



INSIGHT
PHILANTHROPY
RESULTS

EXPLORE

PD25

New Depths

August 19-22, 2025

Hilton Baltimore Inner Harbor Hotel, Baltimore, Maryland

Due Diligence Strategies for Corporate and Foundation Relations

PARTNERS THAT ALIGN

EXPLORE
PD25
New Depths

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Due Diligence Strategies for Corporate and Foundation Relations

PARTNERS THAT ALIGN

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QUESTIONS FOR THE GROUP

What Roles?

- Prospect Research
- Prospect Management
- Fundraiser
- Advancement Services
- Other

What does Due Diligence look like at your organization?

Other initial questions?

CORPORATE & FOUNDATION DUE DILIGENCE

- Foundations of Due Diligence
- Case Studies
- Documentation and Reporting



FOUNDATIONS OF DUE DILIGENCE

Corporate and Foundation Due Diligence: A Definition

- “Due diligence is the process of systematically researching and evaluating an organization’s background, activities, financials, reputation, and other relevant factors to identify potential risks or concerns that could affect your institution’s relationship with that organization.”
- “Due Diligence validates an organization’s alignment with your institution’s mission.”

FOUNDATIONS OF DUE DILIGENCE

Institutional Framework

- Advancement or Development
- Investment Office / Endowment Management
- Commercialization and VC Units
- Research Units
- Administration

FOUNDATIONS OF DUE DILIGENCE

Corporate & Foundation Due Diligence

- Policy
 - All **new** corporations and foundations are screened and validated prior to fundraiser engagement
 - All **current** partners are rescreened and validated annually
 - **Ad hoc** screening and/or monitoring as requested by CFR directors or other University partners

FOUNDATIONS OF DUE DILIGENCE

Corporate & Foundation Due Diligence

- Procedure
 - Companies and related individuals are screened in multiple vendor platforms and online search tools
 - Results documented in CRM; case escalated if concerns are identified
 - Follow-up research or report creation as requested for leadership review

FOUNDATIONS OF DUE DILIGENCE

Procedure: Risk Assessment

- Watchlists
 - Politically exposed persons, sanctions, control & ownership
- State-owned companies
 - Global anti-bribery and anti-corruption regulations
- Adverse media
 - Regulatory
 - Competitive/financial
 - Environment/production
 - Social/labor

FOUNDATIONS OF DUE DILIGENCE

Procedure: Ethical Considerations

- Gift Acceptance Policy
 - Excluded companies or industries
 - Gift-type restrictions
- Faith-based issues
 - Biological material
 - Defense sector
- Government regulations
 - State institution limitations

CASE STUDY #1 – WRAPT, INC.

- Family owned regional manufacturer of a variety of plastic packaging including wraps, containers, and molded plastics
- Under 500 employees
- Interested in student capstone projects, workforce development, and sponsored research

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What might we find...?

CASE STUDY #1 – WRAPT, INC.

- What might we find...?
 - Industry
 - Environmental impact
 - Manufacturing waste
 - Single-use plastics
 - Regulatory violations
 - Community
 - Employee relations
 - Community investment
 - Owners
 - Family-owned companies carry the reputation of the family itself

CASE STUDY #1 – WRAPT, INC.

- **Search Results**

- Industry

- EPA investigation and fines over contamination of a local waterway in 2013.

- Community

- Public accusation of workplace misconduct by a manager in 2023 and covered by the local paper; settled out of court.
 - Company is a long-time sponsor of the local orchestra.

- Owners

- Family foundation paid for renovations of the local historical landmark in 2024.
 - Youngest son of the CEO was arrested for a DUI in February and was sentenced to community service.

CASE STUDY #2 – REAL BIG FOUNDATION

- Based in a nearby large city
- Grant programs in multiple areas including community justice, policing reform, journalism, the arts, and K-12 STEM education.
- Assets over \$500m
- Active grants at peer institutions
- Large board and staff

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What might we find...?

CASE STUDY #2 – REAL BIG FOUNDATION

- What might we find...?
 - Grant program areas and active grants
 - Negative reception of grantmaking
 - Negative perception of funded organizations/programs
 - Assets
 - Holdings or investments
 - Board and Staff
 - Connections to persons, organizations, or governments of concern
 - Controversial political or policy statements

CASE STUDY #2 – REAL BIG FOUNDATION

- **Search Results**

- Grant program areas and active grants
 - Online op ed from 2024 about local school corporation opposition to STEM programming funded by the foundation
- Assets
 - 990 reported a small number of shares of a for-profit prison company
- Board and Staff
 - Board secretary labelled a “politically exposed person” (PEP) with family connections to the state’s representative in the House
 - In 2020 the foundation executive director released a statement of support for a local newspaper that was resisting acquisition by a national news company

DOCUMENTATION & REPORTING

Documentation

- Keep it simple
 - Brief descriptions of concerns
 - Link to or upload supporting documents
- Consider access
 - Who can see what?
- Include your assessment
 - What do you think?

Reporting

- Include DD reviews in CRM
 - Reportable fields or objects demonstrate volume and value
- Include outcomes in CRM
 - Coordinate with data management on post-assessment workflow
 - Clear guidelines when an org is excluded from the prospect pool
- Centralize report storage
 - Google docs / Box / network drive

LET'S DISCUSS...

- Foundations of Due Diligence
- Case Studies
- Documentation and Reporting



THANK YOU!

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