

## 1. CONNECTIONS

# Parent Prospecting: Short Timeframe, Large Opportunity

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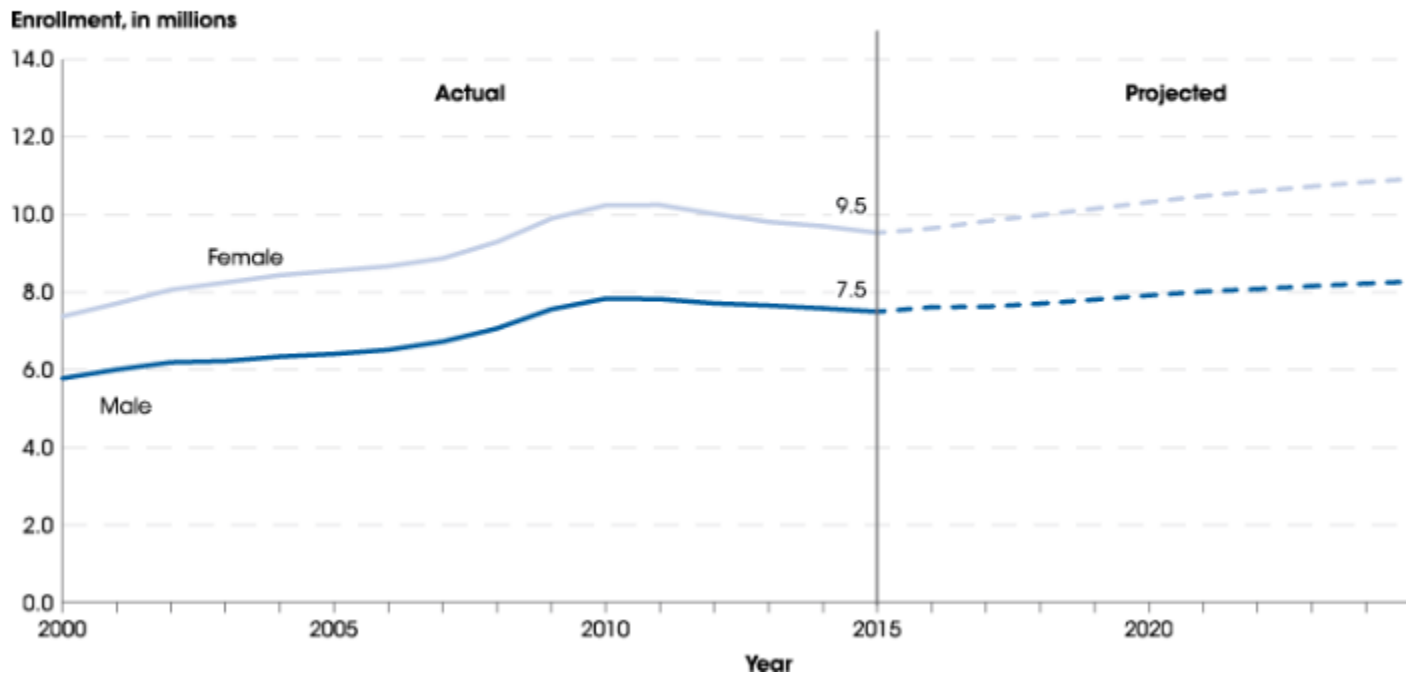
As capital campaign goals continue to increase exponentially, research and prospect development professionals are being charged with finding new prospects beyond the traditional alumni pool. But where best to find new prospects on a recurring basis? Enter the parent prospect pool.

The parent prospect pool is typically defined as one or more parents of full-time undergraduate students, since non-traditional and graduate students are typically, but not always, more financially independent.

According to data compiled by the National Center for Education Statistics, total undergraduate enrollment in degree-granting postsecondary institutions was 17 million students in the fall of 2015,

an increase of 30 percent from 2000.<sup>1</sup> With enrollment projected to continue to increase by 14 percent (from 17.0 million to 19.3 million students) between 2015 and 2026, organizations that fail to prospect the parent pool are leaving money on the table.<sup>2</sup>

**Figure 1. Actual and projected undergraduate enrollment in degree-granting postsecondary institutions, by sex, Fall 2000–2026**



This article will outline the strategies and tactics needed for successful parent prospecting. While the focus of our work is on postsecondary parent prospecting, we believe our insights are applicable to educational institutions at all levels.

## Setting Yourself up for Success

Your parent program may differ based on on your department's capacity, priorities, size of your school and the structure of your prospect portfolios. The following tactics and deliverables may be customized to be the most cost-efficient and appropriate for your development shop. Considerations include:

- How much time do you have, and what is your current workload?
- How many incoming students does your institution have?
- Do you have a dedicated parent development office, or will these prospects go into existing major gift fundraiser portfolios?
- In addition to major gifts, will your team be soliciting leadership annual fund gifts?

Smaller institutions may not have the capacity to cultivate what may be lower-priority prospects, compared to alumni parents ("legacy parents"), friends of the college with a stronger affiliation or parents whose student was referred by major donors or trustees. The size of the incoming student body, and therefore the number of parents, can also inform how much time would be needed to go into various levels of detail in your research, as can the presence of a specific parent development officer or giving program. A development officer dedicated to parents may need 30 to 40 new

prospects every year, so a higher level of focus is warranted. Historical data on incoming parents and parent giving can be a helpful guide for starting goals in a new parent program.

Finally, due to the nature of working with student data, additional privacy considerations need to be considered, such as the availability of information through the [Family Educational Rights and Privacy Act \(FERPA\)](#). It also is best practice to not allow any student workers to handle parent data to avoid conflicts.

## Partnerships

Our work would not be possible without our campus partners, including admissions, student records and student services, among others. Information we receive from these departments includes students who have deposited, matriculation forms and, farther in the process, students who have withdrawn. The students records team is also helpful during the student's time at the school, because they can offer information on students who are on leave, which can affect the cultivation process.

Similarly, the Office of International Student & Scholar Services (OISSS) is critical in getting information on our international students, which typically is harder to find than domestic families. Directors in admissions and international student services can be good resources for anecdotal evidence of a prospect's wealth, as can gift officers with legacy parents. And, of course, your advancement services team is helpful for facilitating all this transfer of information and importing your research into your database.

Coordinating with multiple departments across campus in a particularly time-sensitive project requires planning to ensure that each team's expectations and deliverables are consistent, and that they take their own workload and time constraints into consideration. A sample timeline for the parent screening process can be:

- Meet with campus partners (November)
- Transfer student information (December)
- Early Decision student information (February)
- Regular decision (March-May)
- Withdrawals ("melt" – June)

This timeline assumes a fall semester entrance. Depending on your calendar year, institutions may need to repeat this process for each semester.

## Deliverables

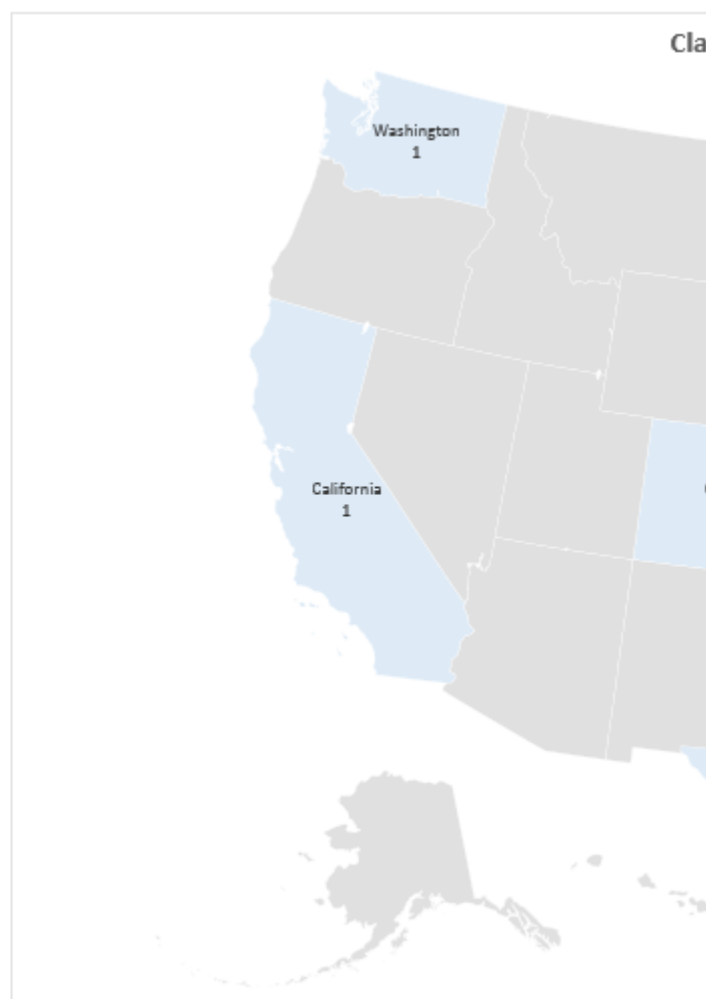
Once you have determined the scope of research on incoming parents, deliverables can be discussed with the parent development director (if applicable), vice president of development, etc. — whoever will be receiving information on parents. This is also a good time to set expectations and benchmarking metrics for your own research efforts. Considerations when determining your deliverables can include:

- What level of detail is wanted or needed?
- Which parents move into which portfolios (e.g., major gift rated only to development director)?
- What is the method for delivery (e.g., Excel, Word, PowerPoint or reports)?
- When is the project deemed complete?

Depending on how parent prospects will be engaged, varying levels of detail may be needed at the end of the project. For example, a face-to-face meeting with highly rated prospects may need a more

thorough analysis of assets and narratives on professional and family information; if the first interaction with the college for parents is at large welcome events, simply identifying highly rated prospects may be sufficient. Your current procedure for newly assigned prospects can guide you on the deliverables, as well as whether prospects will be assigned to a designated development officer or by other criteria to existing portfolios, such as by rating or region. The number of prospects needed compared to your pool will also guide the amount of detail you need to explore for each incoming parent.

State	# of prospects	Low EGC	High EGC
FL	13	\$ 1,850,000	\$ 4,249,987
NY	5	\$ 1,400,000	\$ 5,999,995
MA	5	\$ 950,000	\$ 1,999,995
PA	2	\$ 350,000	\$ 749,998
TX	1	\$ 100,000	\$ 249,999
CO	1	\$ 100,000	\$ 249,999
IL	1	\$ 100,000	\$ 249,999
TN	1	\$ 250,000	\$ 499,999
CA	1	\$ 250,000	\$ 499,999
WA	1	\$ 250,000	\$ 499,999
NJ	1	\$ 500,000	\$ 999,999
CT	1	\$ 100,000	\$ 249,999
<b>Grand Total</b>	<b>33</b>	<b>\$ 6,200,000</b>	<b>\$ 16,499,967</b>



Additional deliverables can include an overview of your prospects, such as this map illustrating the wealth distribution of the incoming parents using estimated gift capacity (EGC) ratings. These analyses are helpful not only for planning outreach and portfolio assignments, but also for benchmarking and helping inform future parent prospecting efforts.

## Tactics

There are a variety of tactics and strategies that can be employed for efficiently identifying major gift prospects in the parent prospect pool. What follows are some of the most commonly used identification methods at our institution and in the industry at-large:

## Wealth Screening

Wealth screening is perhaps the most efficient means by which to identify parent prospects with an address in the United States, particularly if you have more than several hundred incoming students. A wealth screening is the process by which a vendor can match name and address information to multiple data points, including real estate, stock and compensation for SEC insiders, private company information, foundation affiliations, and even philanthropic giving, to come up with a gift capacity rating. Some vendors have a preconfigured gift capacity formula that you can use right out of the box, or change to suit your needs, and will also provide a confidence indicator, such as “confirmed assets” versus “identified assets,” to make record-by-record review more efficient.

It’s going to cost you depending upon the number of records you screen. Some vendors offer a flat rate as part of a subscription, while others negotiate on a record-by-record basis. But if you have the budget, it’s well worth the expenditure when compared to the costs associated with strictly doing manual record-by-record review. While not infallible, wealth screening does provide a good starting point for efficiently identifying higher-level prospects in your parent pool.

## Wealthy Zip Codes

If you cannot afford a wealth screening, examining zip code information can be a useful alternative for efficiently identifying pockets of wealth in your parent prospect pool. Provided you have a parent’s mailing address, this can be done by retrieving a list of most expensive zip codes in the United States (we typically refer to the one published annually by Altos Research in partnership with Forbes, but there are others available), and then cross-referencing it with your data file to identify matches in the most expensive zip codes. You may then confirm ownership of the property via the county property assessor’s database to support your rating recommendations. This tactic may also help inform any event planning and parent engagement strategies by enabling the identification of clusters of parent prospects in wealthy zip codes.

## Job Titles/Employers

While anecdotal in nature, review of job titles and employers should not be underestimated as a potential prospecting tactic. Provided you have this information available, we recommend focusing on C-level executives or other select job titles and professions. These can then be coupled with top lists such as American Lawyer magazine’s annual “Am Law 100” and “Am Law 200” rankings, investment banking league tables, salary disclosures in Forms 990, or other salary surveys to get a sense of annual compensation. Once you have estimated compensation, you can then rate accordingly. Remember, at this stage, the goal is to prioritize which prospects should be seen, not determine the perfect ask amount.

## Expensive Private High School/No Financial Aid

Parents of graduates of expensive private high schools are almost always worth a closer look, particularly if the student has not requested financial aid. As with job titles and employers, this is only feasible if you have access to such information, so forging partnerships with staff in your student records office and admissions is highly recommended. There are several sources that publish lists of the most expensive schools, but we find Business Insider to be one of the more reputable sources. Then cross-reference your data file to match the most expensive schools. In lieu of any other indicators of wealth of philanthropy by which to rate, you may consider rating based on the cost of attendance over four years. It’s important to reiterate that we are not aiming to provide a precise gift ask amount to the development officer at this point, but rather are prioritizing which prospects to which the development officer should be paying attention based on what we think the potential is. It is then the officer’s job to engage the prospect and decide as to what the right ask will eventually be as they gather more information based on their interactions with the prospect.

## Visible Philanthropy

Visible philanthropy is a very easy way to place a parent, or, for that matter, any prospect, in a rating bucket. The typical approach in our experience has been to assume that if a donor gave X amount to another institution, they could potentially give the same amount to yours. That said, don't fall into the trap of underrating; you could be leaving money on the table. For example, if someone has \$100 million in visible assets, but only one visible gift of \$50,000, you should be rating based on the assets, not the gift. Again, we're aiming to rate based on the indicator(s) that will yield the highest rating.

## Rich Lists

We cannot run international parents through a wealth screening, since an address in the United States is required. Furthermore, even if they have an address in the United States, they might only keep a modest home here that may not be indicative of the significant wealth in their country of origin. To get around that, you might try using top lists such as the annual Forbes Billionaires and Hurun Rich lists. Simply search by surname, and if the parent name matches, do further research to confirm they are one and the same.

## Referrals

Perhaps one of the oldest methods for identifying parent prospects, or any prospects, is by way of referrals. An alumnus, trustee, coach, current parent or past parent might say that Mr. or Mrs. X is someone who would be a good prospect. These referrals are usually well intentioned but don't always bear fruit, so you might consider expanding upon that by developing collaborative partnerships with individuals in those key areas. By way of example, we have had success collaborating with colleagues in international student services and international admissions.

## In Practice

At Rollins College, the typical parent prospect is identified by way of the initial wealth screening, with those rated \$100,000 or higher assigned to the director of development for parent programs. This effort is then supplemented using select tactics, as outlined earlier in this article, including administrator, trustee and alumni referrals, "rich lists," and related methodologies.

Welcome receptions are then held over the summer in key geographic regions as an opportunity to engage new parents, with major-gift rated parent volunteers typically hosting the event, and the director of development for parent programs typically staffing. Parents are then invited to join a volunteer group known as the "Parents Council," which affords them opportunities to become more engaged with the college, while committing to an annual contribution of \$5,000.

Over the subsequent months and years, the director of development for parent programs continues the cultivation process by way of strategically engaging parents using events, various communication channels, small dinners with administrators or volunteers, and other touch points, all of which served to lay the groundwork for soliciting a major gift in the months leading up their child's graduation. This approach has proven so successful that some parent prospects remain involved with the college and continue to give well after their child has graduated.

## Conclusion

Parents represent a readily available pool of major gift prospects that are refreshed each year. With solid partnerships and a strategic approach to prospecting, your organization can grow its number of donors and dollars significantly in the years to come.

## References:

<sup>1</sup> [https://nces.ed.gov/programs/coe/indicator\\_cha.asp](https://nces.ed.gov/programs/coe/indicator_cha.asp)

<sup>2</sup> Ibid.

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Want more on parent prospecting? Check out a vintage 2015 [conversation on the L](#) in which Apra members discuss parent prospecting resources and best practices.

<http://connections.aprahome.org/p/bl/ar/blogaid=795>