

NC State University Relationship Management Best Practices

Overview

NC State University's relationship management best practices were developed in order to implement a formalized, structured system for major gift prospect portfolio management and major gift prospect strategy sessions, including a proposal-driven reporting system that will track all active and planned solicitations to ensure our fundraising activity is aligned with our fundraising goals.

These relationship management best practices are intended to be major gift proposal driven. They are also intended to be donor-centered. Use of relationship management best practices helps ensure donors' strategic, coordinated movement through the solicitation cycle and incorporate multiple gift designations. Major gift officers, deans, faculty, and volunteers are essential parts of this coordination. From the university perspective, relationship management maximizes a potential donor's giving capacity in a coordinated way.

Major gift officers (MGO's) identify, qualify, cultivate, and solicit major gifts of \$25,000 and higher by matching donors' philanthropic interests with needs of the university. They also use the prospect management section of NC State's alumni and donor database, Advance, to track prospects' movement through the solicitation cycle. Major gift prospects are prominently noted on Advance. See addendum for use of Advance prospect management by other development staff.

Prospects may have manager and team assignments. MGO's will have assignment priority. Each assignment request must be submitted in writing with a reason for assignment and an assignment priority. A certain group of prospects will be identified as Principal Prospects and will be prominently noted as such on Advance. The Vice Chancellor of Advancement or a designee will be assigned as manager of Principal Prospects with appropriate team members assigned as needed.

New Prospect Research-identified major gift prospects with a 5-year-estimated-total-philanthropic gift capacity of \$1million and higher will be reviewed monthly and assigned to major gift officers by the AVC for Development and the Directors of Prospect Management and Prospect Research in consultation with the chief development officers.

Major gift portfolio strategy sessions, facilitated by the Director of Prospect Management, will be held every other month for each major gift area and will include discussions of newly identified major gift prospects, MGO assignment requests and manager designations, and progress toward goals. Other attendees will include the area's major gift officers and their supervisors, the AVC for Development, and the Director of Prospect Research.

A major gift prospect's demonstrated affiliation with development areas in the following priority order will be used to determine the appropriate manager and team members for each prospect:

- Stated affiliation determined in face-to-face visit documented on Advance
- Past Giving and/or current pledge
- University board service in area
- Degree in area

The initial assignment period for centrally assigned prospects will be 90 days. The assigned managers are encouraged to make initial contact within 30 days and record it in an Advance contact report. Ideally a move (a face-to-face visit or NC State oriented, substantial phone call or correspondence) should be made within 90 days, but no later than six months after assignment; the move should be recorded in an Advance contact report.

A major gift prospect's lack of movement through the solicitation cycle, as determined by records on Advance, may result in a change of assignment, after consultation during a portfolio strategy session the MGO and chief development officer.

Responsibilities

Expectations of major gift prospect managers are:

1. Oversee all aspects of each major gift prospect's relationship and timely movement through the solicitation cycle, in coordination with any team members, with a focus of moving to a major gift proposal.
2. Ensure appropriate stewardship.
3. For Prospect Research-rated \$1 million and up prospects, for principal prospects, top prospects, and for prospects with team members, provide strategic solicitation plan to PM office for inclusion in a prospect strategy note. For prospects with team members, the manager will develop the strategic solicitation plan in consultation with those team members.
4. Attend and participate fully in scheduled prospect strategy sessions.

Once a manager is assigned to a major gift prospect, all prospect contact, except contact initiated by the prospect, will be coordinated in advance with the manager. Team members carrying out their part of the strategic solicitation plan are considered to have their actions preapproved. If a prospect contacts a major gift or development officer other than the assigned manager or team members, the officer should inform the manager as soon as possible.

Following are expectations of major gift officers. Agreement by the AVC for Development and the area's chief development officer can result in prorated goals for major gift officers with administrative, planned giving, communications, or corporate/foundation fundraising duties.

Major gift officers are expected to:

1. Meet annual fundraising dollar goal.
2. Average 18-24 asks of \$25,000 and up per year, recorded as Advance proposals.
3. Fully participate in providing an anticipated ask pipeline by entering in Advance a proposal no later than 60-90 days before an ask of \$25,000 and higher. As the ask progresses, Advance proposal stage and status should be updated and related contact reports linked. Unexpected donor-initiated or quickly arising development-initiated asks should be entered as Advance proposals as soon as possible.
4. Designate an assignment priority of top, emerging, discovery, stewardship, or perpetual stewardship for all existing assigned major gift prospects or at time of request for new assignment requests.
5. Carry a major gift prospect portfolio of 120-150 major gift prospects in active solicitation cycle (those not in perpetual stewardship). Maintain 20-30 top prospects who will move through the solicitation cycle in 12-18 months. Maintain 20-30 emerging prospects whose proposal is not yet in negotiation and cultivate them to become top prospects within 12-18 months. Record in an Advance prospect strategy note a brief strategic plan for all top priority prospects at the time of designation. Move all assigned prospects through the solicitation cycle in coordination with any team members.
6. Average 12-15 NC State-oriented, substantial face-to-face visits per month recorded in Advance contact reports.

7. Record in Advance as soon as possible all contact reports on principal prospects and on contacts with prospects that require immediate attention.
8. Record in Advance all other contact reports no later than 15 business days after the date of contact.
9. Attend scheduled major gift prospect strategy meetings as is appropriate and scheduled college/area portfolio strategy meetings; complete action items resulting from sessions.
10. Submit to PM Office a brief 1-2 sentence reason for assignment with each assignment request.
11. Meet any other goals as determined by supervisor.

Director of Prospect Management is expected to:

1. Facilitate bi-monthly portfolio strategy sessions with each college or area to be attended by major gift officers, the chief development officer, the Director of Prospect Research, and the AVC for Development. Agenda will include a review of assignments and priorities, prospect stages, proposal aging with evaluation of status and stages, and other items in the relationship management system.
2. Complete Advance action items resulting from prospect strategy sessions.
3. Conduct monthly strategy meetings for 3-5 top prospects with team members, for prospects with research ratings of \$1 million and up, and for principal prospects.
4. Provide necessary proposal and portfolio reports.
5. Assign major gift officers to prospects when the written assignment request comes from the major gift officer or from a portfolio strategy session. Enter Advance assignment priority and reason for assignment as designated by major gift officer.
6. Update prospect assignment priority based on specific information from MGO's Advance contact reports.
7. Update prospect stage based on specific information from MGO's Advance contact reports.

Major Gift Prospect Portfolio

Assignment priorities help major gift officers group their prospects within their portfolios. Prospect stages indicate the prospect's actual position in the solicitation cycle regardless of assignment priority.

Major gift officers should carry 120-150 prospects in active solicitation cycle. An indeterminate number of perpetual stewardship prospects may be carried in inactive solicitation cycle. Agreement by the AVC for Development and the MGO's supervisor can result in a prorated portfolio for major gift officers with administrative, planned giving, or corporate/foundation fundraising duties. A brief 1-2 written sentence with a reason for assignment must be provided for each current prospect assignment and accompany each new assignment request; PM staff will record the assignment reason in a prospect note.

Distribution exceptions will be made by the Director of Prospect (Relationship) Management in consultation with the AVC for Development.

Active Solicitation Cycle Distribution by Assignment Priority

Top	20-30
Emerging	20-30
Discovery	60
Stewardship	<u>20</u> 120-150

Active Solicitation Cycle Prospect Assignment Priority Definitions

TOP

Prospect will move to solicitation in 12 – 18 months.

MGO anticipated asks will be entered as Advance proposals no later than 60-90 days before the ask.

Unexpected donor-initiated or quickly arising development-initiated asks should be entered as Advance proposals as soon as possible.

Written solicitation strategy will be recorded by the assigned major gift officer in an Advance prospect note.

EMERGING

Prospect will move to Top in 12 – 18 months.

Ask has not yet been made by MGO.

Stage of any proposal is not yet negotiation.

Prospect initiated proposals will be entered on Advance as soon as possible.

DISCOVERY

Ideally, qualification as a major gift prospect with interest in the major gift officer's area will be determined within 6 months of assignment by a move, (face-to-face visit, or NC State oriented, substantial phone call or correspondence) that is recorded on Advance.

No MGO initiated proposal has been made.

STEWARDSHIP

Proposal is funded.

Prospect will eventually move back to emerging

Inactive Solicitation Cycle Prospect Assignment Priority Definition

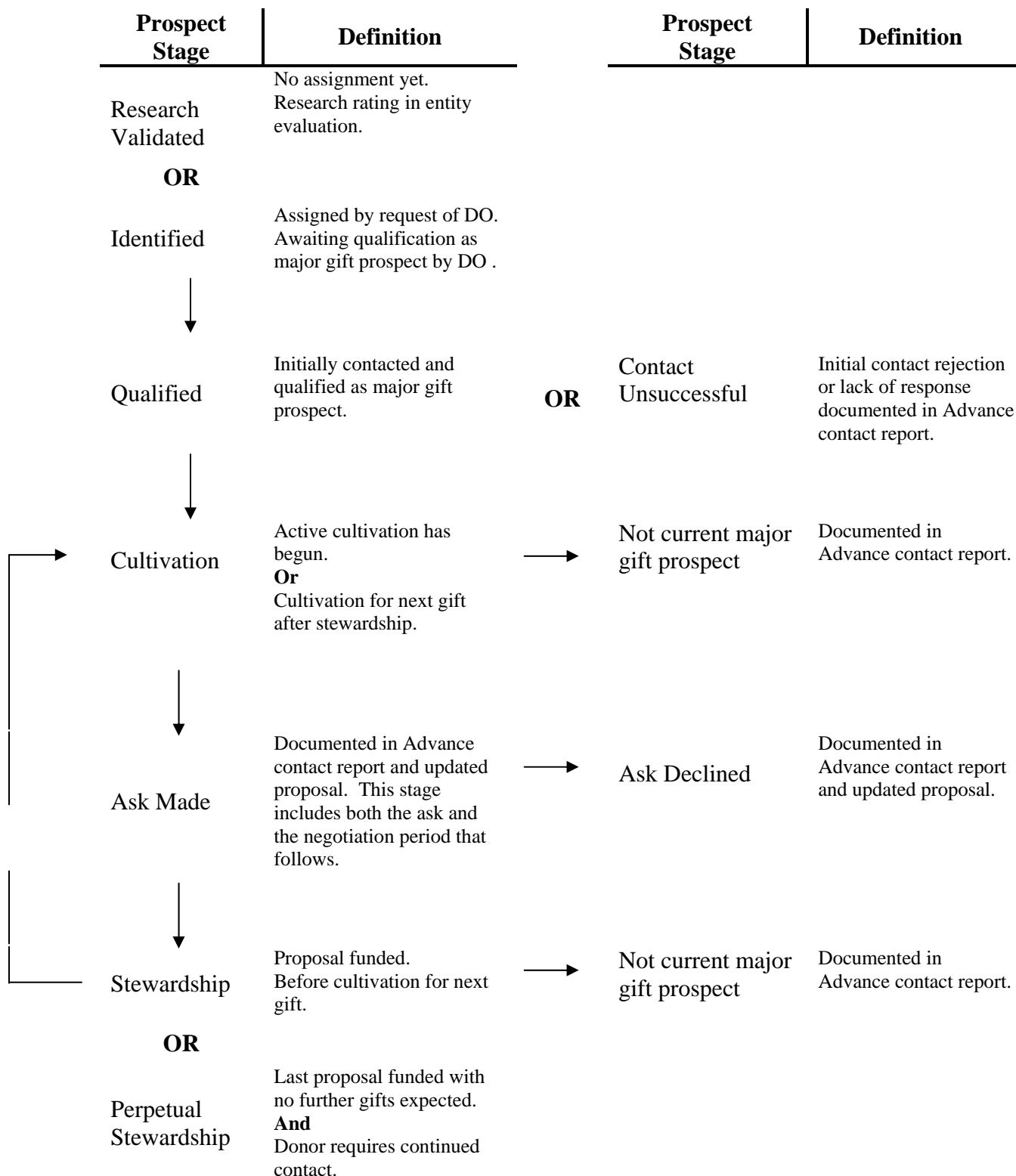
PERPETUAL STEWARDSHIP

Prospect is a donor but no further gifts are expected.

Donor requires or enjoys continued contact.

Major Gift Prospect Solicitation Cycle

Stages updated by PM staff from Specific Advance Contact Report Instruction



Proposal Status and Stage Choices for Major Gift Officers

Major gift officers will enter on Advance and update proposals for all charitable major gift contributions (outright gifts, pledges, or planned gift) to NC State, with the exception of those gifts that are considered Annual Fund contributions.

Only planned giving officers will enter planned giving proposals on Advance.

Proposal Status	Required Actions	Proposal Stage	Required Action
Ask Anticipated	Start date, Original Ask Amount, Title, Description, Proposal Assignment entered. Active box checked.	Active Cultivation OR Ask Appointment Scheduled	Documented in Advance contact report linked to proposal.
↓			
Ask Submitted	Ask amount entered.	Negotiation	Documented in Advance contact report linked to proposal.
↓			
Approved by Prospect	Funded Amount entered. Stop date entered. Check removed from active box. Gift transmittal or signed pledge form submitted with proposal ID included.	Planned Gift OR Outright Gift OR Pledge OR Combination	Documented in Advance contact report linked to proposal.
OR			
Declined by Prospect	Stop date entered and check removed from active box.	Ask Declined	Documented in Advance contact report linked to proposal.

Addendum to Relationship Management Best Practices

Non-Major Gift Prospects

Development staff may use NC State's alumni and donor database, Advance, to track their work with non-major gift prospects. Any registered prospect registered solely for non-major gift work, less than \$25,000, will be prominently noted on Advance as such.

Following are the procedures for such use:

1. Development staff may request prospect registration for non-major gift work. This will be noted in the prospect summary pane and with prospect stage will always remain "not major gift."
2. Major gift officers will always have manager assignment priority.
3. Non-major gift prospects will not typically be discussed in major gift portfolio strategy sessions.
4. Development staff may designate non-major gift prospects involved in endowments or serving on university boards. This will be noted in the prospect summary pane.
5. Prior coordination must be made with the prospect manager before contact with endowment donors or area board members. This will be noted on the Advance Prospect Summary pane.
6. Contact with all other non-major gift prospects can proceed in a collegial manner with other development staff.