**Friends of SDPB Report
Prepared for the Educational Telecommunications Board of Directors
September 15, 2022**

The Friends of SDPB fiscal year FY22 was a wonderful year. To wrap up the year, we raised a record high of $5,682,880. Offset by negative investment returns, officially the Friends year wrapped at $5,277,309. There were four primary factors in the year, I’ll highlight those and what we are doing to ensure that FY23 is strong as well. The four drivers were:

1. **Gifts from the Sound Vision Campaign.** This category will dwindle down as people fulfill their pledges, but it was great in FY22 and will remain strong in FY23. Going forward without a campaign, we have devised a slate of “donor offers” for donors to consider a gift at a higher dollar level. These offers include providing matches and challenge gifts for membership drives, gifts to the SDPB Education program, directed gifts to exclusively support local programming (rather than on-going expenses), the tower project in Mitchell, and high-dollar fundraising events. To the events point, you are invited to Cheers, SD! in Sioux Falls on October 13. We are hoping to raise $100,000 that evening. Contact Ryan for details.
2. **Underwriting gains.** Eric’s team has really hit their stride with the updates to sponsorship packages really resonating with our corporate partners. Underwriting nearly hit $1M in FY22, and they are tracking ahead of where they were last year. This is a well-trained, sales-staff that is operating in a very professional manner acting and selling as our commercial media peers do, a big step forward for SDPB. They are working to open more underwriting channels, including digital underwriting. Digital is Underwriting’s biggest opportunity for growth, but the rollout has been slower than hoped for due to bandwidth (short-staffed) and structure (website has multiple platforms) issues on the SDPB Network side of the house – nothing negative, just growing pains.
3. **Fruits of the new members model and the focus on sustainers.** When we outsourced the production of our direct mail program in 2019, this allowed staff to bring a more viable, vibrant fundraising message to our donors. It has resonated. Kate and the membership team have taken some risks with the on-air fundraising offering a set of experiences as thank you gifts, rather than traditional DVD’s or SDPB swag related items. Some have worked, some have not. Nationally, membership drives are imploding, so fortunately for SDPB we diversified our fundraising before that cratering happened.
It also bears noting that the sustaining membership program now generates over $70,000 in revenue. It is conceivable that by the end of FY24, this generates over $1M annually! The average gift is under $20 a month.
The membership staff is also focused on mid-level giving, gifts between $250 and $1,199. Before the Sound Vision campaign, we had more donors over $1,000 than we had at $500, which makes no sense other than we focused on $1,000+ donors. During the Sound Vision campaign, we built a cohort of donors who are in this range, and we have an enhanced stewardship program designed to keep these donors giving annually at this level, rather than sliding back to a lower dollar gift.
4. **Planned giving gifts were realized from the SDPB Legacy Society.** We realized our largest single gift in history, nearly $1.2 million dollars from the estate of Patricia Knutson of Elk Point. Patty gave this gift to 5 non-profits in South Dakota, you may have seen the media the Washington Pavilion did about the gift. Overall, Friends received nearly $1.7M in estate gifts. $400,000 is a typical estate giving year. We continue to reach out aggressively to donors who we believe will consider an estate gift. We did a survey of the membership this year and asked members if they were interested in including SDPB in their estate plans, over 75 leads have been generated to date.

**Personnel updates:**

Kate Drennan Ryan joined the staff as Membership Director in quite possibly the most seamless external hire in US history. Kate was our station representative at Allegiance Fundraising Group when we built the new membership model in 2019-2020, so she was doing the job before! Kate brings a very analytical, data-based approach to the membership position. We will see the natural plateau from the new membership model reaching three years old, so we need to really interpret what our data is telling us if we want to continue to grow.

Laura Ptacek joined the Underwriting team in April. This is the first time we have employed three underwriting representatives, up from two. This is a revenue generating position in an underserved area, Northeast South Dakota. Laura lives in Ipswich and works with clients in the northeast portion of the state. Conceivably, a third street facing studio could be a possibility for Aberdeen… 😉

The big headwinds now are factors beyond our control – primarily the investments in the stock market. Friends staff needs to remain diligent with our foot on the gas pedal to reach our FY23 goals.