

## **American Cancer Research Institute**

The American Cancer Research Institute is a large state-funded research institute with a reputation of conducting world class research in a variety of disciplines. As the size of the institute grows, the center is now divided into a “Main” campus and three extension campuses: Kennedy, Langley, and Goddard. The main reason for the success and reputation of the research center has been its ability to attract highly talented researchers who have been able to conduct cutting-edge research.

About 3 years ago, the research center was faced with a problem. With shifts in policies at the national level, changing states of the economy, and significant changes in demographic patterns, it was deemed necessary for the research center to increase its efforts significantly in the area of private financial contributions. While the research center has solicited private funds in the past, such funds have never been as critical to the research center as they are now. The monies obtained from this effort have been (and will continue to be) used to foster superlative research with state-of-the-art facilities and an ability on the part of the research center to attract and retain highly qualified researchers.

Given the heightened degree of importance attached to funds from private sources, the president of the research center appointed Hugh Jackman to head a committee to organize and intensify the efforts of the research center in its quest for such funds. An ad hoc group in fund-raising efforts in the past, it was Armstrong’s job to create a mechanism to achieve the president’s objective. Armstrong saw the task confronting him as being composed of two distinct parts:

1. Defining the function (and hence the activities) of each member of the newly formed committee in a detailed fashion.
2. Using computerized support to (a) assimilate existing and future data, and (b) process these data into periodic reports for use by a variety of interested parties in evaluating the committee’s performance.

### **THE COMMITTEE**

The committee that Armstrong put together consisted of six people who were carefully chosen because of their experience in fund raising, and their past affiliations with various research programs that needed funds. The first task that the group undertook was to determine how much money each campus could expect to get from the efforts of the committee. After extensive interviews with various relevant parties from each of the campuses, an estimate of the needs for each campus for the following year was made. Figure 5-1 shows the quarterly targets that were established for each campus.

**Figure 5-1**  
Quarterly Campus  
Targets

**201X Individual Campus Targets**  
(Thousands of Dollars)

	<b>Qtr 1</b>	<b>Qtr 2</b>	<b>Qtr 3</b>	<b>Qtr 4</b>
Bethesda Campus	400	400	500	600
Atlanta Campus	200	250	250	300
Houston Campus	75	100	125	150
Minneapolis Campus	100	100	150	150

The data items introduced in Figure 5-1 are the following:

1. **CAMPUS:** a 6-character alphanumeric field to designate each campus of the research center.
2. **QUARTERLY TARGETS:** four numbers indicating the quarterly targets (in thousands of dollars) needed for each campus. This is a 10-digit numeric field including two decimal places.

An additional outcome from the interviews discussed above was the identification of categories of programs that needed funds. The following categories were identified:

1. Brain Research Program (MRP)
2. Kidney Research Program (VRP)
3. Liver Research Program (SRP)
4. Skin Research Program (JRP)

Committee members were assigned specific programs and specific types of donors on the basis of the members' preferences and abilities. Armstrong felt that such an approach would make it possible for the committee members to interact with existing and potential donors in a more professional manner.

## **THE DONORS**

An examination of existing records identified a set of significant donors (expected annual contributions exceeding \$50,000 each). This was done for a number of reasons. First, explicitly identifying such donors would enable the committee to pursue them specifically for contributions. Second, given these donors' prior contributions and information from meetings with them, a projection of expected contributions for the current year could be made. This would allow for better planning by the research center for the disbursement of funds to specific programs and campuses. Third, committee members could be more appropriately assigned to pursue specific significant donors.

Contributions from less significant donors were gladly accepted but were not as actively pursued by the committee.

The donors were classified into three groups: individuals, private foundations, and corporate donors. This categorization helped to ensure that the efforts of the committee were focused on the right types of donors and that the allocation of effort over the various types of donors was appropriate. Figure 5-2 shows a sample of significant donors along with their type and annual projected contribution.

The data elements introduced in Figure 5-2 are as follows:

1. **DONOR:** a 30-character alphanumeric field that indicates the full name of the donor.
2. **TYPE:** a 1-character alphanumeric field that shows the classification of the donor. Three values are possible for this entry: **I** for individual, **F** for private foundation, and **C** for corporate sponsor.
3. **PROJECTION:** a 10-digit numeric field including two decimal places that indicates the projected contribution for the donor for the coming year.

While annual projections were made for each donor on the list, quarterly targets were established for each donor category so that the committee members would be fully aware of the magnitude of the task that they faced. These targets were based on prior years' information and an estimate of what the committee could achieve. Figure 5-3 shows the established targets, by donor type. The only new items introduced in this figure are the quarterly targets. Four numbers are used to indicate the quarterly target contributions from each donor type for the coming year. Each number is represented in a 10-digit numeric field including two decimal places.

### **Figure 5-2**

Significant Donor Contributions  
Projection Report

#### **Donor Contribution Projections for 201X (Thousands of Dollars)**

<b>Donor</b>	<b>Donor Type*</b>	<b>Projection</b>
AT&T	I	50
Delta	C	100
Goldman	I	55
Teresa Foundation	F	60
Dell	C	50
Gates Foundation	F	70
Huss & Associates, LLC	C	85

\*I = Individual, C = Corporate, F = Foundation

**Figure 5-3**  
Quarterly Donor Type  
Target Report

<b>201X Donor Type Targets (Thousands of Dollars)</b>				
	<b>Qtr 1</b>	<b>Qtr 2</b>	<b>Qtr 3</b>	<b>Qtr 4</b>
Corporate Donors (C)	400	400	500	500
Foundations (F)	300	350	400	500
Individuals (I)	125	150	200	275

Currently, the donor list consists of about 100 names. As was mentioned earlier, committee members are assigned to the specific types of donors they are most comfortable with. Each member is assigned to one donor type only; i.e. a member that works with individuals, private foundations, or corporate donor, but never with two or more types. Further, in consultation with the committee members, Armstrong established quarterly contribution targets for each member. Figure 5-4 shows the various committee members, their types of assignments, and their quarterly targets.

The following new data elements are introduced in Figure 5-4:

1. **MEMBER:** a 20-character alphanumeric field that shows the last name of the committee member.
2. **QUARTERLY TARGETS:** four numbers indicating the quarterly contribution target for each committee member, in thousands of dollars. Each number is represented in a 10-digit numeric field including two decimal places.

**Figure 5-4**  
Member Assignments  
And Target Reports

<b>201X Committee Member Assignments and Targets (Thousands of Dollars)</b>					
	<b>Donor Type</b>	<b>Qtr 1</b>	<b>Qtr 2</b>	<b>Qtr 3</b>	<b>Qtr 4</b>
Darth	C	200	200	250	250
Solo	F	150	150	175	200
Skywalker	I	50	60	75	75
Obi-Wan	F	100	100	150	150
Chewbacca	C	250	300	325	400
Leia	I	75	90	125	200

## THE TRANSACTIONS

Contributions to the research center are made with a specific program in mind. In most instances, donors are aware of the specific program that is to be the beneficiary of their contributions. If a donor is not sure about which program to designate for the contribution, the committee member involved in the transaction nominates a program and informs the donor about the choice. Either way, a specific program is identified before the details of the contribution are recorded.

A single donor could conceivably contribute to more than one program. This is especially true in the case of corporate donors, who may have multiple objectives in mind in making contributions. Further, an individual donor could be involved with multiple committee members in any given quarter. This situation usually occurs in the following manner: At the beginning of each quarter, the committee members visit all potential donors to solicit contributions. Some donors do indeed make contributions at this time. In some instances, however, donors may want to make initial or additional contributions later in the quarter. At that time the committee will dispatch the most readily available and best qualified member to handle the contribution. This member may not be the same one that was responsible for the initial contact.

An excerpt from the details of the contributions for the current year is shown in Fig. 5-5.

The newly introduced data elements in Figure 5-5 are as follows:

1. **CONTRIB-DATE:** a date type field that represents the date on which the contribution was made. The date is represented using the format dd-mmm-yy, where dd is the day of the month, mmm is the month, and yy represents the last two digits of the year,. Hence, January 15, 2019, would be entered as 15-Jan-19.
2. **PROGRAM:** a 30-character alphanumeric field that indicated the specific program that is designated to receive the contribution.
3. **AMOUNT:** a 10-digit numeric field including two decimal places representing the amount of the contribution.

**Figure 5-5**

Excerpt of Contribution Instances

Contributions List for 201X				
Date	Donor	Amount (Hundreds of \$)	Program Name	Committee Member
03-Jan-1x	Delta	200	Brain Research Program	Chewbacca
07-Jan-1x	Goldman	150	Kidney Research Program	Skywalker

27-Jan-1x	Huss	50	Liver Research Programs	Darth
25-Feb-1x	Gates	100	Skin Research Program	Solo
23-Feb-1x	Delta	50	Skin Research Programs	Darth
03-Mar-1x	AT&T	100	Brain Research Program	Leia
30-Mar-1x	Dell	75	Brain Research Program	Darth
15-Apr-1x	Gates	50	Liver Research Programs	Obi-Wan
09-May-1x	Teresa	100	Kidney Research Program	Solo
14-May-1x	Huss	100	Skin Research Program	Chewbacca
29-May-1x	Huss	100	Kidney Research Program	Chewbacca
11-Jun-1x	Dell	50	Liver Research Programs	Chewbacca
18-Jun-1x	Gates	75	Kidney Research Program	Solo
23-Jun-1x	Goldman	50	Brain Research Program	Skywalker
10-Jul-1x	AT&T	100	Liver Research Programs	Skywalker
16-Jul-1x	Teresa	100	Skin Programs	Solo
22-Jul-1x	Gates	75	Master Research Program	Obi-Wan
15-Aug-1x	Dell	60	Master Research Program	Darth
23-Aug-1x	Delta	150	Post-doctoral Research Programs	Darth
09-Sep-1x	Goldman	175	Kidney Research Program	Leia
18-Sep-1x	Gates	150	Liver Research Programs	Solo
01-Oct-1x	Delta	80	Skin Research Programs	Chewbacca
13-Oct-1x	AT&T	50	Brain Research Program	Leia
30-Oct-1x	Dell	25	Kidney Research Program	Darth

11-Nov-1x	Teresa	100	Liver Research Programs	Obi-Wan
23-Nov-1x	Delta	100	Kidney Research Program	Chewbacca
10-Dec-1x	Huss	200	Brain Research Program	Darth
20-Nov-1x	Goldman	85	Skin Research Programs	Leia

## **MONITORING THE WORK OF THE COMMITTEE**

How well (or badly) the committee performs is the responsibility of Mr. Armstrong. Besides reporting to the president on a periodic basis, Armstrong anticipated receiving a variety of ad hoc requests for information from various interested parties within and outside the research center. It was precisely to handle these requests that Armstrong decided, at the outset, to computerize the whole operation. This allows his staff to prepare not only the reports that he uses for his meetings with the president, but also those that he can use to compare the performance of the committee members with their predetermined targets. He also found that computerization makes it easy to prepare summary statements that can be sent to each donor upon request. The following sections describe a few of the reports that Armstrong thought would be useful to define at the outset. It was his belief that if other reports were needed in the future, it would be simple to generate such reports using the data that existed as part of the computer-based system.

### **Donor**

As part of his portfolio of reports, Armstrong identified a report of donor contributions as one that would be of extreme importance. This report, which can be run at any time in the year, helps bring into focus the distribution of contributions across the donors and is useful in allocating the efforts of the committee for the rest of the year. The report classifies donors, by type, and includes the following items for each donor type: the name of the donor, the total contributions made in the year so far by the donor, the percentage of the year that has been completed, and the percentage of the projected contribution achieved so far. Figure 5-6 shows a sample donor report.

### **Committee Performance**

The performance of the committee is monitored closely by Armstrong. It is possible to do this because quarterly targets are carefully established for each member. This performance report is generated at the beginning of each month and reports on the activities of all committee members of the previous month. The following items are displayed in this report: the names of the committee member, the quarterly target for the member, the total contributions raised by the member for the quarter, and the percentage

of the quarterly target achieved thus far. Figure 5-7 shows a sample committee performance report.

### **Contributions, by Campus**

At the end of each quarter, a report is necessary to examine how much money has been raised for each campus and how that figure compares to the targets established for the campuses. The primary purpose of this report is to keep the liaison people at each campus aware of what the committee has been doing. The report contains the following items: a list of all campuses, the contributions made thus far this quarter to the campus, and the percentage of the quarterly target achieved this quarter. Since all the program types are relevant for each campus, when a contribution is made, the amount is prorated across the campuses in accordance with the distribution of targets for that quarter. The idea behind this approach is that additions to the list of programs may not have relevance for all campuses, in which case the money would be earmarked for only those campuses where the designated program is in fact relevant. Figure 5-8 shows a sample report of contributions, by campus.

**Figure 5-6**

Donor Report, by Donor Type

<b>Donor Contribution Report*</b> <b>June, 201X</b> <b>42% of the current year has elapsed</b>			
<b>Donor Type</b>	<b>Donor</b>	<b>Year-to-Date Contribution (Hundreds of \$)</b>	<b>% of Annual Projection</b>
Individual	AT&T	150	36
	Goldman	100	46
	-	-	-
	-	-	-
Foundation	Teresa	65	15
	Gates	150	19
	-	-	-
	-	-	-
Corporate	Delta	2000	25
	Dell	1000	17
	-	-	-



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\*Note: The numbers in this report may correspond with the data contained in the earlier reports. This report has been generated for a different year.

### **Figure 5-7**

#### **Committee Performance Report**

#### **Committee Performance Report\* First Quarter, 201X (Thousands of Dollars)**

<b>Member</b>	<b>Target</b>	<b>Contributions This Quarter</b>	<b>% of Target Achieved</b>
Darth	150	100	67
Solo	250	150	60
Skywalker	150	175	117
-	-	-	-

\*Note: The numbers in this report may not correspond with the data contained in the earlier reports. This report has been generated for a different year.

#### **Contributions, by Donor Type**

The report of contributions, by donor type, is run on demand and is intended to show what progress has been made toward achieving targets for each donor type. If this report is generated periodically, valuable information that may suggest the need for renewed effort toward some donor types may emerge. The report contains the following entries: donor type, the total contributions raised this quarter for all donors of the indicated type, the quarterly target achieved to date. Figure 5-9 shows a report of contributions, by donor type, that was generated at the end of a quarter of a particular year.

### **Figure 5-8**

#### **Campus Contribution Report**

#### **Contributions by Campus\* Second Quarter, 201X (Thousands of Dollars)**

<b>Campus</b>	<b>Contributions This Quarter</b>	<b>% of Target Achieved</b>
Bethesda Campus	300	78
Atlanta Campus	250	120
Houston Campus	135	95
Minneapolis Campus	65	50

\*Note: The numbers in this report may not correspond with the data contained in the earlier reports. This report has been generated for a different year.

**Figure 5-9**

Contributions by Donor Category

**Contributions by Donor Category\***  
**October, 201X**  
**(Thousands of Dollars)**

<b>Donor Type</b>	<b>Target</b>	<b>Contributions This Quarter</b>	<b>% of Target Achieved</b>
Individual	250	100	40
Foundations	400	450	113
Corporate	600	350	58

\*Note: The numbers in this report may not correspond with the data contained in the earlier reports. This report has been generated for a different year.

**Contributions, by Donor Type and Program**

Contribution reports, by donor type and program, enable Armstrong to examine the patterns of contributions from the various donor types. The report, which is generated at the end of each quarter, highlights favored programs, if any, of a particular category of donors. The report contains the following information: donor type, program category, and the contributions made this quarter by the various types of donors to the identified program categories. Figure 5-10 shows a sample report of contributions made to the various programs by three categories of donors.

**Low Activity Programs**

One of the concerns that Armstrong has is that if donors exhibit peculiar contribution patterns, some programs could end up with little or no funding at all. This could really hurt those campuses that have one or two projects that qualify as belonging to that program category and that depend very much on funds raised by the committee. The report on programs receiving low contributions, which is also run on demand, identifies programs that fit the above description early enough so that contingency action may be undertaken. The report contains the following information: program category and contributions this quarter. Only those programs that have less than \$5,000 accumulated in their accounts this quarter are included in this report. Figure 5-11 shows a sample report of programs with low contributions.

Armstrong fully realizes that there could be other information that various parties might request of the committee; but he is confident that given the computerized database, any reasonable request can be handled.

**Figure 5-10**

Contributions to Programs by Donor Category

**Contributions to Programs by Donor Category\***  
**Fourth Quarter, 201X**  
**(Hundreds of Dollars)**

<b>Donor Type</b>	<b>Program</b>	<b>Contributions This Quarter</b>
Individual	Brain Research Prog.	400
	Kidney Research Prog.	1000
	-	-
	-	-
Foundation	Brain Research Prog.	800
	Venue Research Prog.	500
	-	-
	-	-
Corporate	Brain Research Prog.	2500
	Kidney Research Prog.	5000
	-	-
	-	-

\*Note: The numbers in this report may not correspond with the data contained in the earlier reports. This report has been generated for a different year.

**Figure 5-11**

Report of Low Contributions Programs

**Low Activity Program Report\***  
**November, 201X**

<b>Program</b>	<b>Contributions</b>
Brain Research Program	40000
Skin Research Programs	35000
-	-
-	-

\*Note: The numbers in this report may not correspond with the data contained in the earlier reports. This report has been generated for a different year.