

University Philanthropy 101: Learning the intricacies of a university development office
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Stephanie Julitz
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Learning the intricacies of a university development office

By Stephanie Julitz

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Vanderbilt University: an institution with a highly successful development plan, and the focus of this article.

Institutions of higher education are the birthplaces of leaders, ideas, and creations that will transform our society. Among the top 20 institution, competition exists to attract and retain the most qualified and interesting students, faculty, and staff to create these transformations and improve their rankings. What makes a university attractive? Well, several factors. It could be the facilities, with state-of-the-art equipment for a top researcher. It could be the brand-new dorm buildings that a high schooler is dying to live in upon enrollment. It could be the record-breaking sports teams that bring home victories each year. No matter the individual reason, there is one thing that makes these attractive features possible: money. How does a university ensure it will have the money to create these advancements? A university development office.

University development offices are crucial to the advancement of university missions and initiatives. Let's say a top 20 university is striving to build a residential campus, and provide on-campus housing for each of its students. There are several avenues this school could take to fund that project, but what nearly all capital projects have in common is their use of philanthropic dollars. Most people, myself included, do not understand the innerworkings of a university development office. This article will focus on my search for knowledge of the different teams and initiatives within a development office using informational interviews performed at Vanderbilt University and research of other best practices. The format of this article takes inspiration from The Chronicle of Higher Education.

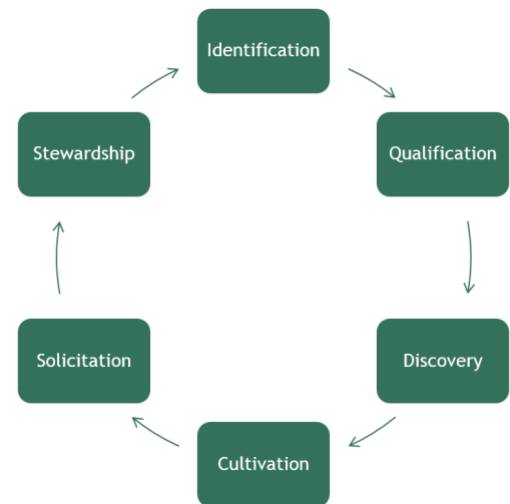
A typical development plan at a university contains several teams, all dedicated to the advancement of fundraising efforts. While each team functions differently, they all strive to

increase donor participation and donor dollars to fund university initiatives. From planning annual gifts to encouraging bequests, each team's work is crucial to overall goals. The best way in which I first began to comprehend each team was through delving into the typical cycle of attracting and retaining a potential donor.

A typical donor cycle involves finding, cultivating, and asking potential donors for a gift. Before asking someone to give, development offices need to know who to ask. How do these offices identify potential donors? Well, a **Research & Prospect Development** team focuses on identifying these potential donors based on available, public information. They begin researching alumni, family members of students and alumni, as well as people closely related to them. This research is of only public information and could include anything from the prospects current job and estimated household income to previous gifts to non-profits to following a political campaign race. All of this information helps the team to estimate if someone could be a donor, and if so, what kind of donor they might be. For higher level giving, they create a list of recommended donors to pass along to the **Prospect Management** team for further communications.

Overall, the largest and easiest potential donor group to attract is a university's alumni base. To engage this group, Vanderbilt implements a team called **Alumni Relations**. The Alumni Relations team focuses on maintaining a relationship with alumni of all class and school affiliations. Alumni Relations oversees alumni chapters in different cities across the country and across the globe. They provide budgets and planning tools for creating events that will keep alumni engaged. Some events include alumni happy hours, Commodore Classrooms (monthly educational seminars), and service opportunities. Creating a relationship with a potential donor group is crucial before making the ask for a gift to the university. Think about it: if you attended a college or university and received a solicitation, you would probably feel more inclined to give if your alma mater remained connected with you post-graduation.

So now that we've identified the largest and easiest-to-target donor group, let's highlight key areas in an alumni donor cycle. When a student graduates from a university, the university development office focuses on increasing their giving participation. In this group, the gift amount does not matter as much as the frequency of giving. Gifts made on a yearly basis are handled in an office of **Annual Giving**. While they do encourage giving at higher levels, these teams encourage giving on a yearly basis to the university. Teams within this office include Student & Young Alumni Philanthropy, Reunion, and annual giving teams based on school affiliation or graduating class year. These groups are created to increase affinity to the giving programs and allow the teams to create different strategies for attracting the greatest number of donors in their demographic.



The Donor Cycle: This graphic illustrates the cycle a donor experiences leading to and after a potential donation.



The Donor Pyramid: This graphic is used to show the typical breakdown of donors at a university. There are more occasional donors, who typically make smaller gifts, while there are few major donors, however, they are usually making larger gifts.

When considering donors for higher level giving, we circle back to a **Prospect Management** team. Prospect Management takes those recommended prospective donors from Research & Prospect Development and assigns them to development officers. These assignments are designated based on what kind of donor the research team expects this person to be (i.e. how much they may be able to give and how often). The Prospect Management team follows up with development officers on their communications with these prospective donors. If their efforts in reaching out to potential donors are successful, then the officers begin cultivating a relationship in an effort to plan a gift.

After many years of successful higher level giving, the development office may engage their **Planned Giving** team to begin communications with this donor. Making a planned gift means that someone is leaving the university in his/her will. This gift will only be made after the person's passing. A planned giving team is another branch of development officers that strives to identify donors from Research & Prospect Development that could leave a larger gift to Vanderbilt after their passing. This team strives to create a relationship with the planned gift donor so that they feel their funds will be used properly. They will not be able to see the result of their gift, and thus it is important to find other meaningful ways to show these donors how important their gift is to the university. Planned giving efforts often include family or other involved parties who may facilitate the giving after the donor passes, and can be involved in donor activities on behalf of the donor.

While university development offices are always striving to increase their fundraising efforts, there are also several teams that do not directly focus on fundraising. Each of these teams is just as important to cultivating relationships with donors. Without a relationship, a solicitation would feel like a thankless ask for money. The following sections take a closer look at these teams that might seem "behind the scenes" but often take center stage in furthering a university's development goals.

Saying "Thanks" With Stewardship Teams. Stewardship efforts in a development plan work to thank donors for their gifts. Stewardship of one's donors is important to cultivating a relationship and allowing the donor to see the impact of their gift. This thanks could be seen with a direct mailing or with an invitation to meet scholarship recipients. By collaborating with Special Events (a team we will focus on later) on a scholarship recipient reception, they are giving the donor the chance to meet and socialize with students that they are assisting. They have the opportunity to see the impact of their gift in the form of the student's words of thanks

and stories of their academic experience. The Stewardship team does not plan these events or opportunities to thank donors, but rather come up with a strategy to execute the best plan to thank donors. Stewardship efforts may appear simple, but have a great effect engaging multi-gift donors. The way donors are thanked can directly affect one's willingness to give again.

Creating Memories to Encourage Giving. The Special Events team spearheads any efforts related to large or small scale events in the development realm. These can include scholarship recipient receptions, endowed chair faculty member receptions, Reunion/Homecoming events, and more. These events have goals of either increasing donor participation or celebrating large scale donors, inviting them to give again. Because of this team's meticulous planning, Vanderbilt has an incredible reputation when it comes to special events and donor gatherings.



Reunion is one of the largest alumni events held at Vanderbilt each year, and planned and executed by Special Events.

Engaging External Communities: Corporate &

Foundation Relations. At any top university, research and faculty projects are of great value to the university's mission and advancement. Most research projects are funded through external grants offered by corporate entities or large foundations. The Corporate & Foundation Relations team (CFR) strives to identify these entities and form a relationship with them to hopefully achieve research grants for faculty. These grants are typically very specific to a certain area of research. The CFR team must have great knowledge of current projects occurring on campus and areas of research of prominent faculty members to properly match a grant with a faculty member. After finding a match, this team works with the faculty member to write a grant proposal. These researchers are often competing with faculty at other institutions or entities to receive the grant, and thus writing an exceptional proposal is crucial. After receiving a grant, the CFR team follows the research work and reports back to the entity that made the gift to show them progress made because of their grant.



Communicating with Donors. At most universities, there is a common theme or mascot used throughout the university. A communications team comprises of the people who decide how messaging about the university and development efforts is presented. This team drafts any mailings, emails, social media posts, and other messages to be sent to donors or potential donors. They also work on graphic design and photography to best portray their messages. Their overall goal is to make sure the messaging is in line with the rest of the university's messaging and that communications with donors are consistent.

Giving Day Graphic: This graphic is the work of the communications team at Vanderbilt's Development Office.

Data Overload: Information Management & Business Information and Processes. Keeping up with the wide range of data available on university donors is a large task. Donors vary from the alumni of the school since its founding to what would be called “friends” of Vanderbilt, which are people who did not attend and do not have direct relatives attending the university but choose to give because they see the power of funding this institution. This team focuses on assisting the entire development office in creating reporting systems that work for their needs. They are skilled in software programs and manipulating data to allow for the best use of data that is available. They work on manipulating reporting systems to give development teams the greatest use of available data. Without information on donors, development teams would be making a shot in the dark on solicitations. With proper data, they can tailor outreach strategies to create the greatest opportunity for a gift.

Creating the Best Development Teams: Human Resources. Finding and attracting qualified development officers and staff is crucial to a university’s fundraising success. Onboarding them to the organization is equally as important. This team strives to hire the most qualified and motivated team possible to allow for the greatest level of advancement of the university’s development goals. This team also handles any turnover due to new positions or retirements. Mitigating the effects of turnover, such as lost information or processes, is crucial to allowing new hires to work as effectively as possible.

Development efforts are necessary to advancing any college or university. Learning the inner workings of a successful development effort assists any incoming employee, like myself. To make the greatest impact, one must understand the history and structure of their organization. I am looking forward to making advancements on the development team at Vanderbilt for the remainder of my time on the team. Vanderbilt University has a robust development strategy that will prove useful in the coming years as it strives to continue capital projects and making this university as transformative as possible for students, faculty, and staff alike. Having studied the structure of our office and research of best practices at other universities, I now have the proper knowledge base to make the greatest impact in my work.



Vanderbilt is embarking on the construction of residential colleges. New projects, such as the residential colleges, call for a hardworking development team.