### Who is a Major Donor?

Inside Philanthropy

- A person who makes a donation that has a significant impact on the receiving organization.
- No fixed dollar amount defines a major donor.
- Defining who is (or isn't) a major donor is up to the organization that seeks funding.
- Major donors have outsized influence in individual nonprofits and in philanthropy as a whole.

There is no fixed definition of a major donor. Instead, grantseekers must define for themselves what a major donor is. Often, this is simply a list of top donors, or any individual donors whose giving has a significant impact on the organization's budget. One nonprofit might consider any donation over \$1,000 a major gift, whereas at another, the "major gift" threshold starts at \$25,000. Some fundraisers define a major gift as any gift that feels major to the donor—that is, a gift that is above and beyond that person's ordinary giving and that feels personally significant to them, whether the gift is \$100 from someone who usually gives \$10, or \$100,000 or \$1 million.

#### What is the role of major donors in philanthropy?

The major donors to any given nonprofit can have a significant impact on that organization's budget. Some major donors are hands-off and trust that the nonprofit knows best how to do its work. They are often just as passionate about the mission as the organization and want to do what they can to support it. Others give to fund specific programs or projects, or are inclined to offer input and advice, which can take up staff time (sometimes helpfully, sometimes not so much) and can also influence what projects the organization prioritizes, as well as how they execute the work. In some cases, major donors are also board members, which means they have a concrete role in organizational governance and decision-making.

In some sectors of philanthropy—for instance, the visual arts and dance—individual major donors are top sources of funds. The arts in particular have a long and global history of individual major donors as "patrons."



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At a broader level, major donors can have a major impact on philanthropy as a whole– and by extension, on entire sectors of a society or even, as is increasingly the case in the U.S. today, the entire society.

There are major donors, and then there are *mega-donors*. The people who give \$1,000 or even \$10,000 to a nonprofit may have a significant impact on that organization. But they are in a different category of influence from the billionaire philanthropists who today dominate entire sectors of philanthropy, influencing public policy and changing perceptions on issues that affect huge numbers of people.

As wealth is increasingly concentrated among a very small portion of the U.S. population, a small number of mega-donors impact the entire nonprofit sector and society as a whole.

#### How do I find major donors for my nonprofit?

A nonprofit's fundraising (or "development") staff is often tasked with identifying potential major donors—or "prospects," as they're called in development-speak. This might take the form of simply getting to know the people who regularly volunteer at the organization or attend the nonprofit's events, and paying attention to clues that they might have the financial capacity to make a big donation. Fundraisers can also research who on their organization's mailing list or in their community has the capacity to be a major donor based on indicators of wealth (e.g., real estate ownership) or philanthropic history. Simply perusing zip codes on your organization's mailing list can provide a lot of information. Some nonprofits subscribe to special software that provides insights about the wealth and philanthropic history of people in the organization's community.

Sometimes, an organization can identify a potential major donor by taking note of who has given—even in small amounts—consistently over time. It's not unheard-of for the person who has been giving \$100 during every annual appeal for a decade to leave a sizable bequest to the organization, or to say "yes" to a bigger ask as soon as a fundraiser from the organization engages them—say, inviting them to learn more about the nonprofit over lunch or in a one-on-one tour.

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The best prospects for a major gift are people who have both the capacity to give a significant amount of money *and* a history of involvement with your organization (or at least the issue it addresses or the community it serves).

After you've identified potential major donors and asked them to give, the job of a major gifts fundraiser also involves sustaining relationships with major donors. Stewardship of donors—acknowledging and thanking them—is a big part of retaining their support year after year.

### You may also want to check out:

• Who is a small donor?

