Georgia State University
Prospect Management Procedures
June 1, 2011

Policy Statement Summary

Taking a donor centered approach, the University's objective is to solicit each donor for maximum giving to support the programs for which the donor has the greatest affinity and which meet the strategic goals of the institution. The associate vice president for advancement resources is responsible for developing prospect management procedures with approval from the other associate vice presidents (AVPs) and vice president (VP), which includes rules and regulations for prospect assignment and solicitation clearance. Units with competing claims on prospects will be afforded the opportunity to submit justifications for assignments for the AVPs to consider. If there is a discrepancy, the VP will make the final determination.

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Roles & responsibilities

An effective prospect management system integrates people and processes to guide and monitor the prospect management cycle. Three groups have roles in the system: development administration, development officers and development research.

Development administration - The AVPs manage the development officers. The resolution of disputes is handled at this level; however, if a development officer is not satisfied with the decision, he or she can appeal to the VP.

Development officers assigned as primaries manage the prospects.

The Office of Development Research implements the process of prospect management. With the direction of the AVPs the director of development research assigns staff to the prospect management system and creates forms to administer the system.

Definitions

Affinity is a prospect's philanthropic motivation toward the university or to one or more aspects of the university. Affinity is a qualitative or "soft" piece of field research data and is rarely revealed in research reports.

Objects of affinity and lack of affinity with the university are recorded in Raiser's Edge using pull down menus for philanthropic interests and will not give to. The menu choices are:

Andrew Young School of Policy Studies
College of Arts and Sciences
College of Education
College of Law
The Byrdine F. Lewis School of Nursing and Health Professions
Honors College
J. Mack Robinson College of Business
School of Public Health
Athletics
Library
Rialto Center for the Arts
Unrestricted
Restricted – other

Predictive modeling using electronic screening also yields affinity ratings that are based on the history of involvement with GSU, as well as demographic data that indicates potential affinity. These are no substitute for a development officer's impressions gathered during field research.

Capacity refers to financial ability and is indicated in Raiser's Edge using the financial information type (stock, compensation, real estate, net worth and other assets) and financial info source (e.g., online research, SEC filing), which is entered by Development Research.

Discovery visit - The goal of a discovery visit is to determine affinity. A discovery visit should broadly approach the question of affinity and acquaint the prospect with a range of options across the university. It may also provide clues to capacity.

External ratings - are usually generated by electronic screenings of the prospect pool.

Field research is "intelligence" gathered by development officers in the course of contacts with prospects and is reported in contact reports or may be reported to Development Research. Information will be recorded in Raiser's Edge as a research comment.

Gift size working definitions - These working definitions are general categories developed for pipeline purposes, to assist in drafting job descriptions and establishing metrics and for characterizing prospect portfolios.

Principal gifts..$1,000,000 or more
Leadership gifts..$250,000 - $999,999
Major gifts..$25,000 - $249,999
Special gifts............ ....$5,000 - $24,999

Inclination - is a prospect's interest or readiness to make a gift.

Internal ratings- are estimates of a donor's gift capacity and likelihood. The complete list of codes can be found on the Development intranet and are identified in Raiser's Edge by attributes. Internal ratings will be periodically reviewed during portfolio reviews, reconsidered after substantive contacts, and updated when new external ratings become available.

Pipeline - The pipeline indicates where prospects fall in the various stages of active engagement. The office of development research uses many sources to suggest which prospects should enter into the pipeline, including:

1. Referrals from development officers and others
2. Names of "suspects" who attend donor relations events
3. Annual Programs solicitations when raising the prospect's giving to the $1,000 a year level or higher
4. Discovery visits and other initial cultivation activities, usually by a generalist in Constituent Programs designed to determine prospect affinity and capacity.

Prospect pools and portfolios - The assigned prospects pool consists of all prospects that have been assigned to primaries. A prospect portfolio is a group of prospects assigned to an individual development officer.

Raiser's Edge - by BlackBaud is the repository of information on GSU constituents, prospects and donors. Consequently, "if it isn't in Raiser's Edge, it didn't happen."

Prospect management cycle

Tracking prospects through each stage of the development cycle is a strategic approach to fund raising that supports the implementation of a fully integrated prospect management system. This significantly increases our ability to track and move prospects from identification to solicitation at all levels of management.

Stage 1: Identification

When a prospect is suspected to have the capacity to make a gift of $25,000 or more, a prospect is at the initial state of "Identification." If there is no Raiser's Edge file, one is created. The prospect is then assigned to a Development Officer for follow-up.

Stage 2: Qualification
The prospect remains in the Identification stage until a Development Officer visits and ascertains philanthropic interest and capacity to give. After the visit, the Development Officer completes a contact report assessing factors such as: attitude toward GSU, areas of interest and evaluation of gift potential. [A newly assigned prospect should not stay in "Qualification" for more than 90 days.]

Stage 3: Cultivation
After the individual (corporation/foundation) has been qualified as a viable prospect, the Development Officer designs a "strategy" outlining the general plan for cultivating and soliciting the prospect. The length of time that a prospect remains in cultivation for a major gift varies, but should be no longer than 18 months. There will be exceptions. All prospects should be asked for annual gifts every 12 months.

Stage 4: Solicitation
Prospect solicitation begins with a verbal "ASK" and is followed up with a written proposal. The proposal includes a request for a specific amount of money to be paid over a specific period of time to be used for a specific purpose. Prospects are in the solicitation stage until an agreement is successfully negotiated or the prospect declines to give.

NOTE: If the solicitation is declined, the prospect can be reassigned for Annual Programs and/or placed back in cultivation at the discretion of the AVPs.

Stage 5: Stewardship
For those in the stewardship phase in a development officer's portfolio, there should be an outline and plan for stewardship. The plan could include visits, invitations, personalized letters and phone calls. Following a period of stewardship, most donors will be cultivated for their next major gift.

Prospect portfolios

Portfolio size and composition - The emphasis is on building a portfolio of qualified primary assignments. The development officer's portfolio should be between 150 and 200 primary assignments and can include additional secondary assignments.

Distribution - The typical portfolio should have a balanced distribution. The target is a portfolio distributed across the identification, cultivation, solicitation and stewardship prospect status types.

Portfolio reviews - The prospect portfolios of primaries are reviewed periodically to clarify strategies and priorities. As a result, portfolio may be resized and prospects may be added or reassigned to other development officers. Reviews will also consider the completeness and accuracy of ratings of affinity, philanthropic interests, will not give, capacity, inclination and other items. Prospect reviews include the primary, the supervising AVP, other persons invited by the AVP, and Development Research personnel.

Assignments

Solicitor types - These are captured in Raiser's Edge by primary, secondary and inactive. Primaries (also known as prospect managers) receive prospects from the pipeline and are responsible for managing prospects strategically through the prospect management cycle, which culminates in solicitations for gifts consistent with prospects' capacity, affinity, and relationship with the university.
Primaries:

1. Commit to the donor-centered approach and the goals of the prospect management system
2. Establish rapport with prospects and develops an understanding of their affinities and philanthropic goals.
3. Facilitate the flow of information through the prospect management system
4. Coordinate contacts with prospects
5. Define strategy and effective communication of strategy to all concerned
6. Observe policies, procedures and job requirements

Secondaries are assigned to address a prospects' multiple affinities or when development resources (Gift Planning or Corporate and Foundation Relations, for example) are needed. Secondaries consult with primaries before making contacts with prospects and generally defer to primaries in matters of strategy.

Secondaries are expected to be advocates for the courses of actions they wish to take. A secondary assignment is made at the request of an AVP. Normally, a secondary assignment is not made when there is no primary assignment.

Inactive is noted in RE when a prospect had been previously assigned to a primary and later dropped from his or her prospect portfolio. The prospect can be re-assigned to a different development officer as primary or secondary.

Requests for prospect assignments are made to Development Research by using the "task/other" action category. Prospect requests will include estimate of philanthropic interest and internal ratings. Development Research will compile the requests weekly and submit them to the associate vice presidents for development for assignment decisions. For each request, Development Research will report the prospects current assignment status, the size and distribution of the requestor's portfolio and any other relevant facts. Assignment decisions will be disseminated at least monthly to all development officers, normally at the next prospect management meeting.

Factors - Assignment decisions are administrative judgments which take many factors into consideration. Objective considerations include:

1. Another development officer is designated as primary.
2. The development officer's portfolio exceeds his or her limit for active prospects. (In such a case, the development officer may be asked to reduce the number of active prospects in his or her portfolio to accommodate the new assignment.)

3. Another development officer has first right of refusal on a prospect. Examples include:
    a. Georgia State University Foundation trustees: the vice president for development has first right of refusal
    b. Constituent board of advisors: directors of development in their respective programs have first right of refusal
    c. Corporations and foundations: The Office of Corporate and Foundation Relations has first right of refusal.

Spouses and households - Generally only one spouse in a household is assigned with the understanding that the household under primary assignment. A development officer's assignment as a primary indicates the intent to solicit a gift from the assigned household.

Resolution of competing claims - Many donors give to multiple units on campus, and such relationships are encouraged. If two or more development officers seek assignment to a prospect as primary, the development officers are expected to discuss and resolve the conflict. If a satisfactory resolution cannot be reached, the issue will then be considered by the AVPs. Failing satisfactory resolution, an appeal may be made to the VP.

Term - It is expected that significant contact will be demonstrated within six months of assignment. Primary assignments are periodically reviewed to determine if suitable progress is being made. A lack of progress will result in reassignment of the prospect.

Contacts and contact reports

Substantive contact is an intentional and meaningful interaction with a prospect that is significant in advancing the prospect in the prospect management cycle.

Examples of substantive contacts:

1. Personal visits in which discussion of the prospect's affinity to the university, desire to make a gift or other pertinent information is shared
2. Significant telephone conversations in which the status of a prospect's affinity or gift is discussed or clarified
3. Significant e-mail contact that moves the prospect closer to making a gift to the University.

Examples of non-substantive contacts:

1. Routine correspondence such as thank-you notes, greeting cards, etc.
2. Chance meetings at place of worship, the mall, the supermarket, parties, etc.
3. Casual conversation at an event or board meeting

Contact report content - A contact report must be entered in Raiser's Edge whenever a development staff member has substantive contact with a prospect that moves him or her closer to a gift. Contact reports should:

1. Be written in either first or third person. The author is included in notes when printed, so it is now up to the development officer.
2. Take care in reporting sensitive and confidential information, which can always become public through media and legal inquires.
3. Include participants, purpose, results, and follow-up
4. Employ an inverted pyramid style which places significant information in the first or second sentence and arranges other details in order of decreasing importance
5. Record next actions, dates and assignees at the time the contact report is entered
6. Report objects of affinity (philanthropic interests) and will/will not give to.

Internal ratings - Ratings should be reviewed after each contact. Accurate gift capacity ratings are necessary for campaign planning. Underrating is as much of a concern as overrating. Ratings should reflect maximum capacity of the gift for which the prospect is targeted by the development officer. The primary will include a preliminary internal rating when requesting a prospect assign. The primary is responsible for revising the rating, as necessary, after each substantive contact.

Action category types - Development uses the types of contacts defined below.

Phone call – should be used only if important information is gained or repeated attempts at setting up meetings are ignored.
Mailing - should only be used to indicate significant correspondence. "Thank you" notes, greeting cards, sympathy cards or direct mail pieces, for example, are not considered a substantive contact.
E-mail - has criteria similar to mailing.
Meeting - is a broad action category type for face-to-face substantive contact with a prospect. A meeting may be a campus visit or private visit, each of which is denoted by an action type: cultivation, identification, solicitation or stewardship.

Entry and review - Contact reports should be entered into Raiser's Edge using the contact report notepad as soon as possible but no later than the second business day of the month after the contact. When entered, a contact report carries an "unapproved" attribute until approved by the supervising associate vice president for development who then changes the attribute to "approved." Development Resources disseminates all approved contact reports monthly to the development staff and selected senior university administrators.

Internal contacts document interactions with faculty and administrators and collaboration between development officers regarding a prospect. Though a non-substantive contact, an internal contact can be reported in Raiser's Edge using action attribute for internal contact but is not recorded on the contact report notepad.

Solicitations

Clearance - Typically, it is the prerogative of the primary to grant clearance for solicitation. In the case of solicitations of $100,000 or more, the supervising associate vice president for development is also notified.

Solicitations - All solicitations of $25,000 or more will be documented on paper and entered into prospect tab of constituent records in Raiser's Edge. The preferred documentation is a written proposal submitted to the prospect simultaneously with or immediately following the solicitation. Written pledge documentation signed by the donor (e.g., a pledge card or letter of intent) or evidence of a completed gift are also acceptable. A letter or an e-mail from a development officer to a prospect confirming an oral pledge or a solicitation will suffice for documenting a solicitation (but not recording a pledge). Proposal documentation should be submitted to Development Research for scanning and attaching to the media tab in Raiser's Edge. Development officers are responsible for having solicitation information and changes in status of solicitations entered in Raiser's Edge.

Annual Programs solicitations - All prospects are considered Annual Programs prospects unless they have open multi-year pledges or have been identified for solicitor special handling by attribute in Raiser's Edge. If the solicitation has not been made by phonathon deadlines, Annual Programs will add to the phone-a-thon.

Requests for solicitor special handling should be made to Gifts and Records with a reason. The note will appear on the Bio 1 tab.

Closed gifts require endowment agreements/descriptions, gift acceptance, and accounting paperwork. Gifts and Records will link the gift to the proposal in Raiser's Edge.

Solicitor credit attribution - Solicitor credit can be granted to more than one development officer who played a role in a successful solicitation. Alternately, solicitor credit may be awarded by request to the solicitor credit attribution committee, which is composed of the AVPs. The committee will meet monthly to review all solicitor credit awarded during the month, to act on requests for solicitor credit and review gifts of $10,000 or more not credited to a solicitor. Gifts and Records makes solicitor credit entries into Raiser's Edge.

Metrics

Metrics for development officers are established by the AVPs and documented in the institutional effectiveness sections of major gift plans. Examples of metrics are substantive contacts made, face-to-face contacts made, solicitations made and dollars raised. Metrics are monitored using dashboards (score cards) in Raiser's Edge and printed reports disseminated periodically. Metrics facilitate the management of portfolios by development officers, and assist development administrators in evaluating the effectiveness of the development program and individual development officers.

Manual

Development Research is responsible for publishing a prospect management manual to help development officers use and understand the prospect management system. The manual will contain "screen shots," examples and coding tables. The manual shall be updated annually.

Review

The AVPs for development will review this procedure annually with staff support from Development Research and make recommendations to the VP.