting organization's needs are by yourself. Ask the Chief Executive Officer about the greatest need, then raise funds for that purpose.