



## Donor-Initiated Projects

Your institution may have developed a comprehensive Master Plan through rigorous planning. Your governing board may have assigned priorities for funding major facilities and projects within the Master Plan. Then reality strikes in the philanthropic marketplace!

A potential major donor comes forward offering to give and/or raise funds for facilities or projects which are not funding priorities, or not even within the approved Master Plan. While you don't want to alienate a potential major donor, you also need to be cautious what you commit your institution to do.

With that dilemma in mind, to encourage rather than discourage welcomed financial support the following guidelines can be considered by an institution's governing board.

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*Prior to authorizing our institution's commitment to a non-priority facility or project the following guidelines must be applied.*

- ***Master Plan Facility or Project:*** *The facility or project must be included within, or formally added to the institution's approved Master Plan.*
- ***Approved Total Estimated Costs:*** *The estimated "hard" and "soft" costs of the facility or project along with the assumptions used in estimating these costs must be reviewed and approved by the governing board.*
- ***Confirmed "Lead" Gift Commitment:*** *A single donor must confirm both willingness and ability to contribute no less than 50% of the total estimated costs, with a pledged commitment payable over no more than 3 years.*
- ***Approved Potential Donors:*** *A list of potential donors must be reviewed and approved by the Advancement/Development Office in order to avoid conflicts with ongoing fundraising efforts and activities.*
- ***Commencement of Facility Construction or Project Initiation:*** *Commencement of facility construction or project initiation will follow assurances that no less than 90% of the approved estimated project costs have been secured.*

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***What are your institution's guidelines for funding donor-initiated projects?***