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Small College Aims to Bring Big Donors Into the Fold — and Wins a \$500 Million Pledge

BY EMILY HAYNES

McPherson College, a Kansas liberal-arts institution with about 830 students, grabbed headlines in the fall when it announced a \$500 million pledge to its endowment — a bigger dollar amount than any small U.S. liberal-arts college has ever received in a single commitment. The gift is the linchpin in a strategic plan the college embarked on seven years ago, which aims to seed a billion-dollar endowment, update and expand the campus, and bolster programs.

In a matching challenge that expires on June 30, the anonymous donor has pledged to contribute \$2 for every \$1 given or pledged to the endowment. The college must collect \$250 million in commitments to receive the full \$500 million from the donor. As of January 1, it had raised \$146.8 million. The donor can choose to give McPherson the promised money over time or upon their death.

Michael Schneider, president of McPherson College, used to be the college's vice president of advancement and admissions and clearly knows the ABCs of fundraising. But he says that's not why the college won the gift.

"I've gone to all the planned-giving conferences, and I understand the way you work with and steward planned giving," he says. "We wanted to do it a little bit differently."

That's because a traditional approach didn't spark the level of giving the college needed to meet its goals. The donors who could make the biggest "transformational" gifts weren't responding to the tried-and-true approach that usually resonates with donors who make major planned gifts, Schneider says.

That's where McPherson pivoted. Schneider and his team eschewed the usual conversations with donors' attorneys and accountants in favor of presenting donors with a compelling pitch to invest in the college's future. "Instead of working directly with people on the technicalities around their estate," he says, "we went to work inspiring them with the vision."

Big Vision, Vulnerability

Schneider says his years developing and implementing the college's ambitious strategic plan were good practice for winning buy-in from donors on big new ideas for McPherson. The keys are persistence and regular communication, he says.

The work paid off. In May, McPherson received \$25 million from Melanie and Richard Lundquist, California philanthropists and classic-car enthusiasts who established a relationship with the college because of its automotive-restoration program. At the time, their gift was the biggest the college had ever received. It was also a shift in the Lundquists' own giving, expanding it beyond their home state of California and marking their largest foray into secondary education.

“The bigger vision that an institution has, the bigger donors they’re going to attract,” says Melanie Lundquist.

For more than a decade, Schneider has kept the Lundquists close to campus decision making. Richard Lundquist now serves as a McPherson trustee, but Schneider says board service is just one way to involve a donor. It also takes including donors in both the campus culture and strategic planning for the college’s future. For example, Schneider updates the Lundquists on successes at McPherson, such as the news that an independent research group is studying data on McPherson’s Student Debt Project, a program that helps students graduate with little or no debt.

Schneider tells donors about the college’s challenges, too. “With Melanie and this anonymous donor, I have never been shy about being vulnerable and what my concerns are,” he says. “I’m also very clear on what the opportunities are.”

Gifts come, Schneider says, when donors feel included in setting and achieving big goals — and helping the college overcome roadblocks along the way.

“They bring you into the fold. They let you know their plans. They let you know their vision. They’re never asking for money, but they let you know what’s going on,” Lundquist says of Schneider and McPherson provost Amanda Gutierrez. “It’s a real art to make a stakeholder out of a donor before they even know they’re a stakeholder.”



McPherson College President Michael Schneider and his wife, Kande, with Melanie and Richard Lundquist.

Schneider says the relationship he’s built with the Lundquists is “very parallel” to the one he’s built with the anonymous donor who pledged up to \$500 million for McPherson’s endowment. After Schneider secured the \$500 million commitment in February 2022, he called Melanie Lundquist. In April, the college began quietly securing commitments toward their matching goal, and in May she announced the couple’s biggest gift yet to the college.



McPherson College President Michael Schneider (center) with California philanthropist Melanie Lundquist at a press event announcing that Lundquist and her husband, Richard, were doubling their \$25 million gift. McPherson also landed a \$500 million pledge for its endowment.

“Momentum is really important,” Schneider says. The Lundquists committed another \$25 million to McPherson at the November announcement of the giant matching gift, revving the engine on the fundraising campaign.

The Lundquists’ second multimillion-dollar gift was also a public show of confidence in the college and the anonymous donor. While the \$500 million commitment is game-changing, Schneider says he worried people would doubt its authenticity without knowing the donor’s name. The Lundquists helped with that. “One of the best parts about this is their willingness to step up and vouch for the anonymous donor,” Schneider says.

As the college pushes toward its June 30 fundraising deadline, it is charting a new course — in both its history and its strategy to inspire donors with a bold vision for the college’s future. “We’re scaling at a level many people have not seen before,” Schneider says. “Stewardship looks a lot different.”