

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

**MINUTES OF THE MEETING OF THE
ADVANCEMENT COMMITTEE**

**Wednesday, February 4, 2009; 10:00 a.m.
Lowell/Dartmouth Room
225 Franklin Street – 33rd Floor
Boston, Massachusetts**

Committee Members Present: Chair Lawton; Trustees DiBiaggio, Endich, Gerson, Koffman, Kulenovic, and Tocco

Committee Member Absent: Trustee MacAfee; Vice Chair Karam; Chairman Manning

University Administration: Vice President Smith; Chancellors Holub, Motley, MacCormack, Meehan and Collins

Advancement Staff: Mr. Milligan, Executive Vice Chancellor for University Relations, UMass Amherst; Mr. Byers, Vice Chancellor for Institutional Advancement, UMass Boston; Mr. Eatough Assistant Vice Chancellor for Institutional Advancement, UMass Dartmouth Foundation; Ms. Shorr, Vice Chancellor for Advancement, UMass Lowell; Mr. Pagnam, Vice Chancellor for Development, UMass Memorial Foundation

Faculty Representatives: Professors May and O'Connor, UMass Amherst; Ms. Gibbs, UMass Dartmouth

Chair Lawton convened the meeting at 10:23 a.m. and welcomed Elizabeth Shorr, Vice Chancellor for Advancement at the Lowell campus to her first meeting.

The first item on the agenda was 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 November 14, 2008 meeting of the Committee.

Under the **Chair's Report**, Chair Lawton reported that the Committee will hear from the Chancellors and Vice Chancellors about their fundraising efforts and how the dire economic crisis is having an impact on fundraising. There continues to be collaborative programming undertaken at the University. The Vice Chancellors continue to share their experiences and knowledge. Vice President Smith has undertaken the task of working with the Vice Chancellors to improve the campuses.

Advancement Committee
February 4, 2009

The shared online community which went into effect last year has registered more than 10,000 members to date. The University is trying to develop and cultivate a philanthropic atmosphere and culture—the campuses are working together on joint regional alumni events. Members of the Advancement teams from all five campuses continue to gain momentum in mobilizing alumni.

Campus upgrades or conversions to the CRM, our shared information database continues; the Amherst campus will have its own system. Within 24 months the shared technology within the University of Massachusetts will allow us the opportunity to identify more of our donors.

The Advancement Committee is exploring all options to generate revenue. Chair Lawton reported that he and Vice President Smith have been in conversations with the campuses and the State Registry about the University of Massachusetts having their own license plate. An enthusiastic endorsement was received from the Registrar about having a special plate for each campus. Logistical problems have been discussed with the Registrar because each campus has its own identity which would require them to each have their own brand or logo. The license plate would generate revenue for the campuses if marketed properly to alumni and friends of the University. Vice President Smith is also in conversation with the Deputy Registrar about how to best track campus applications and manage visual identities.

Under the **President's Report**, Chair Lawton read brief remarks from President Wilson who could not be here today.

The UMass Foundation Investment Committee, chaired by UMass Lowell alumnus Roy Zuckerberg, has done extremely good work for us. This group of individuals, the majority of whom are UMass alumni, have worked tirelessly to protect and grow our endowment and we owe them a debt of gratitude for their efforts—especially in these very tough markets.

UMass endowment performance was +1% at the end of FY08 (putting us in the top quartile of performers. Public universities with endowments of our size averaged -3.3%). As of December 2008, our FYTD is -20.5% which puts us slightly ahead of our cohort which averaged -22.9% during the same time period). The Market Value of the UMass Foundation as of 12/30/2008: \$331 million.

Our asset allocation is modified to respond to the current market conditions. The Committee continues to meet frequently to monitor performance and assess emerging opportunities. Domestic Equities are 24.2%; Fixed Income, 31.2%; Alternative Investments, 26.7%; and Cash Equivalents, 17.9%.

Chair Lawton commended the UMass Foundation Investment Committee for doing a terrific job. Vice President Smith then commented that all of the valuation of our endowment is market to market unlike some of our benchmarks. This could position us to look better by the end of the year.

Under the **Vice President's Report**, Vice President Smith thanked Chair Lawton for his enthusiastic support of advancement efforts and for his leadership of the Committee.

This has been a challenging year in terms of the economy, but the campuses have continued to work to keep their operations on track. A professional development Retreat was held for staff bringing

Advancement Committee
February 4, 2009

75 advancement professionals from all five campuses together. Each Vice Chancellor presented and Len Schlesinger, President of Babson did a session on the service-profit-chain. The Dean of the Carroll School of Management participated with a presentation on teamwork and developing discipline as knowledge professionals. Curt Simic, President Emeritus of the Indiana University Foundation made a presentation on the growth of the Indiana fundraising operation from \$230 million to \$1.6 billion.

The overall fundraising achievement to-date is \$44.4 million from 40,240 gifts—representing a 3% decrease in dollars from this time last year, with the number of gifts dropping an estimated 4%.

Vice President Smith then asked the Vice Chancellors to comment on their **Q2 Fundraising Reports**.

Executive Vice Chancellor Milligan from the Amherst campus reported:

- As of mid-year we are at 97% of the average number of individual gifts, and 96% on the average number of dollars but holding steady in this down economy. However the gifts are less than they would be with a significant drop in gifts, about 35%.
- As of January 23 the total raised was \$10.5M against a goal of \$35.2M.
- One way of addressing this downturn is thinking about ways to engage and support our alumni.
- A successful event was held at the home of Jack Welch with major donors, raising approximately \$150,000.
- Spring events are planned in San Francisco.
- Donors continue to be supportive as their condition change; some donors have seen a drop in their value.
- A search is underway for a Vice Chancellor for Development of Alumni. This is a good time to strategically put people in place.

Vice Chancellor Byers from the Boston campus reported:

- UMass Boston had a very strong first quarter; the first half was 54% of goal.
- A number of individuals giving is down from last year, corporate and corporate foundation support continues to be strong.
- Direct mail is significantly down from last year; student callers is 20-25% ahead of last year.
- A thank you event was held for donors of \$1,000 or more to unveil the new wall of giving, which resulted in approximately \$100,000 in pledges.
- An event was held in San Francisco during the Oakland/Patriots football game; the Alum have created their own Alumni Association.
- Going into the third quarter we suspect that significant gifts will be pulled back.
- Moving forward we plan to be very strategic, looking to host donor events in San Francisco, Los Angeles, DC, and New York.
- We expect to meet goal and will be more strategic with direct mail.

Advancement Committee
February 4, 2009

Assistant Vice Chancellor Eatough from the Dartmouth campus reported:

- The numbers reported for Dartmouth are not accurate and should be a little higher—this should be reflected by the next Committee meeting. Grants to the Provost's Office were not included in the numbers.
- In a tough economy one thing to look at is building an infrastructure going forward. At Dartmouth there are a number of frontline fundraisers.
- An Assistant Vice Chancellor for Corporate Foundation Relations was hired in addition to a Director of Annual Fund. A Major Gifts Officer will be hired in the near future as we look to build our frontline fundraising.
- The organizational chart is being looked at as Dartmouth strategizes the future growth of Advancement.
- UMass Dartmouth has 148 new first time donors.
- Annual Fund: we are implementing technology as part of solicitations. Email solicitations will be made in February and May.
- An alumni club will be established.
- Efforts are underway to be more inclusive of our predecessor schools.
- Efforts are underway to increase development solicitations to alumni.
- The Library campaign is concluding; Charlton College of Business campaign is underway.
- Dartmouth is hosting its first scholarship luncheon on April 13.
- A long-term strategy is to efficiently build a core base for alumni presentations for the strands of activity taking place.

Vice Chancellor Shorr from Lowell reported:

- UMass Lowell received several important last quarter gifts including a \$400,000 payment from Mark and Alicia Saab.
- We are at 47% of planned goal.
- The number of gifts has increased substantially over the previous years, about 300%.
- Corporate gifts are up and cash slightly increased.
- We are planning and creating the infrastructure at UMass Lowell.
- Efforts are underway to get back on track to reach our goal.
- Several requests need to be closed.
- Efforts are underway to raise gifts for current operations, scholarships, and create a giving plan for major donors.
- There are several open positions. A Director of Annual Fund has been hired.
- UMass Lowell is in transition. Five positions have been lost and with the 9C budget cuts we are very slow and deliberate to fill the positions.
- Efforts are underway to close \$5M and \$1M major gifts.

Vice Chancellor Pagnam from Worcester reported:

- During the first six months we were ahead of last year.
- Cash and achievements are slightly up over a five year period.

Advancement Committee
February 4, 2009

- We are delighted with the response from the Foundation and friends. Hard work has allowed us to rebound from last year.
- Over the last six months, positions have been filled and there has been a significant increase in alumni and friends activity.
- \$10,000-\$99,000 commitments are down.
- By year end we hope to close a couple of million dollar gifts that are pending.
- Cash is significantly higher than last year.
- We are preparing to open our new building which will be a terrific model for medical education. A California foundation made a \$12.5M gift with a \$7.5M match in three years.
- A \$700,000 gift was received on the last day of the year.
- Some parents stepped forward with a half a million dollar gift to help create a new online curriculum.

Chair Lawton thanked the Vice Chancellors for their reports; he is enthusiastic to see the new leadership of the Chancellors. He understands the challenges in identifying new donors. Trustee DiBiaggio commended the Vice Chancellors for their work. At times like this you must friend-raise and plan for the future by building relationships.

Trustee Kulenovic commented that the University must make more of an argument for state funding. There was then a brief discussion on whether there is an increase or decrease in scholarship fundraising because of the economy.

The meeting then adjourned at 11:08 a.m.

Zunilka Barrett
Assistant Secretary to the Board