

AHP in the News

Children's Hospital Foundation outlines plan to raise funds

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Children's Hospital of Pittsburgh Foundation is ready to grow up.

The fundraising arm of the University of Pittsburgh Medical Center hospital wants to increase the sum it raises each year from \$15 million to \$30 million within five years to better compete with bigger players in Boston, Philadelphia and Cincinnati, according to Roger Oxendale, who was named foundation president in April.

Children's Hospital Foundation has assets of around \$300 million, which pales in comparison to such places as the Cincinnati Children's Hospital Research Foundation, which had an endowment to fund research of \$1.5 billion in 2007. Foundation worth is key to the growth of an institution and its research and clinical services, Oxendale said.

"From a care provision and research perspective, those assets relate to a pediatric center's ability to grow their research programs and recruit talented physicians," Oxendale said. "Our goal, as part of a capital campaign, is to introduce Children's to new donors. That's a key strategy to building up the reputation we have in western Pennsylvania."

Oxendale, who will continue to serve as Children's Hospital CEO, came to the foundation in April with Kimberley Hammer, who was named executive vice president. Hammer will oversee daily operations while preparing for the hospital's capital campaign. Details of the campaign have not been disclosed. Previously, Hammer was vice president for development and donor services at The Pittsburgh Foundation.

Children's Hospital Foundation also wants to extend its reach to new donors nationally and internationally by capitalizing on the hospital's strengths in clinical services and research programs, Oxendale said. The four areas of focus are organ transplants, neurology, and liver and heart care. Brain surgery to control epileptic seizures, for example, is not offered anywhere else but Children's, giving the foundation a unique marketing tool.

"We want to highlight patient care and research so donors would know they're not only benefiting the kids of western Pennsylvania, but pediatric health care worldwide," Oxendale said. "That's the fundamental strategy."

The foundation has a staff of 22 people, which may expand with additional major gift officers as firm goals are established, he said. How much to increase total assets is a goal that hasn't yet been set.

The time may be right for the Strip District-based Children's Hospital Foundation to spread its wings. In 2006, the most recent year figures were available, hospitals and foundations raised \$8 billion, 11.5 percent more than the prior year, according to William McGinly, president and CEO of the Association for Healthcare Philanthropy, a trade group based in Falls Church, Va. "An awful lot of our members are building capacity to strengthen their fundraising," he said. "They can't be successful unless they're appealing to grateful patients."

A survey released in April by the Washington, D.C.-based Chronicle of Philanthropy offers a more sobering view of the fundraising environment. The survey found that assets and giving at the richest foundations increased last year, but the outlook is clouded by recent stock market setbacks and shrinking investment returns. Disbursements from these foundations in 2008, if they increase at all, are not expected to keep pace with inflation, according to the Chronicle.

But Children's may have a leg up in raising money because of its unique mission, according to Laura Feldman, director of grants, projects and policy at the National Association of Children's Hospitals, an advocacy group based in Alexandria, Va. "It's a challenging environment, just given the economy, but I think children's hospitals have a unique story to tell," she said.