

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

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

**Wednesday, May 26, 2010; 10:00 a.m.
Lowell/Dartmouth Room
225 Franklin Street – 33rd Floor
Boston, Massachusetts**

Committee Members Present: Chair Lawton; Trustees Peters and Young

Committee Member Absent: Trustees DeSisto, DiBiaggio, Karam, Koffman, MacAfee, Reville and Tocco; Chairman Manning

University Administration: President Wilson; Vice President Smith; Chancellors Holub, MacCormack, Meehan and Collins; Vice Chancellor Moloney, Provost Langley

Advancement Staff: Mr. Leto, Vice Chancellor for 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: Professor Adrion, UMass Amherst; Ms. Gibbs, UMass Dartmouth

Chair Lawton convened the meeting at 10:07 a.m. and began by announcing that Chair Manning and Chancellor Motley both lost their brothers recently.

The first item for action was to **Consider the Minutes of the February 3rd Meeting of the Committee.**

It was moved, seconded and

VOTED: To approve the minutes of the February 3, 2010 meeting of the Committee.

Chair Lawton highlighted today's agenda—we will hear reports on our activities that have taken place during the first half of the year and those planned to take place during the balance of the year. We will also hear from the campuses about their fundraising performance for the first two quarters of Fiscal Year 2010.

The next item was the **President's Report.** President Wilson reported that Fundraising performance across the five campuses continues to rebound and commended and congratulated the Chancellors, Vice Chancellors, and their teams for their efforts. The five campuses combined raised \$68.4 million in new commitments as of the third quarter of the calendar year.

Advancement Committee
May 26, 2010

This is the best overall third-quarter performance achieved in any of the last five years. UMass Amherst is at \$18.3 Million or 68% of goal; UMass Boston is at \$8.4 Million at 42% of goal; UMass Dartmouth is at \$6 Million at 81% of goal; UMass Lowell is at \$8.5 Million and 85% of goal for the year; and UMass Worcester has raised \$27 Million and is at 90% of goal for the year.

Combined across the five campuses, this is the best year for new commitments in any of the last five years. Notably, the dollars committed from individual donors making gifts of up to \$100,000 are up over 60% from this time last year and more than 20% from the high point of the last five years. While this will not likely drive the top line of achievement, it does bode well for future fundraising. Gifts from individuals of above \$100,000 are at the second highest level they have been in the third quarters of the last five fiscal years and we are optimistic that the fourth quarter may push us to new high water marks. Cash received from both undergraduate and graduate alumni is at the highest it has been for any of the last five years as of Q3. New commitments from corporations and foundations are also at a five-year Q3 high.

Getting to these results, whether we are talking about fundraising or investments results, requires deeper engagement with our alumni, parents, and friends. We connected with approximately 900 alumni in Florida in March across a series of events. In addition to the campus-based events that happen almost each week across the Commonwealth and beyond we are bringing UMass to the Cape with a series of mini-lectures for our “UMass Come to You” program. The event was very well attended and incredibly well-received by alumni in the fall here in the Boston area and in Florida. We will be doing more of this kind of programming that connects alumni, parents, and friends with the mission and current work of the University.

Our Foundation Investment Committee continues to deliver extraordinary performance again in an exceedingly volatile year. To set that context, the University of Massachusetts endowment, which stood at \$367 million at the close FY09, turned in investment performance of -15% last fiscal year 09 against an average of -18.7 percent and returned three- and five- year returns of +.3% and +4.7% placing it in the top quartile for performance for those periods.

Through the third quarter of this fiscal year 2010, performance for the UMass Foundation endowment is at +15.8%. The portfolio return was fueled by the rebound in the world-wide financial markets. The S&P alone gained 29% for this same nine month period. Looking ahead, there continues to be market uncertainty due to European sovereign debt concerns, trillion dollar deficits and persistent double-digit unemployment. To protect the endowment portfolio from market volatility, the Investment Committee employs a long-term asset allocation model that provides diversification across asset classes. As of March 31, 2010 the market value of the endowment stood at \$469 million. We will plan to have a member of our Investment Committee present an overview of investment strategy and performance at an upcoming meeting.

Under the **Chair’s Report**, Chair Lawton reported being thrilled to see larger and more frequent University-wide alumni events unfolding and resources being shared. It is clear from alumni response to the events that President Wilson mentioned that we are making progress in building momentum and participation among UMass alumni. He looks forward to continuing

Advancement Committee
May 26, 2010

this good work over the course of the year and to hearing reports of continued progress over the course of the coming months.

Chair Lawton welcomed Mr. Ed Chiu, Vice Chancellor for Advancement at the Lowell campus.

Vice Chairman Karam asked at the last meeting for a report on participation. Vice President Smith will comment on broad based programs that can help to engage alumni to participate.

Some highlights about this year's achievement as of the end of Q3 for this year that build on President Wilson's remarks include:

At UMass Amherst—Cash from individuals is up over this time last year by almost 50%-- from \$6.5M to \$9M. Cash receipts are up by better than 30% percent.

At UMass Boston—Participation has been a focus and the number of individuals making commitments to the campus is up by almost 30% percent (from 7275 to 9167) as of this time last year. The number of gifts from organizations has almost doubled from 216 to 394.

At UMass Dartmouth—the campus has seen numbers of individual donors increase by 20% over this point last year. They have also achieved the highest level of dollars committed in any of the last five years.

At UMass Lowell—Commitments overall are up by 10% percent over last year. Cash from alumni is up by almost 80% percent.

UMass Worcester continues to have tremendous success with private foundations and is on track to have one of its best years ever with new pledges tracking at almost three times last year's achievement at this time. Overall, new commitments are up by almost 20%.

The CRM conversions continue to make progress, with two more campuses slated to go live before the end of the calendar year; we will have a demonstration of the tool at a later date. The campuses are to be congratulated for working together so collegially to agree on business rules towards the end of creating infrastructure and learning that can be shared. He thanked the Medical School team especially as much of the learning that will be shared has been earned with their effort.

Chair Lawton noted that discussions are underway for a possible farewell/fundraiser event to celebrate President Wilson's accomplishments of the past eight years.

Under the **Vice President's Report**, Vice President Smith provided an update on participation across the five campuses outlining the reasons that paying attention to the base is important and how they are achieving that end.

From a macro trends perspective Alumni participation is trending downward nationally:

- ▶ Support of higher education declined by 11.9 percent in 2009.

Advancement Committee
May 26, 2010

- ▶ UMass fared well—4.1 percent increase in the number of alumni of record last year.
- ▶ Both VSE data and data from the National Center for Educational Statistics (NCES) show enrollments increasing steeply.
- ▶ This affects the age characteristics of alumni. As enrollments of younger students increase, the average age of alumni declines. Younger individuals tend to give less frequently, and they make smaller contributions.
- ▶ For medical schools (and some others) alumni participation is not the most relevant metric—catchment area is more relevant.

We have a different context for fundraising today:

- ▶ The traditional approaches (mail and phone) are less appealing to today's saturated donors.
- ▶ We compete for alumni attention with relief efforts, churches, and community groups vying for the same dollars.
- ▶ There is increased competition among local cultural groups and non-profits have become more sophisticated in targeting our audience.

Why does participation matter?

- ▶ It is predictor of the robustness of our pipeline for future gifts.
- ▶ It can contribute to the perception of fundraising efforts.
- ▶ It contributes to some rankings.

We should pay attention to participation, but looking at increased #s rather than percentages may be a better measure.

We should engage alumni early, often, and everywhere:

- ▶ Early—the most successful programs start at freshman orientation.
- ▶ Most schools deploy some services for alumni and multiple points of affinity.
- ▶ For the most part, alumni seem to value online tools such as directory, mentoring, etc.
- ▶ Challenges include data management, real value vs. perceived value (ROI demonstration) & integration with core business processes that drive fundraising performance.

How Do We Insure our Future Success?

1. Communicate with our alumni/ae through the channels that they prefer.
2. Provide an online fundraising capability and ask—now text?
3. Provide alumni services (online and other) to build affinity and hopefully raise participation.
4. Understand the effort as a long-term investment.

The Vice Chancellors then commented on their **Year-to-Date Fundraising Results**. Highlights included:

(UMass Worcester/Vice Chancellor Pagnam):

- Retain Donors, Increase Donor Commitments, and Acquire New Donors.
- Give Annual Giving a higher profile.

Advancement Committee

May 26, 2010

- Continue to be diligent with Alumni Fund.
- Increased involvement of campus leaders.
- Get Young Alumni Involved Early and Keep Donors Connected to the Institution.
- Articulate the focus of core development activity.
- Encourage alumni to connect with other alumni via the online community.
- Work with Alumni Relations (Gives us an opportunity to use alumni events to encourage alumni giving).
- Initiate challenge gifts.
- Research the use of texting and social media to reach out to students, parents and alumni.

(UMass Lowell/Chancellor Meehan):

- Goal for the year was to increase Annual Fund dollars by 10% and donors by 1000 people.
- Give Annual Giving a higher profile with.
- Volunteer and donor recognition—Annual Leadership Giving Chair.
- Profiles in UMass Lowell Magazine.
- Focus on parents to get students started—new initiative this year.
- Stewardship – Thank you letters/calls.
- Encourage alumni to connect with other alumni via the online community.
- Encourage Faculty and Staff giving.
- Use social media to reach out to students, parents and alumni.

(UMass Dartmouth/Assistant Vice Chancellor Eatough):

- Hired Director of Annual Fund (May 2009).
- Phone-a-thon brought in-house (September 2010) - promote credit card gifts.
- Segmented Annual Fund Mailings with Dean Signatures (Fall 2009).
- Redesigned letterhead to include predecessor schools and photos.
- Thank you letters as well as calls for gifts over \$100.
- Quarterly communications with scholarship donors plus 2nd Annual Donor Scholarship Luncheon (April 2010).
- 1st ever Annual Fund Video released (April 2010).
- Increase efforts to host alumni events (locally and regionally).
- Redesigned website (goes live when UMass Dartmouth website goes live).
- Created Planned Giving Society (Campanile Society).
- Focus on recruiting athletic alumni.

(UMass Boston/Vice Chancellor Byers):

- Focus on past alumni donors:
 - We have approximately 4,500 alums that fall into this category. Will focus on this pool in our phonathon, direct mail, email solicitation, and challenge grants.
 - Use challenge gifts with each school that make UMass.
 - Better use of our alumni magazine to reach out to our alums.
- Expand student and non-student calling phonathon program:
- A full complement of major gifts officers:

Advancement Committee

May 26, 2010

- This will significantly increase the number of Chancellor Council donors.
- Increase in face to face visits with will lead to more mid-level donors.
- Build on relationships established with students this academic year:
 - Expand alumni mentor program.
 - The Distinguished Alumni Award event was very successful in attracting alums and students as Mayor Menino received the first award.
 - Various sponsorship of student events throughout the year.
- Better use of technology.
- Wealth screening to assist in targeting donors in direct mail solicitations, major gifts and planned giving.
- We have added a part-time staffer to work with senior management, faculty and staff.

(UMass Amherst/Vice Chancellor Leto):

- Donor Retention & Acquisition:
 - Pledge rate in the phone program is up over last year.
 - Implemented Faculty and Staff Campaign. Commitments increased by 67% this year over last year.
 - Individuals who make their first gift receive a first-time donor thank-you package, with a bookmark & window decal.
 - Sent out thank you emails to anyone who made a pledge via the phone program.
- Expand E-Communications:
 - Create on-line donor accounts to allow alumni to view giving history and make on-line gifts.
 - Completed a minimum of two e-solicitations annually with imbedded videos. On-line gifts are up 21% over last year.
 - Create targeted e-solicitation for recent graduates.
 - Continue to expand alumni engagement through social media.
 - Provide monthly e-newsletters to keep students informed of student-related campus events.
- Increase Student & Alumni Engagement:
 - Expand Student Alumni Association events. A total of 33 programs held in FY2010.
 - Increase the number of alumni events. A total of 209 held in FY2010 compared to 179 in the prior year.
 - Increase alumni attendance at events. A total of 18,745 participated in events compared to 16,038 last year.
 - Continue to expand the Senior Class Campaign. A pledge rate of 31% achieved in FY2010.
 - Expand the Women for UMass Amherst program with increased focus on fundraising.

The meeting adjourned at 11:18 a.m.

Zunilka Barrett
Assistant Secretary to the Board