

Standard Practice Guide Policies

Prospect Coordination

602.04

Applies to: All UM Staff/Faculty Engaged in Fund Raising

I. INTRODUCTION

Private gifts have provided a significant portion of the University of Michigan's ("U-M") resources for decades 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, and units ("SCUs"); 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."

"Major gift prospects" generally consist 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."

More broadly, and in order to maintain a long-term program that is donor-focused in nature, coordination guidelines are necessary for donors at all levels, including but not limited to, annual giving, pipeline development, corporate and foundation giving, and planned giving.

II. CONSIDERATIONS AND ASSUMPTIONS

Prospective donors to the university are a significant institutional resource. To realize the highest benefit from this support (while honoring the intent of the donor(s) and their relationship to the university), university development activities 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 executive vice president for academic affairs ("provost") the president and adopted by the executive officers and the Board of Regents ("regents").

By encouraging open communication, 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, including direct mail, email, telephone, targeted digital, and other mass-market solicitations.

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 affinity, 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.

A. ANNUAL GIVING

The vice president for development is responsible for Policy oversight and data management related to all matters of annual giving prospect coordination and tracking for the university. This oversight is, in general, functionally delegated to the director of annual giving, Office of University Development ("OUD"). SCUs may conduct annual giving solicitations via direct mail, email, telephone, targeted digital, and other mass-market methods in accordance with established university policies and best practices. While honoring donor communications preferences and barring prospective donor requests to the contrary:

1. Degree-granting units may solicit anyone with a degree conferred by their school or college.
2. Additionally, any SCU may solicit:
 - a. Anyone who has made a gift to their unit
 - b. Given that the annual giving landscape, and the data that supports it, is constantly evolving, Development leadership adjusts solicitation guidelines accordingly. The director of annual giving, OUD maintains a reference guide of specific biographical/affinity use cases and will furnish it upon request to any U-M Development professional. In general, anyone with a strong affinity demonstrated through actions such as ticket purchases, event attendance, current/past student activities, volunteer activities, patient activity, and/or demonstrated use of an SCU's particular resources at a level significantly higher than the typical student, can be solicited by that SCU. If conflicts arise, they will be mediated by the director of annual giving, OUD.

(1) Special initiatives and targeted fundraising efforts by SCUs which may be considered to have university-wide reach will be evaluated on a case-by-case basis by the vice president for development or his/her designate.

(2) Constituents who have not made a gift to their affiliated SCU(s) within the past six years may be solicited for broad institutional priorities through projects coordinated by OUD.

3. All university Development staff are also expected to document all mass solicitations and communications on a prospect's record within the university's prospect database, the Donor and Alumni Relationship Tool (DART) using appropriate system tags (MES codes, etc.).

B. MAJOR GIVING

The vice president for development is responsible for Policy oversight and data management related to all matters of major gift prospect coordination and tracking for the university. This oversight is, in general, functionally delegated to the director of prospect development and analytics, OUD. To assist in the assignment of prospects, the director will routinely convene a committee of OUD leadership and SCU chief development officers to review assignment requests and to make a determination on the most appropriate assignment of prospect managers.

The director will also routinely convene an advisory committee of OUD leadership, SCU chief development officers, and other Development Community members to make recommendations for how best to implement guidelines and best practices for major gift coordination. These recommended practices will be maintained by the director and housed in a community accessible online database.

Major gift prospect coordination begins with the identification of a person, foundation, or corporation that will be engaged beyond annual giving solicitations or mass appeals 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 SCUs, regional campuses, and OUD. The obligation to participate in the prospect coordination process includes regularly and accurately updating DART which necessarily includes:

1. Rating and adding the names of newly-identified major gift prospects.
2. Requesting prospect manager or team assignments of specific prospects.
3. Documenting planned and completed interactions and solicitation strategies with prospects.
4. Regularly reviewing and maintaining current information on the status of all solicitation strategies, ratings, and team assignments for major gift prospects.
5. Updating contact information and submitting relevant file notes and correspondence to the Document Imaging system.

All university Development staff are also expected to conduct a thorough review within DART before engaging in individualized communication with a prospect. If there is any indication documented in DART that another staff member or SCU has a relationship with, or is interacting with a prospect, all Development staff are expected and share the responsibility to communicate and coordinate their efforts.

C. IMPLEMENTATION GUIDELINES

The constituent relationship manager role is responsible for keeping track of prospects that gift officers are working to actively engage and qualify, but where the gift officer is not assigned as the prospect manager for the overall relationship. This includes:

1. Active prospects of an SCU who are already managed by another unit or gift officer.
2. Family members of active prospects, other than spouses, who are not the main point of contact (children, grandchildren, siblings, etc.).
3. Prospects who are being stewarded for past giving who are not intended for solicitation again in the immediate future.

The constituent relationship manager role can also be used for prospects that a gift officer is currently qualifying and intends to visit within the next six months. DART notes and indicators should be used to track potential prospects who are not being actively qualified. DART indicators are a tool for helping gift officers keep track of the many prospects they work with. These indicators can help to prioritize work as well create transparency and accountability around engagement strategies.

The prospect manager role will be assigned to all major gift prospects that will be actively engaged for a major gift to the university. 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. The prospect manager assumes primary responsibility and accountability for the coordination and approval of cultivation, solicitation, and stewardship activities of assigned prospects. As the principal strategist cultivating these prospects, the prospect manager will function as the consummate university citizen and will represent the best interests of the university.

The prospect manager will lead strategy development in collaboration with a team of all interested SCUs. This team, which includes relevant OUD staff, SCU staff, and university administrators, will also share in the responsibility of communicating and coordinating activities with the prospect manager. The prospect manager will consult with prospect team members through individual contact and/or prospect team meetings as appropriate.

As noted previously, the primary consideration in the assignment of a prospect manager is the probability of obtaining the largest possible gift in support of one or more academic and institutional priorities. These assignments will be determined based on factors such as a prospect's giving history, demonstrated affinity, degree

relationship to the university, and institutional contacts, all of which are taken into account. 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.

1. In general, a gift officer from a given SCU will serve as prospect manager when a prospect has sole interest in that SCU.
2. OUD major or planned gift officers may serve as a prospect manager when a prospect has more than one degree or relationship with the university.
3. In general, couples where each individual has a degree from U-M will be treated as a single prospect entity, and the same prospect manager will be assigned to both spouses to help drive a cohesive strategy for the household. (In single degree households, priority will be given to the alum.)

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 U-M degree(s).

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 conducted 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 development will address problems in the management of individual prospects in collaboration with the director of prospect development and analytics. 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 gift officers of the interested SCUs and Prospect Development and Analytics staff, as appropriate. 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 while honoring the donor's intentions and affinity for the university. If agreement on access is not achieved, the deans and/or directors of the SCUs involved will be asked to resolve the competing claims among themselves. If disagreement on the access to a prospect persists, in the case of the Ann Arbor campus, the vice president for development will be called upon to determine, in consultation with the provost and 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 Business Engagement Center ("BEC") and the Foundation Relations Team within OUD 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. These teams encourage SCUs to establish direct relationships or contacts with corporations or foundations, 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.

All corporations/corporate foundations which have been assigned a prospect manager are treated as a managed prospect, with policy guidelines that are the same as those outlined for individuals. 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, these teams will take the lead in managing key corporations, and corporate or professional foundations. Generally, the prospect manager will be a gift officer from the BEC or Foundation Relations Team, but they might also be from the SCU with the most significant history and strongest relationship with a given organization. Staff, faculty, and program representatives will work with the BEC or Foundation Relations teams and the appropriate prospect manager to contact organizations that draw particular interest from multiple SCUs.

A. CORPORATIONS

For corporations and corporate foundations with a manager listed on the prospect tracking system it is expected that staff will comply with all guidelines related to managed prospects as previously outlined in this document. 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:

1. For corporations and corporate foundations with a prospect manager listed in DART, it is expected that staff will comply with all guidelines related to managed prospects as previously outlined in this Policy. However, there is no need for the prospect manager to restrict asks to one at a time if the corporation or corporate foundation welcomes asks from multiple SCUs. The management of corporate prospects is important for several reasons:
2. A single coordination point can provide a wealth of information throughout the university regarding a specific company.
3. A single coordination point can provide a wealth of information throughout the University regarding a specific company.
4. Managing corporate prospects maximizes the ability of the university to raise money by creating stable, reliable, organized relationships with industry partners.

When assigning corporations to a prospect manager, information such as the following will be used to make the assignment recommendation:

1. Areas of interest

2. Past giving
3. Past and future research projects
4. Alumni networks
5. The size of the corporation (Fortune 500, etc.) and capacity to give will also be considered

The top-level (“parent”) organization will be assigned a prospect manager and subsidiaries will, by default, be managed by the same person. Additionally, corporate foundations which act on behalf of the parent organization will be managed by the same gift officer in order to keep the relationships and strategies with the overall organization consistent. However, in cases where an individual prospect for U-M is also a corporate leader, it is possible that the individual may be managed by a gift officer that is not assigned to the corporation, as the individual’s interest with the university may differ from that of the corporation.

B. FOUNDATIONS

For foundations with a prospect manager listed in DART, it is expected that staff will comply with all guidelines related to managed prospects, as previously outlined in this document. There is, however, no need for the prospect manager to restrict asks to one at a time if the foundation welcomes asks from multiple SCUs. The management of foundation prospects is important for several reasons:

1. Some foundations are explicit about having only one point of contact at the university (and require highly coordinated asks from the university).
2. Many foundation relationships require strategic planning and organization in order to be effective.
3. A single coordination point can provide a wealth of information throughout the university regarding a specific foundation, its board, and/or its extended network.

When assigning foundations to a prospect manager, information such as the following will be used to make the assignment recommendation:

1. Areas of interest
2. Past giving
3. Past and future research projects

In cases where the foundation is a professional foundation, it is possible that the foundation may be managed by a gift officer that is not assigned to specific individuals associated with the foundation, as the foundation’s interests with the university may differ from that of each individual. Similarly, in cases of family foundations, a single gift officer may be assigned to all family members as well as the foundation, if the foundation focuses its giving on the interests of the individuals.

The Foundation Relations Team does maintain a list of “Managed Foundations” that must be granted solicitation clearance by the director of foundation relations or the prospect manager before any ask is made. This group consists of selected key foundations that:

1. Require the president’s signature on proposals
2. Will consider only one request in a given period of time
3. Are capable of making a gift of \$1 million or more
4. Have interest in multiple SCUS within the university
5. Are of key strategic interest to the university

In order to assist faculty and staff in understanding the deep relationships with specific foundations and prospects, the Foundation Relations team maintains a secure website that contains key information that is useful in building relationships with foundations. The site is available to all faculty and staff, and encourages the active building of relationships between faculty, staff, and foundations.

V. CONCLUSION

Successful fundraising requires shared information, open communication, and cooperative participation by all concerned parties. 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 accuracy and usefulness of the prospect tracking system depends upon regular input from all university gift officers and others engaged in development activity. The prospect manager and team members working with prospects are charged with ensuring that all contacts, solicitations, and team assignments are updated in DART. Updates involving individuals should be directed to the Prospect Development and Analytics Team. Updates involving corporations and foundations should be directed to the Business Engagement Center or the Foundation Relations Team, as appropriate.

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 prospective donors for the acquisition of voluntary private support. 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 SCUs that participate in the fundraising efforts of the university.

File Attachments

Printable PDF of SPG 602.04, Prospect Coordination (https://spg.umich.edu/sites/default/files/policies/602X04_0.pdf)

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July of
15, the
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