

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARMOOUTH•LOWELL•WORCESTER

**MINUTES OF THE MEETING OF THE
DEVELOPMENT COMMITTEE**

Tuesday, November 7, 2006; 12:00 p.m.

Kitson Room 309, North Campus

One University Avenue

University of Massachusetts

Lowell, Massachusetts

Committee Members Present: Chair Lawton; Vice Chair Pearl; Trustees Endich, Kulenovic, King-Shaw, MacAfee and Makrez; Chair Tocco; Vice Chair Sheridan

Other Trustees: Trustee Armstrong

Committee Members Absent: Trustee DiBiaggio

University Administration: President Wilson; Vice Presidents Julian, Lenhardt, Motley and Smith; Chancellors Lombardi, Collins, MacCormack and MacKenzie; Deputy Chancellor Stanton; Ms. Granese, Associate Vice President for Marketing; Mr. Goodhue, Executive Director of Alumni Affairs

Development Staff: Mr. Tammerk, Interim Vice Chancellor for University Advancement, UMASS Amherst; Mr. Byers, Vice Chancellor for Institutional Advancement, UMASS Boston; Mr. Wolfman, Vice Chancellor for Institutional Advancement, UMASS Dartmouth Foundation; Mr. Davis, Senior Director for Development, UMASS Lowell; Mr. Sleeth, Vice Chancellor for Development, UMASS Memorial Foundation

Faculty Representatives: Professor May, UMASS Amherst

Alumni Association Guests: Cristina Geso, Alumni Office Executive Director, UMASS Amherst; Sarah Nethercote, Associate Vice Chancellor for Institutional Advancement; UMASS Boston; Joseph DeMedeiros, Executive Director of Alumni Affairs, UMASS Dartmouth; Diane Earl, Alumni Office Executive Director, UMASS Lowell; Charlene Nemeth Alumni and Parents Office, UMASS Medical School

Chair Lawton convened the meeting at 12:05 p.m. and introduced himself as the new Chair of the Committee. He then asked the Committee's participants to introduce themselves.

The first item on the agenda was **Consideration of Minutes of the Prior Meeting of the Committee.**

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It was moved, seconded and

VOTED: To approve the minutes of the August 22, 2006 meeting of the Committee.

Chair Lawton indicated that he reviewed materials and minutes from previous Committee meetings and is impressed with the developments efforts by the campuses. He expressed his gratitude to Trustee O'Shea, the former Chair of the Committee and Vice President Motley for their work. He intends to meet on a regular basis with Vice President Motley and the Development Officers and looks forward to working with them.

Chair Lawton welcomed Katherine Smith, the new Vice President and Chief Operating Officer for the UMASS Foundation to her first meeting.

Today the Committee has a full agenda. President Wilson will provide remarks, the Development Officers will provide 2006-2007 Campus Progress Reports, there will be an update on the Development Council, an update on the Integrated Marketing Initiative, and an update on system-wide Alumni Affairs.

President Wilson began his report by welcoming Chair Lawton and Katherine Smith to the Committee. He also welcomed Board Chair Stephen Tocco and Toivo Tammerk, Interim Vice Chancellor for Advancement to the meeting.

President Wilson reported that Vice President Motley continues to lead the Development Council. The group has met three times to make plans for the new fiscal year which include holding two system-wide seminars related to fundraising: one on estate and tax planning for donors and prospects and another for our Major Gifts Officers which will be designed to address UMASS goals.

The Office of Business and Public Affairs has prepared a progress report on its first year in the President's Office, and it continues to refine the Action Plan.

Today the Committee will adopt the new Fundraising Spreadsheet to report fundraising activity by the campuses. This is the result of the team effort by the Development Council and University Treasurer and Vice President Stephen Lenhardt.

Leslie Granese, Associate Vice President for Marketing will give a brief update on the Integrated Marketing Project which was developed as a result of a Board directive. She will also report on the significant changes to the Massachusetts.edu website. Robert Goodhue, Executive Director of Alumni Affairs will provide an update on campus activities.

A key goal of the UMASS Foundation is to manage funds from the Endowment. As of September 30, 2006 the Market Value of the UMASS Foundation is \$233,821,000. The Asset

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Allocation as of September 30, 2006 is 26% Domestic Equities; 14% International Equities; 33% Fixed Income; 21% Alternative Investments; and 6% Cash Equivalents.

Historical Performance for the UMASS Foundation is 10.64% (1 Year); 11.29% (3 Year); and 8.60% (5 Year); for the UMASS Policy Benchmark is 9.06% (1 Year); 10.02% (3 Year); and 7.55% (5 Year). The UMASS Foundation Fiscal Year-To-Date 2007 returns for the first quarter is 3.23%.

The UMASS Foundation's website has been redesigned to include our endowment reports and more direct connections to new opportunities for giving at many levels.

President Wilson announced that the President's Public Service Awards will be held on December 8 at 12:00 noon in the UMASS Club. The event honors faculty members from the five campuses for their contributions and leadership in teaching, reaching and service.

The Development Officers then reported on the **2006-2007 Campus Progress Reports**. Vice President Motley indicated that the Reports provide a summary of fundraising activities on the campuses.

Vice Chancellor Tammerk from the Amherst campus reported the following:

- Fundraising efforts at Amherst are going well and moving forward;
- Total funds raised to date is \$6.7M. This represents a 23% increase over the previous year;
- The Development Office personnel is expanding and its operations is moving forward;
- The Annual Fund production is currently running 61% ahead of last year;
- 11,000 major gifts prospects have been identified.

Chair Tocco asked what the biggest challenge is for the campuses going forward with development and fundraising. Chancellor Lombardi indicated that the biggest challenges for the Amherst campus are: being understaffed, the culture of giving between alumni and friends, and creating a sense of identity and introducing the University's branding to alumni. There was then a brief discussion about the overall function of the UMASS Foundation and whether it could help the campuses with some of these issues.

Vice Chancellor Byers from the Boston campus then reported following:

- The total funds raised in the first quarter of FY2007 represent a 58% increase over last year;
- There is a \$200,000 difference in grants and total private support has decreased by 2% compared to last year;
- There are a number of initiatives underway in the pipeline in terms of corporate and private support;
- Alumni participation rate increased from 6.0% to 7.4% last year. This year's goal is 10% participation;

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- Corporations are beginning to consider gifts to UMASS Boston;
- There is no culture of giving. There is minimal participation in the Annual Giving program from alumni and friends of the campus;
- The Office of Institutional Advancement has been working to rebuild its development operations.

Trustee King-Shaw asked if the Boston campus benchmarks itself against any institution(s) when it comes to best practices or development strategies. The Boston campus measures itself using the Urban 13 Standards Measure and there are many development strategies private and public universities use that it can use to model.

Vice Chancellor Byers indicated that steps have been taken to recognize Boston State College graduates as part of the University. Last Thursday, 200 Boston State graduates attended a reception at the UMASS Club; a committee has been formed to develop a number of events over the next year honoring Boston State College. The next event will be held on January 24 at the Boston campus. There were also suggestions to host a reception to confer Boston State degrees and reach out to Boston State alumni.

Vice Chancellor Wolfman from the Dartmouth campus reported the following:

- The total funds raised in the first quarter of FY2007 is \$200,000 below last year's total;
- Efforts are underway to build the development operations and alumni relationships;
- In March, the first-ever campaign was launched to provide support improvements for the Library. The goal for the project is \$10M. The goal for private support is \$6M. The campus has \$3M towards its goal;
- Private support generated by the campus has been increasing every year;
- The campus is optimistic about creating a culture of philanthropy (in terms of private support and increased alumni participation);
- Increasing the staffing deficit has been a challenge. A Research prospect has been added to the staff. Union constraints have also been a challenge;
- Two to three additional staff members will be added to the Advancement staff;
- Alumni giving needs to expand. The current level of alumni giving is at 12%;
- Gift amounts also need to be increased.

Trustee MacAfee asked if there are separate endowments on the individual campuses or if there is a culmination of total endowment for the University. There is a total endowment but the endowments are restricted to the programs on the campuses.

Trustee Pearl indicated that the strategy of identifying projects or goals people can relate to is a good way to begin building and creating a culture of giving.

Chair Tocco indicated that he would like to see a 3-5 year micro plan on investment. There was then a brief discussion on campus branding versus system branding and its ability to raise

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funds. Campus branding and system branding are aimed at different audiences for different purposes. System branding has an audience that is state-wide and considers what others think about UMASS as a place and a destination for their students. It adds considerable value both in terms of objectives and total impact of all of the campuses.

Trustees Armstrong, Endich, King-Shaw, Kulenovic, Makrez; President Wilson; Chancellors Lombardi, Collins and MacCormack depart from the meeting at 1:25 p.m.

Mr. Davis from the Lowell campus took a moment to introduce Steve Rogers, College of Management; Deme Gys, Alumni Director; Caitlyn O'Brien; Debbie Marino, College of Sciences and Planned Giving; Brian Andriolo, Associate Director of Development; Diana Earl, Alumni Director. These are the persons that meet prospects and get the University's message to the Lowell campus' alumni base.

Mr. Davis then reported the following:

- The PHEEIP program is the campus' primary emphasis for the next 2 or 3 years and has been a marketable feature;
- The Lowell campus anticipates that it will double the size of its endowment within the next 2-3 years;
- While the campus has been lacking in its endowment efforts it looks forward to moving on its endowment giving;
- There has been some success with the PHEEIP program, and the program continues to raise unrestricted and restricted funds for the campus;
- fifty-one new endowments have been traced over the past 2 years ranging form \$25,000 to \$500,000.

Chancellor MacKenzie then indicated that while the Lowell campus had disinvested in its Advancement program some reasonable goals have been met in spite of the loss of positions. The number of positions working in the program has been reduced from 22 to 14 and the alumni base has not been properly developed. This is a great opportunity for the next Chancellor to build on. The existing staff is hardworking and committed.

Given the time constraints Mr. Davis directed the Committee to view, at their convenience, the additional information and fundraising highlights for the first quarter in their packet of materials. He would be available to answer any questions.

Chancellor MacKenzie departs from the meeting at 1:47 p.m.

Vice Chancellor Sleeth from the Worcester campus reported the following:

- The Worcester campus is doing better in the first quarter this time than it did last year in the same period. There is great hope for the rest of the year;

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- The awarding of the Nobel Prize to Dr. Craig Mello has brought wonderful opportunities to Worcester;
- The campus is re-looking at all of its plans and anticipates that over the next several years the Nobel Prize is going to bring new capabilities and create a new level of fundraising;
- The planning of an event to host Dr. Mello in Florida is underway;
- Fundraising abilities is expected to double over the next several years.

It was then noted that an advertisement on Dr. Mello's Nobel Prize is being shown throughout the Commonwealth and a full-page ad appeared in the Washington Post, New York Times and Massachusetts newspapers.

Deputy Chancellor Stanton reported that on Friday a meeting took place with Vice Presidents James Julian and Katherine Smith and the Worcester team discussing celebration, reputation, fundraising, etc. Beyond Worcester the Nobel Prize is going to open new doors that have never been open before. Trustee Armstrong has proposed a resolution congratulating Dr. Craig Mello at the Science and Technology Council meeting that was held this morning.

Vice President Motley then announced that a training session for Major Gifts Officers is underway through the Development Council. The training will be held in Worcester on January 4 and 5, 2007, and will be presented by a nationally known major gifts consulting group. Chair Tocco requested that any Trustee interested in participating be included in the training.

Chair Lawton thanked the Vice Chancellors for their campus reports and indicated that fundraising is a culture and is something that takes time to cultivate. Over the past 10 years fundraising has really started to pick up. Eighty-five million dollars was the goal last year and this year the goal is \$93M. The past chairman has really done an impressive job.

Ms. Granese, Associate Vice President for Marketing, provided an update on the status of the **Integrated Marketing Initiative**. The Integrated Marketing Initiative was developed after a request from Trustees and President Wilson for information on best practices and processes for improving UMASS brand perceptions. A system-wide marketing team with members from each campus was created and the group is working collaboratively to understand the University's current market position to strategically improve it. Research is being conducted across the five campuses and targeted audiences to uncover the University's current market position.

There was then a discussion on creating a branding plan for the system and what the University must do to be among the rankings of the top 15 university systems in the country. Research on branding has been done in the past and can be conducted again for the Board.

Mr. Goodhue, Executive Director of Alumni Affairs then updated the Committee on **System-wide Alumni Affairs**. He introduced Cristina Geso, Alumni Office Executive Director, UMASS Amherst; Sarah Nethercote, Associate Vice Chancellor for Institutional Advancement; UMASS Boston; Joseph DeMedeiros, Executive Director of Alumni Affairs, UMASS

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Dartmouth; Diane Earl, Alumni Office Executive Director, UMASS Lowell; Charlene Nemeth Alumni and Parents Office, UMASS Medical School.

The Trustees will be invited to UMASS Worcester's Parents Reception on November 15 at the UMASS Club. Alumni Relations and the student experience is the foundation upon which development works. Alumni Relations is entering into a new phase with the creation of an online community. The Alumni Directors meet on a regular basis and should continue to meet with the Development Committee. A meeting between the two groups can take place either before or after the Development Committee.

System-wide Alumni initiatives include the annual UMASS Night at the Pops event which was developed in 2001; use of the UMASS Club to host campus events; and alumni programs including events in Boston, New York, Washington and Florida. A number of events are underway and Trustees will be invited to participate.

Chair Tocco asked if Trustees can make a difference and what can they do to help with development and alumni efforts. Trustee presence at the campus events makes a huge difference. Vice President Motley reported that a system-wide campus calendar of events is being developed to keep Trustees informed of happenings on the campuses. The calendar will contain traditional and major events that take place on the campuses. Chair Tocco indicated that he will encourage all Trustees to participate in at least four campus events per year.

Mr. Davis indicated that the most important thing is to provide a central office for cooperation among the five Alumni Offices. The ability for the campuses to collaborate together is major in creating activity of critical mass for the alums.

Vice President Motley provided the **Development Council Update**. The Development Council met and has established Trustee protocols. The Trustees will receive materials in a timely fashion before the meetings. After today's meeting the Committee will receive a summary of last year's activities to-date, and be informed about future training opportunities. The Development Council has been working hard and sharing best practices.

Chair Lawton and Board Chair Tocco thanked everyone and look forward to working with the Committee.

The meeting adjourned at 2:16 p.m.

Zunilka Barrett
Assistant Secretary to the Board