Prospect Coordination

I. Background

Private gifts have provided a significant portion of the University’s resources for a number of years and must continue to do so in the future if Michigan is to prosper and fulfill its responsibilities and mission. The success of our efforts to secure large gifts in recent years has been due in large measure to the collaboration between the University’s central administration, schools, colleges, regional campuses, and volunteer leadership. A key factor in this cooperative process was the decision, made in 1983, to institute a University-wide system for the coordination of activity related to major gift prospects. This group consists of individuals and organizations thought to be capable of making a gift of $100,000 or more within a five-year period. These prospects are assigned to a development professional who serves as the prospect manager.

II. Considerations and Assumptions

Prospects for major gifts to the University are a significant institutional resource. To realize the highest benefit from this resource, University development activities involving major gift prospects must be conducted in the most effective way possible within the context of University priorities as they are determined by academic management under the guidance of the Provost and the President and adopted by the executive officers and the Board of Regents.

By encouraging open communications, collaborative planning, avoidance of duplication of effort and by equitably resolving competing claims, prospect coordination helps ensure that the greatest possible return in support of the University’s foremost priorities is secured from each donor. The policy applies to individuals, foundations, and corporations and to all solicitations other than direct mail, telefund, or other mass-market solicitations, which are a part of regular annual giving programs.

III. Guidelines and Procedures

The Vice President for Development is responsible for the operation of the prospect coordination process. While this policy speaks directly to development staff who must implement it, the coordination process includes consultation with University officers, deans and directors, key faculty and fundraising volunteer leadership to determine the most appropriate prospect assignments and solicitation strategies. In making these determinations, factors such as a prospect’s giving history, demonstrated areas of interest, degree relationship to the University, and institutional contacts are taken into account. The primary consideration in prospect assignment is the probability of obtaining the largest possible gift in support of one or more University priorities.

Prospect coordination begins with the identification of a person, foundation, or corporation as a major gift prospect and continues as long as that individual or organization is believed to have major giving capacity. All development staff share responsibility for University-wide prospect coordination, including development staff of the schools, colleges, regional campuses, and other units as well as those who are employees of the University Development Office. The obligation to participate in the prospect coordination process necessarily includes:

- Rating and adding the names of newly identified major gift prospects.
- Requesting prospect manager or staff assignments of specific prospects.
- Regularly reviewing and updating clearances, ratings, and staffing for prospect assignments.
- Updating contact information and submitting relevant file notes and correspondence to central optical imaging system (ROI).
- Maintaining current information on the status of all solicitation activity on major gift prospects.
Implementation Guidelines

All major gift prospects will be assigned a manager. The prospect manager should be a development professional, given the scope of responsibilities, even when a University official will play a key role with the prospect.

- In general, a unit development officer will serve as manager when a prospect has a single unit interest.
- In general, an Office of University Development major or planned gift officer will serve as manager when a prospect has more than one degree or relationship with the University.
- In general, couples will be treated as a single prospect-unit with multiple degrees.

These guidelines are not absolute when particular circumstances would suggest otherwise. In making these determinations, factors such as a prospect’s giving history, demonstrated areas of interest, and well established institutional relationships should be taken into account in addition to the prospect’s University of Michigan degree or degrees.

Prospect management assignments may be changed as other priority interests are developed or as warranted by other circumstances. Once a major gift is made, a review should be done to determine the most appropriate prospect manager and team, keeping in mind existing relationships and who is in the best position to manage the long-term relationship between the donor and the University.

The Vice President for Development and the Associate Vice President for Individual Giving will address problems in the management of individual prospects. The Director of Prospect Management and Research is responsible for policy and data management oversight related to all matters of prospect coordination and tracking for the University.

When differences of opinion exist among the units of the University regarding access for solicitation of a prospect, the prospect manager will convene a discussion which includes the development officers of the interested units. At that time, the primary objective will be to determine which solicitation is most likely to secure the largest gift for the highest institutional priority. If agreement on access is not achieved, the deans and/or directors of the units involved will be asked to resolve the competing claims among themselves. If disagreement on the assignment of a prospect persists, in the case of the Ann Arbor campus, the Provost and the Vice President for Development will be called upon to determine, in consultation with the interested parties, the order of access for solicitation. In the case of unresolved differences involving the regional campuses, the President, in consultation with the Chancellors, the Vice President for Development, and other interested parties, will determine the order of access for solicitation.

IV. Corporate and Foundation Prospects

The underlying objective of the office Corporate and Foundation Relations (CFR) in the Office of University Development is to increase the quantity and quality of interactions and relationships between members of the university community and corporations, and corporate or professional foundations, and to do so in a coordinated fashion. CFR encourages college and unit relationships or contacts, unless requested otherwise by the corporations or foundations, or unless there are other University priorities established by the President and Executive Officers that would be affected.

In order to help focus corporate and foundation development efforts and improve communication with a wide range of University representatives and multiple points of contact with corporate and foundation prospects, CFR will maintain a short list of key managed corporations, managed foundations and coordinated foundations with the name of the current manager for each prospect. Generally, the prospect manager will be a development officer from CFR or from the unit with the most significant history and strongest relationship with a given organization. Staff, faculty, and program representatives will use this list as a simple method for finding which prospect manager to contact for organizations that draw particular interest from multiple University units.

All corporations/corporate foundations which have been assigned a prospect manager are treated as a Managed Corporations, with policy guidelines outlined below. CFR makes a distinction between two types of foundations – Managed and Coordinated, which carry different levels of prospect management and coordination, as detailed below. Additionally, emerging family foundations will, in general, be managed as individual major donors, especially where the University has existing donor relationships.

1. Managed Corporations

   This group consists of all corporations and corporate foundations with a manager listed on the prospect tracking system; **solicitation clearance must be granted by the prospect manager before an ask is made.** It is expected that staff will comply with all guidelines related to managed prospects as previously outline in this document in working with prospective corporate donors. However, there is no need for the prospect manager to restrict asks to one at a time.
if the corporation or corporate foundation welcomes multi-unit asks. The management of corporate prospects is important for several reasons:

- Some companies are explicit about having only one point of contact at the University (and require highly coordinated asks from the University).
- Some company relationships require strategic planning and organization in order to be effective.
- A single coordination point can provide a wealth of information throughout the University regarding a specific company.
- Managing corporate prospects maximizes the ability of the University to raise money by creating stable, reliable, organized relationships with industry.

2. Managed Foundations

Interested parties must inform the CFR office of all interaction with a managed foundation and must be granted solicitation clearance by the Director of Foundation Relations or the prospect manager listed in the prospect tracking system before any ask is made. This group consists of approximately 10 selected key foundations which:

- Require the President’s signature on proposals
- Will consider only one request in a given period of time
- Are of key strategic interest to the University

3. Coordinated Foundations

In the case of coordinated foundations, units are expected to notify CFR of all contacts with these foundations and summarize these interactions in the prospect tracking system. Units must report any solicitation to one of the coordinated foundations to CFR for the benefit of all interested parties. Solicitations of $1 million or more must first be cleared by the Director of Foundation Relations or the prospect manager listed in the prospect tracking system before any proposal is initiated. This group consists of a small number of selected foundations which:

- Have multiple-unit interest within the University
- Are thought to be capable, based on past performance and an evaluation of future potential, of making a gift of $1,000,000 or more during a five-year period

V. Conclusion

Successful fundraising requires shared information, open communication, and cooperative participation by all concerned. The prospect coordination system can help us meet these criteria as well as serve as a stimulus to vigorous additional activity among University faculty, staff, volunteers, and prospective donors.

The system does not eliminate all conflicts among proposed solicitation efforts, but rather serves as a means for managing and sharing information about the University’s most significant prospects for private resource acquisition. In its best form, prospect coordination can provide an arena for the constructive give-and-take that is essential to maximizing the returns to all units, which participate in the fundraising efforts of the University.

The accuracy and usefulness of the prospect tracking system depends upon regular input/updating from all University development officers and others engaged in development activity. The prospect manager and staff are charged with ensuring all contacts, asks and staffing changes are updated in the University’s prospect database. Updates involving individuals should be directed to the Prospect Management and Research office. Updated involving corporations and foundations should be directed to the office of Corporate and Foundation Relations.
Office of the Vice President for
Development

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