

## CR406: Prospect Clearance Policy

<b>Policy Title:</b>	Prospect Clearance Policy
<b>Policy Number:</b>	CR406
<b>Owner:</b>	Advancement and Business Development
<b>Approved by:</b>	CET
<b>Effective Date:</b>	April 2, 2015
<b>Reference:</b>	
<b>Links to Other Policy:</b>	Gift Acceptance Policy Gifts-in-Kind Policy

St. Lawrence College is committed to making our resources usable by all people, whatever their abilities or disabilities. This document will be made available in alternative format upon request.

## BACKGROUND

### Definitions:

**Prospect** – Any individual, business or organization that has been identified as previous donor or a potential donor to St. Lawrence College (SLC).

**Clearance Period** - The period of time for which a prospective donor is assigned to a prospect clearance applicant, for purposes of cultivation and solicitation. Prospect clearance will be awarded for a period of ninety (90) days. If the prospect clearance applicant has not cultivated the prospect and does not wish to, or cannot do so in the future, the prospect in question will be assigned to the next prospect clearance applicant who has expressed interest in the same prospect (if one so exists). Any information gathered on the prospect will be shared with the next prospect clearance applicant.

**Cultivate** – To engage and maintain the interest and involvement of (a prospect) with SLC's people, programs and plans. The goal of the cultivation is to prepare the prospect for solicitation. Awareness must be built (while cultivation is occurring) with high-quality, frequent, informal and formal communication between the organization and the prospects. During cultivation, information is exchanged that will help the prospect

better understand SLC's mission and case, and simultaneously give the organization a better understanding of the prospect's interest.

Examples of cultivation activities: thank-you letters written by a faculty/staff member, SLC newsletters, phone calls from a faculty/staff member, letters from a volunteer, invitation to a major event, phone calls from volunteers, phone calls from the President & CEO, visits by a faculty/staff member, letters from the CEO, visits by volunteers, visits to one of SLC's campuses, firsthand information about important events, meeting with the President & CEO, personal recognition, luncheons hosted by board members, presentations made by program staff, videos showing the programs in action, etc.

It is understood that the cultivation is a long-term process that might take 18 months to two years to result in a major gift.

**Designated Gift** – A contribution made by a donor for a specific purpose, project, or program that is selected by the donor and approved by SLC as a recognized need and/or priority.

**Undesignated Gift** – An undesignated gift is a gift to the SLC that does not have any restrictions, specific use or geographic intention to it.

**Donation** – A charitable gift, according to Canada Revenue Agency guidelines.

**Donor** – An individual or organization that has made a charitable gift to the SLC. Generally, donors need information about how their last gift was used, recognition for that gift, a personal appeal to continue support, and assurance that they are part of a growing, successful concern.

**Major Gift** – For the purposes of this policy, a major gift shall be considered a gift of \$10,000 or more.

**Planned Gift** – A planned gift consists of cash, securities, property, and/or assets such as life insurance or annuities. Planned gifts include bequests under a will and lifetime giving.

**Project** – The purpose for which funds are being solicited. (Funds may also be solicited as undesignated, for general administration, and other purposes that are not project related.)

**Database** – SLC maintains a database that stores and tracks prospect information and clearance approval.

**Prospect Clearance** – An assigned process for a Department or specific staff member, to cultivate a prospect without competing solicitation from other SLC organizational entities, during the approved time period. Clearance is required for cultivation of all gifts as described in this policy.

**Relationship Management** – A focused process of major gift prospect identification, research, clearance, cultivation, solicitation, recognition and stewardship, whereby long-term relationships with donors are nurtured in order to advance the work of SLC.

**Solicitor** – The individual or team of individuals assigned to directly ask the prospective donor for a gift.

**Solicitation** – The process between a prospective donor and SLC that has the expectation of leading to a successful funding request within the designated clearance period.

**Sponsorship** – The provision of financial support in exchange for marketing/promotional or other benefits to the contributor.

**Stewardship** – A concept closely related to relationship building, it includes acknowledgement and recognition, the honouring of donor intent, the prudent investment of gifts, and the effective and efficient use of funds to further the mission of the organization.

**Potential Prospect** - A possible source of support, whose philanthropic interests appear to match those of SLC but whose linkages, giving ability, and interests have not yet been confirmed. For the purposes of this policy, potential prospects will not be proposed for

clearance until they become prospects, that is, until their linkages, giving ability and interests have been confirmed.

**Purpose:**

The purpose of a Prospect Clearance Policy is to optimize St. Lawrence College’s fundraising opportunities. By ensuring that solicitations match College priorities and donor interests, final results will maximize giving to the College. A series of uncoordinated solicitations to the same donor by different individuals in a single institution is one of the most undermining threats to successful fundraising efforts. A Prospect Clearance Policy will help to alleviate this problem.

**Scope:**

The Prospect Clearance Policy is applicable to any individual or group associated wholly or in part with St. Lawrence College who is engaged in fundraising activities for the College.

## **POLICY STATEMENTS**

1. Before any fundraising solicitation is initiated by any individual or group under the umbrella of St. Lawrence College (including staff, Foundation Directors, students, teams, alumni, etc.), the prospect in question must first be cleared through the College’s Alumni and Development Office and, by extension, the Executive Team of the College. This will ensure that input regarding institutional priorities, along with regional priorities, are coupled with the best advice of professional fundraisers to maximize fundraising success.
2. Given the fact that many requests for support made by student groups, alumni, etc, are relatively small in nature, (eg. Requests for t-shirts, etc, for door prizes and things of that nature) requests for support totaling less than \$500 in value shall be exempt from this policy.

## Prospect Clearance Process

Any individual or group seeking to raise funds in the name of St. Lawrence College must first complete and forward the attached form (Appendix “A”) to the College’s Alumni and Development Office, with a copy to the Associate Dean of the academic school or campus Dean. In the case where the individual or group do not normally fall under the Associate Dean or Campus Dean, the Senior Vice-President of Advancement and Business Development, and Senior Vice President, Corporate Services must be copied. The Alumni and Development Office will provide appropriate background information and context for each request prior to its review.

1. The written request must contain the following information:
  - a. The name and contact information of individual or group seeking to raise funds.
  - b. The purpose for which the funds would be allocated.
  - c. A complete list of all potential prospects, including the name of the individual or organization, contact person, complete mailing address and phone number.
  - d. Any other pertinent facts, such as the existence of a historical relationship, etc.
  
2. Applicants will be notified of the decision within one week of the meeting in which the submission is considered. If, as a result of the original solicitation, the donor indicates a preference for other projects, it is expected that the solicitor will notify Alumni and Development so that a solicitation targeted to the donor’s stated preference can be constructed.
  
3. Prospects are generally approved for a period of 90 days, unless specified otherwise. At the end of the clearance period (90 days), a request for an extension of prospect clearance can be made to the Alumni and Development Team. The decision to grant an extension, and the period of any extension, will be assessed based upon the progress that has been made, or the state of discussions, with the prospective donor, and in consideration of any upcoming solicitation plans for the particular donor by the Alumni and Development Office.

4. All information regarding approved prospects will be entered into a master file in the Alumni and Development Office's database.
5. Following the end of the solicitation period, the solicitor must report back to the Alumni and Development Office with regard to the outcome of the solicitation of each prospect (ie. Did they make a gift, and if so, how much, etc). At this time the prospect will come off the active list, but the relationship information will be stored in the database for future consideration.
6. The office which solicited the gift is to steward the gift. The Alumni and Development Office will advise as to appropriate and meaningful stewardship activities, which will be consistent with the College's Stewardship Plan.
7. Applicants who disagree with the decisions of the Alumni and Development Office can appeal through the Senior Vice-President of Advancement and Business Development if necessary.
8. In addition, given the dynamic and opportunistic nature of fundraising, the Alumni and Development Office may, in limited occasions, need to review the status of any prospect clearance based upon an emerging opportunity or circumstance. This would only be done after consultation with all relevant parties. Alumni and Development will meet monthly to review the current list of prospect clearances and will be prepared to make more rapid decisions, within 48 hours of a request, when an opportunity with time sensitivity arises.

## Denial of Clearance

Clearance shall be denied where the potential donor:

1. Has received a proposal from the College which remains pending (no decision made);
2. Has been cleared or is in the process of being cleared for solicitation for another priority, and the decision is to pursue that other priority;
3. Has indicated that they are not accepting proposals at the present time;
4. Recently made a major gift or pledge, in which case the clearance may be given at a later time;

## Exceptions

- a) Student societies, organizations, and athletic teams holding fundraisers that exclusively target faculty, staff, and students, such as sales, raffles, and the sale of t-shirts, are exempt from this policy, except for the solicitation period during the St. Lawrence College staff appeal.
- b) Student-led fundraisers that involve the solicitation of donors external to the College, including board members, alumni, parents, friends, and businesses, are not exempt from this policy. Student clubs and organizations wishing to organize such fundraisers must first consult with the Advancement Office. Similarly, athletic teams holding fundraisers that involve the solicitation of donors external to the College must first consult with the Director of Athletics and the Alumni and Development Office.
- c) Given the fact that many requests for support made by student groups, alumni, etc, are relatively small in nature, (eg. requests for t-shirts, etc, for door prizes and things of that nature) requests for support totaling less than \$500 in value shall be exempt from this policy, but notification should be submitted to the Advancement Office in order to maintain accurate records on donors and appropriate relationships with sponsors.
- d) The only exception to the \$500 exemption would be in any case where there is an expectation from the donor that they receive a Charitable Tax Receipt. In any situation where the donor requests a receipt, regardless of the amount, clearance is subject to this process.

### **Violation of Prospect Clearance**

As noted before, the most undermining event in fundraising is multiple, uncoordinated approaches to the same individual or organization. Equally difficult are those situations in which we continually solicit a donor for a project in which she or he has expressed or indicated little interest or affinity. Because the purpose of prospect clearance is to eliminate this difficulty, identified violations of prospect clearance will be reviewed and appropriate sanctions will be considered in light of repeated violations.

### **MONITORING**

The Alumni and Development Department is responsible for monitoring this policy, and amending as needed based on the needs of the College.

### **POLICY REVISION DATE**

### **SPECIFIC LINKS**

[Gift Acceptance Policy](#)

[Gifts-in-Kind Policy](#)

### **APPENDIX A AND ATTACHMENTS**

[Prospect Clearance Form](#)

[Prospect Clearance FAQ](#)