

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARMOOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE
DEVELOPMENT COMMITTEE

Thursday, March 1, 2007; 12:00 p.m.
Amherst Room
225 Franklin Street – 33rd Floor
Boston, Massachusetts

Committee Members Present: Chair Lawton; Vice Chair Pearl; Trustees Armstrong, DiBiaggio (via conference call), Endich, Kulenovic, King-Shaw, MacAfee and Makrez; Chair Tocco; Vice Chair Sheridan

University Administration: President Wilson; Interim General Counsel Bench; Vice Presidents Motley and Smith; Chancellors Lombardi, Collins, MacKenzie and Lazare; Deputy Chancellor Stanton; Ms. Granese, Associate Vice President for Marketing; Mr. Goodhue, Executive Director of Alumni Affairs; Ms. Kelley, Director of Operations for Business and Public 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. Andriolo, Associate Director of Advancement, UMASS Lowell; Mr. Pagnam, Vice Chancellor for Development, UMASS Memorial Foundation

Faculty Representatives: Professor May, UMASS Amherst

Chair Lawton convened the meeting at 12:30 p.m.

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

It was moved, seconded and

VOTED: To approve the minutes of the November 7, 2006 meeting of the Committee.

Chair Lawton announced that the Committee will move forward with two action items after his report. He then reported that substantial progress has been made in several important areas since the last meeting of the Committee. President Wilson and the campus staff will report on new donor commitments and endowment growth. The two important action items to be voted on today are a recommended name change and redefined scope for the Committee, and the establishment of a Coordinated Constituent Relationship Management Policy (CRM). The

Development Committee
March 1, 2007

implementation of the policy will establish a University-wide approach to data management and fundraising.

Chair Lawton indicated that he and Vice Chair Sheridan have worked extensively with Vice Presidents Motley and Smith, Chair Tocco, President Wilson and the Vice Chancellors to identify opportunities to improve advancement and fundraising at the University. A recent review of the University's fundraising operations indicates that currently there are five restricted fundraising databases that prevent effective donor identification, strategic planning, data management and communication between the campuses and the President's Office. The proposed CRM system will implement an innovative change that will improve communication, strategic planning, personnel, and data management. The proposed CRM system is used by public and private universities across the country and their results have been compelling. This is clearly a tool that will help the University grow its fundraising efforts. The implementation of such a system should have a significant effect on the University's fundraising

The Committee will vote on a proposal that the Committee's name be changed to the Committee on University Advancement and that its responsibilities be defined to reflect the expanded scope of the Committee. Added responsibilities include Integrated Marketing, Alumni Relations and other advancement-related functions.

Trustee King-Shaw and Chair Tocco then commented on their support of the CRM system.

Chair Lawton indicated that after the CRM policy is enacted, the President's Office will work with campus officials to develop guidelines for the implementation and use of the system.

The first item for action was a **Recommendation for a Name Change of the Committee**. It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To approve the following amendments to the By-Laws of the Board of Trustees of the University of Massachusetts:

Article III, COMMITTEES OF THE BOARD is hereby amended as follows:

Section 1. Standing Committees

By striking Development and replacing it with Committee on University Advancement.

Section 5. Responsibilities of Standing Committees

By striking section (f) and replacing it with:

Development Committee
March 1, 2007

- (f) The Committee on University Advancement shall have the responsibility of considering, reviewing, and making recommendations to the full Board on matters related to any of the University's advancement operations including but not limited to development, marketing, public affairs and public relations, community relations, and alumni and parent relations. The Committee will guide:
- i. fundraising and development policies and initiatives, including but not limited to fundraising goals for campuses and the University; and on fundraising policies concerning the Foundation(s)'s relationship to the University;
 - ii. policies on alumni, donor, and prospect records and data;
 - iii. marketing and external relations policies.
- (Doc. T91-100, as amended)

The next item for action was the **Coordinated Constituent Relationship Management Policy**. It was moved, seconded and

VOTED: To recommend that the Board take the following action:

The President of the University shall see to the development and implementation of guidelines governing a comprehensive constituent relationship management system (CRM) for University alumni, parents and friends, which he may amend from time to time as appropriate or as required by law. If any University policy conflicts with federal or state statute, the applicable statute shall apply.

Such guidelines shall make provision for the design, development, use, and maintenance of the official University CRM database of record for all alumni, parents, friends, and donors. The database may be used only for approved University business. No person or organization shall be allowed to use the University database of record for personal business or financial gain. In cases of dispute about what constitutes an approved activity, the final decision will rest with the President or his designee.

The guidelines issued pursuant to this policy shall also provide appropriate safeguards for the protection of private or confidential information. The trustees designate the president or his designee as the coordinator for all major donor prospects.

Development Committee
March 1, 2007

Compliance with and implementation of the guidelines shall be a responsibility of any University employee using the University's CRM resources. The University will ensure that disaster-recovery plans are in place, including routinely storing a backup copy of the files.

Failure to abide by any of the policies stated within this document may result in denial of access to information contained in the CRM or other sanctions. (Doc. T07-024)

The next item was the **President's Report**. President Wilson reported that each Trustee Committee works to advance the mission of this University—its commitment to a high quality and affordable education and to research and public service. Fundraising activities have been the primary focus of this Committee. The University's fundraising organization benefits the entire University by providing UMASS with financial stability and critical funding to maintain and grow important campus programs into the future. Fundraising and related activities also contribute to the goal of improving the University's standing in the higher education marketplace. This Committee also recognizes that maintaining a strong relationship with our alumni, parents and friends of the University is also an important goal.

Over the past five years the University's endowment has been steadily growing thanks to the efforts of the development team across the five campuses and the team at the UMASS Foundation. Today, the endowment stands at more than \$250 million with over 1,500 donor-established endowment funds—including more than 50 chairs. This Committee's efforts and the efforts of our staff will guide us to continued growth in this area. Ten years ago, the endowment was about \$67 million. Progress has been made but we need to make more progress to continue to be competitive and to grow as a University.

President Wilson introduced Charles Pagnam to the Committee. Mr. Pagnam is the new Vice Chancellor for Development of the UMASS Medical School. He joined the Medical School in January from Mount Sinai Medical Center where he served as Senior Vice President for Development, overseeing all development operations as well as the implementation of a \$1 billion capital campaign. He also previously served as Vice President for Development at Yale, where he held leadership positions in advancement for more than 20 years.

Vice President Smith has been leading the Development Council since her arrival in November. The Vice Chancellors remain focused on making strong contributions on their campuses and collectively for the system. Vice President Smith will brief the Committee on the fundraising report formats. The Development Council has met three times since the last Board meeting and have discussed their progress toward campus and system goals as well as how they can work together to meet the strategic goals that have been laid out for them.

Vice President Motley has been working with Associate Vice President Granese and the campus-based leadership on the Integrated Marketing Project. This process was developed as a

Development Committee
March 1, 2007

result of a Board directive and we are pleased with the results to date. It is another example of how strategic collaboration across our five campuses can strengthen the University.

The Foundation's endowment portfolio registered an overall increase of \$19 million this quarter, driven by both solid investment performances and additional cash gifts and payments.

Under the **Vice President's Report**:

Vice President Motley thanks the campuses for working with us on many of these issues, welcomes Charles Pagnam to the group and introduces Carol Kelley and Leslie Granese and asks them to make brief reports on their recent activity.

Ms. Kelley then provided an update on the **University's Annual Gala Event at the Pops**. Save the date cards have been mailed and Chair Tocco and President Wilson have been helpful in the organization of the Trustees. The Trustees and the Chancellors will be invited to participate in a host committee for a gala event celebrating the University's achievement. Dr. Craig Mello, will be presented with the President's Medal. To date, 630 tickets have been sold. There will be a reception at the UMASS Club at 5:30 p.m. on the evening of the event, followed by the Pops concert; ground transportation will be provided to and from the Pops concert. Formal invitations will be mailed in ten days.

Ms. Granese gave an update on the **Integrated Marketing Project**. The Integrated Marketing Project was developed after a Board request and the process is ongoing. Data collection has been completed, and the marketing team has met to discuss the data and consider the next steps. This has been a positive and collaborative process. A lot of research has been conducted and we are looking at campus and system level strategic planning, what can be done differently, professional development, training and best practices. More information will be forthcoming.

Vice President Smith reported the following:

Foundation management: We are working with the Board of the Foundation to better define and communicate policies around the endowment and work with campuses about what they need to work more effectively and work to provide it to them. We have convened groups of alumni relations staff, fundraisers, and the vice chancellors to discuss what efficiencies can be shared across the campuses. Meetings pending include the stewardship group and gift planning officers.

Online Alumni Community—We have been working to identify a solution that will allow Boston, Dartmouth, Lowell, and Worcester to collaboratively engage a vendor to develop online alumni communities. The 4-campus consortium has been looking at two vendors and will have a conference call to next week to discuss next steps. We are also working with Alumni Relations

Development Committee
March 1, 2007

Director Robert Goodhue, Carol Kelley and Sandy Owen on this project. This will allow the campuses that do not have an online community to collaboratively engage vendors.

The report formats are changed to better reflect the development industry standard. Cash reports include all new gifts and cash payments. Commitment reports include all new gifts and pledges. With these two formats, we can look across years at cash flow from fundraising and at fundraising performance (where pledges are reported).

The vice chancellors have been a terrific group to work with and I invite each to comment on the results as of the first two quarters (through 12/31/06).

- The financial reporting format has been changed to reporting in best practice format and separate cash collection from fundraising performance.

- This year looks good and overall fundraising goals are at 33% of goal—it is not uncommon for higher education institutions to have a big second half.

The next item was **Update on Campus Fundraising Reports**. Vice Chancellor Tammerk from the Amherst campus reported the following:

- The Amherst campus expects a commitment estimated at \$16 million;
- The fundraising goal is slightly 5-7% behind last year;
- The campus is at 46% of goal this year;
- The Development Office is under new management;
- This year will close as expected;
- The Annual Fund is up 19%; donors 7%; pledges 16%; and average gift to the campus is up 14%;
- At year-end the campus campaign will be at 22% of goal and on course for FY2007.

Vice Chancellor Byers from the Boston campus reported following:

- The Boston campus had a very strong quarter and is on course for FY2007;
- The campus received a \$500,000 gift from the Carol and Peter Lynch Foundation for the School of Nursing;
- One of this year's goals is to increase alumni participation to 10%;
- An event was held celebrating Boston State College, and the response was positive on the part of Boston State College alumni;
- The campus expects to meet all of its financial goals.

Vice Chancellor Wolfman from the Dartmouth campus reported the following:

- The UMASS Dartmouth campaign is generating support from the community;
- The campus is at an estimated \$4M of the campaign, the fundraising goal is \$6M;

Development Committee
March 1, 2007

- The Library campaign includes a \$150,000 donation to establish the Edmund Denis Portuguese-American Political, Legal and Public Service Collection;
- The Library campaign also includes a \$75,000 cash donation plus a 5,000 volume rare book collection;
- Twenty-one new endowments were established in the last two quarters;
- The Dartmouth campus has added two new staff members;
- The Advancement team has been invited by two foundations to submit multi-million dollar proposals for capital projects.

Chancellor MacKenzie then announced that UMASS Lowell does not have a Vice Chancellor for Development. John Davis, Senior Director for Development has been named Interim Vice Chancellor of Development.

In the absence of Mr. Davis, Mr. Andriolo, Associate Director for Development from the Lowell campus reported the following:

- Overall, the Lowell campus is doing well and is at 60% of its fundraising goals;
- Cash is at 43% this quarter, and a number of pledge agreements have been signed;
- The campus is confident that it will exceed its goal of \$3.38 million in cash;
- A \$340,000 pledged commitment will be received and paid by June 30;
- The goal of doubling the Lowell campus endowment is on track.

Vice Chancellor Pagnam from the Worcester campus gave a brief report and expressed his optimism that while the numbers are down from the previous year, we hope to attract a new group of donors due to the publicity from Craig Mello's Nobel Prize Award. The Development Office is hard at work developing fundraising opportunities.

Chair Lawton thanked Vice President Smith and the Development Officers for their work and their cooperative spirit.

Trustee Armstrong inquired about the Matching Gift Program. President Wilson indicated that we have used up last year's allotment and that we continue to advocate for more funds every year.

Trustee DiBiaggio stressed the need to expend efforts in the area of major gifts noting that the number of gifts at \$50,000 and above was very small and most significant to overall achievement.

Chair Lawton and Trustee Sheridan expressed appreciation for the work being done, and said that they see major improvements as far as significant donor impact.

Development Committee
March 1, 2007

There was a question about cross-sharing between the Medical School and the Hospital. Deputy Chancellor indicated the cooperation between the two was substantial; donors have stipulated their wishes as far as the designation of funds.

The meeting adjourned at 1:25 p.m.

Zunilka Barrett
Assistant Secretary to the Board