

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE  
ADVANCEMENT COMMITTEE

Friday, November 14, 2008; 10:00 a.m.  
Lowell/Dartmouth Room  
225 Franklin Street – 33rd Floor  
Boston, Massachusetts

**Committee Members Present:** Chair Lawton; Trustees DiBiaggio, Gerson, Kulenovic, Koffman and MacAfee

**Committee Member Absent:** Trustees Endich and Tocco; Vice Chair Karam; Chairman Manning

**University Administration:** President Wilson; Vice Presidents Julian, Lenhardt and Smith; Chancellors Holub, Motley, Meehan and Collins

**Advancement Staff:** Ms. Thompson, Executive Director of Advancement, UMass Amherst; Mr. Byers, Vice Chancellor for Institutional Advancement, UMass Boston; Mr. Eatough Assistant Vice Chancellor for Institutional Advancement, UMass Dartmouth Foundation; Mr. Pagnam, Vice Chancellor for Development, UMass Memorial Foundation

**Faculty Representatives:** Professors May and O'Connor, UMass Amherst

Chair Lawton convened the meeting at 10:14 a.m. and asked for a motion to **Consider the Minutes of the Prior Meeting of the Committee.**

It was moved, seconded and

**VOTED:** To approve the minutes of the September 3, 2008 meeting of the Committee.

Under the **Chair's Report**, Chair Lawton reported that the advancement groups have been working with their Chancellors and the President's Office over the summer to plan for the coming year. The Vice Chancellors will discuss the campus-based programming that is planned for the year.

Members of the Advancement teams from all five campuses continue to gain momentum in mobilizing alumni. The shared online community—Network UMass— has registered more than 9,000 members to date. Several of the campuses are also working together on joint regional alumni events.

In regard to the CRM, UITS staff is now in the process of working with colleagues at each of the five campuses to begin their upgrades or conversions.

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Chair Lawton thanked everyone involved with the many initiatives for their professionalism, collegiality, and work. We are truly positioning the University for every future success. The Trustees are committed to supporting these important advancement initiatives for all of our campuses.

The campuses have been busy working with their student trustees and alumni groups to plan the Student Trustee Alumni Speaker series that was funded by President Wilson.

Chair Lawton then asked the Committee to review the articles he provided in their packets on legislation that was pending in the Senate last year and would allow charitable tax deductions from state income tax returns. At last week's Development Council meeting Vice President Smith passed out an article on the Pension Reform Act signed by President Bush that resulted in a surge of more than \$70 million dollars in new donations to colleges and universities. The Pension Reform Act allowed seniors to donate retirement savings to charities without tax consequence. Chair Lawton requested each of the Vice Chancellors to evaluate the potential impact of this legislation on philanthropy by their donors and to report back to the Committee. The goal of this legislation is to inspire philanthropy in Massachusetts. Vice President Lenhardt provided a brief overview of the legislation, and indicated that there could be some conflict with the charitable deductions interest rate; further research needs to be conducted on this and on national trends.

The next item was the **President's Report**. President Wilson reported the following:

- Forging life-long relationships with our alumni is a priority that will ensure the future strength of the University. Today we will hear from each of our campuses about their planned programming for the year.
- As reported at the last meeting of the Committee, endowment investment performance for last year registered a positive growth of just under 1% percent (0.92%) despite the capital markets strongly negative and volatile environment. The first quarter of FY09 has continued to present challenges and though relative performance is in line with benchmarks, investment performance for the quarter was negative (-8.65%).
- Fundraising achievement year-to-date across the campuses is \$15.9 million dollars from 10,626 gifts—representing a 12 percent decrease in dollars from this time last year, but a 2.3 percent increase in the number of gifts. This environment presents challenges to raising large gifts. We look to our campuses to spend effort now to build relationships with larger numbers of alumni, parents, and friends.
- The Market Value of the UMass Foundation as of September was \$355,208,177 dollars. Since that date, we are down 18%, which is less than half of the overall decline of 38%.

Asset Allocation which remains on target: Domestic Equities, 18%; International Equities, 12%; Fixed Income, 34%; Alternative Investments, 32%; and Cash Equivalents, 4%. Overall, the Benchmarks look good thank to the UMass Foundation Investment Committee. They have done a great job for us in extremely trying times.

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President Wilson announced that the President's Public Service Awards, honoring faculty members who have shown exemplary service to the community, will take place on November 19 at the UMass Club. Starting on Wednesday, there will be an exhibit at the State House highlighting their many good works. The honorees include Professor Jerri Willett, UMass Amherst; Professor Taylor Stoehr, UMass Boston; Professor Susan Krumholz, UMass Dartmouth; Professor Regina Panasuk, UMass Lowell; and two faculty members from the Medical School, Deborah Harmon Hines and Jean King.

In closing, President Wilson thanked the Trustees, Chancellors, Vice President Smith, and the Vice Chancellors for their continued efforts. They are greatly appreciated.

Under the **Vice President's Report**, Vice President Smith reported that the campuses have put forth a combined preliminary goal of \$95.7 million for this year. This is extremely ambitious given leadership transitions underway at several campuses, and the challenging economy. There was discussion at the last meeting of the Committee as to whether to consider revisiting fundraising goals and each Vice Chancellor agreed that they would stay the course for now, though the focus of activity will shift to acquiring and retaining donors and on planned gifts rather than on ratcheting up major gifts.

Vice President Smith then asked the Vice Chancellors to comment on their **Q1 Fundraising Reports and Goals**.

Ms. Thompson from the Amherst campus reported the following:

- October was a good month for Amherst. The campus ended at 16% of goal;
- Gifts are up, but we are seeing impact the economy is having on our Annual Fund;
- The senior campaign is underway, and there are twice as many students participating;
- We are focusing on Planned Giving vehicles such as annuities, real estate, gifts in-kind;
- A copy of the Foundation newsletter was distributed to the Committee;
- Student Trustee Lindsay McCluskey is working on the speaker series.

Vice Chancellor Byers from the Boston campus reported:

- We ended September up 10% from the previous year;
- The number of donors making gifts over last year increased by 3%
- We are looking to hold donor events in those areas that have not been visited for some time;
- Student callers are participating in the Phone-a-thon. We are looking to donors to find a challenge grant. We are focusing on how people give;
- A Benefit Gala was held last week honoring Reverend Haynes;
- For the speaker series there will be two speakers each year.

Assistant Vice Chancellor Eatough from the Dartmouth campus reported:

- The Dartmouth campus is focusing on alumni giving and on first gifts donors;
- Our Phone-a-thon is going well;
- A \$3M gift was received for the Charlton Business School;
- Received a gift yesterday under the IRA roll over act;

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- A Portuguese Archives celebration will be held in the spring;
- The Alumni speaker series is underway – some alumni have been identified;
- Student Trustee Tamara Endich is making phone calls to \$100 donors.

Chancellor Meehan from Lowell reported:

- In addition to the challenging economic times, Lowell is in a process of changes in the leadership of Advancement;
- The new Vice Chancellor of Advancement will begin on December 1;
- UMass Lowell had a good year with the announcement of the \$1.2M Hoff gift;
- We are looking at strategies to focus on building participation and repeat giving;
- Gifts increased 40%, and commitments increased;
- We will be reorganizing and there will be layoffs in light of the 9C cuts. We will however fill the advancement positions;
- The pre-commencement dinner will become an annual event as part of our fundraising activities.

Vice Chancellor Pagnam from Worcester reported:

- Foundation support is extremely high and we are pleased with results;
- Cash totals are impressive—up 66% over previous year;
- We are the recipients of an endowed chair honoring Dr. Victor Ambros;
- We anticipate hearing from donors about outstanding proposals of \$15-17M by mid December;
- We enter this year with a strong desire to revamp our Annual Fund;
- A second fall Reunion was held last weekend;
- Chancellor Collins continues his road trips to talk with donors;
- We need to continue focusing on fundraising activities in spite of tough financial times;
- We must also continue to take advantage of the President's match to move forward with the alumni student mentoring program. The students are involved in broad based specialties programs as well as career alternatives programs.

Chair Lawton thanked the Vice Chancellors for their reports and doing an outstanding job despite the current economic times.

Trustee DiBiaggio indicated that the gifts coming forward are impressive but the lack of large gifts is disappointing. It is a struggle to convince people that they ought to be supporting the institution, but it can be done through cultivation over a period of time. It would be encouraging to see major gifts to the institutions. He asked what efforts are being made towards this and what role can the Trustees play in that effort.

President Wilson indicated that now is the time to have Trustee efforts in Advancement. Major gifts require campus leadership, and donors want to know that their gifts are being used wisely. We now have great leadership in place on each of the campuses and they are having an impact. The Chancellors are putting their programs in place and are on the front line for major gifts.

Chancellor Meehan indicated that he talks about state funding and highlights gifts that are received. We need to be strategic in hiring staff, and the PHEEIP program presents a challenge with match.

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Chancellor Collins commented that the culture has been to not focus on major gifts. Having patience is key, it takes time to develop and cultivate major gifts. Trustees could help by introducing us to those people who would be helpful. Chancellor Motley also indicated that having Trustee participation at campus events is helpful.

Trustee Kulenovic commented that the alumni series is a great start, but it helps to connect fundraising efforts with the entire campus community. He also agrees with Chancellor Meehan that we need to talk about the budgets cuts that are currently taking place to break the illusion that we are fully state funded. Trustee Koffman indicated that this is a good time to look at low end gifts.

Chair Lawton indicated that the campuses have the full support of the Foundation, the President's Office, and the Trustees. Any innovative thoughts or request for support should be directed to Vice President Smith.

The meeting adjourned at 11:15 a.m.

Zunilka Barrett  
Assistant Secretary to the Board