DAC Replacement Project

Kick-off Meeting
June 25, 2008

Welcome Web Conference Participants!

The meeting will start shortly.
Thank you for joining us.

WELCOME INTRODUCTIONS MORNING AGENDA OVERVIEW

Brian Dowling
Project Director
Assistant Vice President for Development Services
Project Sponsors

- **Jerry May**  
  Vice President for Development  
  Office of University Development

- **Robert Kelch**  
  Executive Vice President for Medical Affairs  
  Office of the Exec VP of Medical Affairs

- **Tim Slottow**  
  Executive Vice President and Chief Financial Officer  
  Office of the President

- **Teresa Sullivan**  
  Provost and Executive Vice President for Academic Affairs  
  Office of the Provost and Executive VP Academic Affairs

Replacing the Development, Alumni and Constituent (DAC) Database

Naming Contest

- Over 200 names submitted

- 5 Names Selected:
  - C@M: Constituents at Michigan (Cindy Danko)
  - CIMS: Constituent Information Management System (Kevin Riegle)
  - DART: Donor & Alumni Relationship Tool (Kevin Bergquist)
  - DRE@Mi: Developing Relationships and Engagement @ Michigan (Liz Woods)
  - MIND: Michigan Information Network for Development (Michael DeBrincat)

- Development Community Vote
  - DART: Donor & Alumni Relationship Tool
Executive Overview

FUNDRAISING IN A COMPETITIVE ENVIRONMENT

Jerry May
Vice President for Development
Office of University Development

Replacing the Development, Alumni and Constituent (DAC) Database

Fundraising at Michigan

The Michigan Difference
Goal $2.5 Bil / Raised $2.9 Bil
(2000 - 2008)

Billion Dollar Campaign for Michigan
Goal 1.0 Bil / Raised $1.4 Bil
(1991-97)

Campaign for Michigan
Goal $160 Mil / Raised $178 Mil
(1981-87)

$55M Campaign
Goal $55 Mil / Raised $72 Mil
(1941-47)

Michigan Memorial Phoenix Project
Raised $8.5 mil
(1946-53)

Note: Fiscal year 2007 amounted to fiscal year to date

Private Support Cash Receipts
$0 $50,000,000 $100,000,000 $150,000,000
$200,000,000 $250,000,000 $300,000,000

Fiscal Year

Executive Overview

INVESTING IN THE FUTURE

Tim Slottow
Executive Vice President and Chief Financial Officer
Office of the President

Replacing the Development, Alumni and Constituent (DAC) Database
VALUE PROPOSITION

Executive Overview

Robert Groves
Associate Vice President, Individual Giving and Campaign Director

Peggy Norgren
Associate Vice President for Finance
Executive Overview

VALUE PROPOSITION

Laura Patterson
Associate Vice President for
Michigan Administrative Information Systems

Executive Overview

THE PAST / PRESENT
FUTURE OF THE PROJECT

Brian Dowling
Project Director
Assistant Vice President for Development Services
The Past

Replacing the Development, Alumni and Constituent (DAC) Database

Information Gathering 2006

- MAIS Strategic Planning and interviews with Deans
- DAC listening sessions
- Initial vendor demonstrations (6 Days)
- Initial discussions with the development community.
Information Gathering 2007

- Academic Planning Group (Development Subcommittee)
- Budget Advisory Group
- Financial Managers Group
- MAIS Advisory Group
- Capital I.T. Projects Group
- Academic Planning Group (Full)
- Development Council
- RFP Issued
- RFP Responses Received and Reviewed
- Draft Project Governance
- Vendor Demonstrations (3 Weeks)
- Site Visits and Reference Checking
- Program Managers
- Project Space Identified
- Executive Sponsor Meeting
- On-going Feedback and Additional Input from Units

Replacing the Development, Alumni and Constituent (DAC) Database

Information Gathering 2007 (cont’d)

- Alumni Association
- Athletics
- Business School
- Dearborn
- Engineering
- Finance
- Flint Gerald R. Ford School of Public Policy
- Institute for Social Research
- Law
- LSA
- MAIS
- Medical Development
- Michigan Radio
- Museum of Art
- OUD
- Pharmacy
- Rackham
- School of Information Studies
- School of Music
- School of Public Health
- Student Affairs
- Surgery Department
- University Music Society

Replacing the Development, Alumni and Constituent (DAC) Database
Conclusions from Information Gathering

Key drivers for implementing a new development system:
- Reduce the administrative burden placed on development staff
- Reach a more technical savvy audience and more prospective donors
- Increase efficiency and effectiveness of business processes
- Better manage the lifelong relationship with the donor
- Better manage the entire lifecycle of the gift

The Present
Products Reviewed

- Oracle “Contributor Relations”
- Blackbaud “Infinity”
- SunGard “Advance”

- Units expressed a strong preference for Blackbaud

Product Comparison

Initial reviews showed Blackbaud “Infinity” as a superior product:

<table>
<thead>
<tr>
<th>Feature</th>
<th>Blackbaud “Infinity”</th>
<th>Feature</th>
<th>Blackbaud “Infinity”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Model</td>
<td>Easiest to Add Data Elements</td>
<td>Transaction Processing</td>
<td>Average</td>
</tr>
<tr>
<td>Information Delivery</td>
<td>Best</td>
<td>Suite of Modules</td>
<td>Best</td>
</tr>
<tr>
<td>Workflow</td>
<td>Best</td>
<td>Technological Vision</td>
<td>Best</td>
</tr>
<tr>
<td>Major Gifts</td>
<td>Best</td>
<td>Ease of Use</td>
<td>Best</td>
</tr>
<tr>
<td>Annual Giving</td>
<td>Best</td>
<td>User Community</td>
<td>New Product</td>
</tr>
<tr>
<td>Online Engagement</td>
<td>Best</td>
<td>Administrative Tools</td>
<td>Average</td>
</tr>
</tbody>
</table>
### Product Comparison

<table>
<thead>
<tr>
<th>Feature</th>
<th>Oracle &quot;Contributor Relations&quot;</th>
<th>Blackbaud &quot;Infinity&quot;</th>
<th>SunGard &quot;Advance&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fit with U of M Technical Infrastructure</td>
<td>Best</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Base</td>
<td>Cornell, UPenn, Moody Bible Institute, Largest Customers</td>
<td>New Product Some Early Implementers</td>
<td>Harvard, Stanford, Princeton, Dartmouth M.I.T. and Other Large and Small Schools</td>
</tr>
<tr>
<td></td>
<td>Number of Smaller Schools and a Few Nonprofits</td>
<td>Raiser's Edge 7.0 (Current Product)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Estimated Annual Sales of Fundraising Product</td>
<td>Installed In Hundreds of Higher Education Institutions and Thousands of Non-Profits</td>
<td></td>
</tr>
<tr>
<td></td>
<td>~ $15 M</td>
<td>$200 M +</td>
<td>~ $40 M</td>
</tr>
</tbody>
</table>

**Replacing the Development, Alumni and Constituent (DAC) Database**

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**Product Comparison**

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</tr>
</thead>
<tbody>
<tr>
<td>Customization</td>
<td>Average</td>
<td>Most (New Product)</td>
<td>Least (Most Difficult to Customize)</td>
</tr>
<tr>
<td>Risk</td>
<td>Medium</td>
<td>Highest (New Product)</td>
<td>Low (Mature Product)</td>
</tr>
<tr>
<td>One-time Cost *</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>On-going</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

* Costs have not been negotiated down from RFP responses received from vendors

* Blackbaud: RFP response included a number of customizations which we may be able to do internally; includes 20,000 hours of support

* Costs do not include any of internal infrastructure or staffing associated with the project

**Replacing the Development, Alumni and Constituent (DAC) Database**
Product Comparison Conclusions

- Blackbaud is the most forward looking product
- Technology platform fits with the University of Michigan

- However, we need to make sure we mitigate risk when choosing a product that is:
  - New and not yet widely adapted by customer base
  - Not yet complete in terms of product roadmap
  - More costly if we need customizations
FIT-GAP Definition

• FIT
  – Determined by U-M Business Requirements
  – Using RFP Req’s as the base
  – Confirming Req’s and creating test cases

• GAP
  – Does the Blackbaud software satisfy the test cases?
  – Determining where GAPs occur, tie back to Req’s
  – Blackbaud responds to GAPs
  – U-M will evaluate response to each GAP

Strategy

• Relationships within U-M: Governance Document
• Relationship between U-M / Blackbaud: Statement of Work
• Setting clear roles and responsibilities
• Fit-Gap Mantra
• Managing timeline and budget

Fit-Gap Mantra

- Be conscious of supporting the Enterprise Model

Focus on the viability of the Blackbaud system for U-M

Provide documentation for an October ‘08 decision by the Capital Committee

Replacing the Development, Alumni and Constituent (DAC) Database
Executive Overview

THE PAST / PRESENT
FUTURE OF THE PROJECT

Brian Dowling
Assistant Vice President for Development Services

Replacing the Development, Alumni and Constituent (DAC) Database

The Future

<table>
<thead>
<tr>
<th>FY 2007</th>
<th>FY 2008</th>
<th>FY 2009+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning &amp; Project Approval</td>
<td>Project</td>
<td>On-going Support</td>
</tr>
<tr>
<td>• RFP issued</td>
<td>• Establish project governance</td>
<td>• Go live</td>
</tr>
<tr>
<td>• Define roles and responsibilities for governance</td>
<td>• Fit Gap analysis</td>
<td>• On-going production support</td>
</tr>
<tr>
<td>• Review of vendor responses</td>
<td>• Finalize business case &amp; funding request</td>
<td>• Product enhancement strategy</td>
</tr>
<tr>
<td>• Vendor demonstrations</td>
<td>• Award contract</td>
<td>• Stabilization and legacy shutdown</td>
</tr>
<tr>
<td>• Site visits</td>
<td>• Project work</td>
<td></td>
</tr>
</tbody>
</table>
Tomorrow

- June – September
  (Starting the Project - Phase 1: “Fit-Gap”)
  - Detailed exploration of product and services offered by Blackbaud, the selected technology provider
  - Determine if the system fits our Development Program’s requirements and identify gaps between their system and our needs
  - Establish comprehensive requirements, against which the Blackbaud system will be evaluated

Next Steps

- Finalize the Enterprise Support Model
- Finalize the before and after budget
- Present findings to the Capital Project Budget Committee
- Determine if the U-M wishes to fund the project
- Choose another vendor if we decide not to fund Blackbaud’s solution
Keeping Everyone Informed

- Public-facing Website for basic information:  
  www.mais.umich.edu/upgrades/devsystems.html
- Executive Sponsor updates quarterly
- Monthly high-level status reports via email
- On-going communications with key stakeholders through face to face meetings, updates to committees, working groups
- Continued involvement of subject matter experts

Keeping Everyone Engaged

- Communication with impacted groups
  - Continued involvement of subject matter experts
  - Face to face meetings
  - Focus groups
Executive Overview

BLACKBAUD CORPORATE OVERVIEW

Ken Keefer
Director of Higher Education
Blackbaud

Replacing the Development, Alumni and Constituent (DAC) Database

BREAK FOR REFRESHMENTS + FIRE DRILL

UP NEXT:
MANAGING THE PROJECT + Q&A

Replacing the Development, Alumni and Constituent (DAC) Database
Managing the Project

- Review of Governance*
- Roles and Responsibilities
- Management Approach
- High Level Project Timeline
- Fit-Gap Approach

*Governance Model PDF online at http://www.mais.umich.edu/upgrades/devsystems

Replacing the Development, Alumni and Constituent (DAC) Database
Project Governance

- Executive Officers
  - Jerry May, Tim Slottow, Theresa Sullivan, Robert Kelch

- Project Sponsors
  - Robert Groves, Peggy Norgren, Laura Patterson

- Project Directors
  - Brian Dowling, Debbie Mero

Roles and Responsibilities

- High Level
  - In Project Governance Model
  - In SOW with Blackbaud

- Detailed Level
  - Responsibilities Matrix
  - Project Plans
  - Tasks assigned (SharePoint site)
Management Approach

• Concise and timely communications at all levels

• Project is a partnership of the Development Community, MAIS and Blackbaud

• Creating transparency in the partnership
Fit-Gap Approach

• Prioritize the requirements
• Split into three concurrent tracks
  – Functional Application Fit-Gap
  – Technical / Infrastructure including interfaces
  – Data Conversion and High Level Data Model
• Generate findings with eye toward deliverables
• All tracking on one central “Scoring matrix”
• Use consistent scoring methodology

Fit-Gap Approach

• High level priorities addressed first
• Look for “Quick Fail” items
• Tie all test scoring back to requirements
• Create clear estimates & high level functional requirements for all Gap areas
• Document Fit-Gap findings for reuse
• Keep track of items / issues for implementation
Clarification

QUESTIONS AND ANSWERS

BREAK FOR REFRESHMENTS

UP NEXT:
PROJECT DETAILS AND
SOFTWARE DEMONSTRATIONS
MORE DETAIL ON HOW THE FIT-GAP WILL BE CONDUCTED

Larry Chaffee
Senior Project Manager

Project Details

- Conference Room Pilot Sessions
  - Functional Requirements
- Technical Fit-Gap Review
- Data Migration
Conference Room Pilots

- Fit-Gap Testing Methodology (handout)
- The 17 Functional Categories from the RFP
- Plan for Conference Room Pilots (handout)

Technical Fit-Gap Review

- MAIS / TIO Infrastructure Setup and Testing
- MAIS / DAIS Application Technology Review
- Interfaces
Data Migration

• Converting DAC data to Blackbaud
  – Review of fit for specified groupings of tables
  – Learn tools and effort for conversions
  – Learn BB data structure at detailed level
• High level Data Model
  – Represents UM need for life cycle of the gift
  – Compare to BB Data Model
  – Determine gap areas
BLACKBAUD BREAK OUT DEMONSTRATIONS

Station 1
Prospect Management

Station 2
Business Intelligence
KPI
Net Community
Online Engagement

THANK YOU FOR YOUR SUPPORT!