

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

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

**Wednesday, September 15, 2010; 10:00 a.m.
Lowell/Dartmouth Room
225 Franklin Street – 33rd Floor
Boston, Massachusetts**

Committee Members Present: Chair Lawton; Vice Chair DiBiaggio; Trustees Fox and Reid; Ms. Lee, Designee for Trustee Reville

Committee Member Absent: Trustees Karam, MacAfee, Peters and Tocco

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

Advancement Staff: Mr. Leto, Vice Chancellor for Advancement, UMass Amherst; Ms. Capello, Interim Vice Chancellor for Institutional Advancement, UMass Boston; Mr. Eatough Assistant Vice Chancellor for Institutional Advancement, UMass Dartmouth Foundation; Mr. Chiu, Vice Chancellor for Advancement, UMass Lowell; Mr. Pagnam, Vice Chancellor for Development, UMass Memorial Foundation

Faculty Representatives: Professor Adrion, UMass Amherst; Professor May, UMass Amherst; Ms. Gibbs, UMass Dartmouth

Chair Lawton convened the meeting at 10:08 a.m. and asked for the **Consideration of the Minutes of the May 26 Meeting of the Committee.**

It was moved, seconded and

VOTED: To approve the minutes of the May 26, 2010 meeting of the Committee.

Chair Lawton welcomed everyone to another year of University Advancement at the University of Massachusetts. He introduced new Trustees Michael Reid from UMass Lowell and Michael Fox from UMass Amherst to the Advancement Committee; Ms. Saeynum Lee is representing Trustee Reville.

Executive Vice President Katherine Smith is no longer with the University; Robert Goodhue will serve as Interim Executive Vice President of the UMass Foundation. Senior Vice Chancellor Darrell Byers has left the Boston campus; Chancellor Motley has appointed Gina

Advancement Committee
September 15, 2010

Cappello as Interim Vice Chancellor for the campus. Edward Chiu has succeeded Elizabeth Schorr as Vice Chancellor for Advancement at the Lowell campus.

The next item was the **President's Report**. President Wilson reported that the University of Massachusetts had a record fundraising year for the Fiscal Year ending June 30, 2010 with gifts totaling \$131,466,706.00, and congratulated the Chancellors, Vice Chancellors and the staff at each of the campuses for the tremendous results that their efforts achieved. The overall gift total was spurred by the largest gift in the University's history and by the gift of the real estate and cash assets of the Southern New England School of Law to the Dartmouth campus for the establishment of The University of Massachusetts Law School at Dartmouth.

In June, UMass Amherst completed the largest gift in University history. Under the terms of the gift agreement, the specifics of the gift must remain confidential, but the overall value of the gift consisting of cash and other items of value has been established at \$34,026,000.00. This gift will be a transformative gift for one of the outstanding departments at the Amherst campus. This extraordinary gift represents the essence of team work in the fundraising area with significant work on this multi-year effort by faculty, the department chair, the University archivist, the major gifts officer, the Dean, the Vice Chancellor for Advancement, Foundation Counsel, and Chancellor Holub.

Also in June, the Southern New England School of Law (SNE SL) Board of Trustees agreed to transfer their real estate assets valued at \$8,200,000.00 to the Dartmouth campus to create The University of Massachusetts School of Law at Dartmouth. In addition, the SNE SL Board gifted their cash reserve of \$950,000.00 to provide start up funds for the Law School. This gift from the SNE SL Board with a total value of \$9,150,000.00 is the largest single gift in the history of UMass Dartmouth. The hard work of Chancellor McCormack, SNE SL Board Chair MarDee Xifaras, and Dean Robert Ward, their staffs, and many others made this gift a reality. The UMass Law School is up and running and has admitted an outstanding first year class. UMass alum and former Board of Trustees member Charlie Hoff made the first major gift of \$210,000.00 on the first day of the opening of the Law School.

With the outstanding results of the 4th quarter, not only did the University as a whole set an all-time annual fundraising record, but the Amherst and Dartmouth campuses also set all time annual highs for fundraising. The fiscal year also saw strong performances from the fundraising teams at Boston, Lowell and Worcester.

The UMass Foundation Investment Committee saw a significant change in mid-year as long time Chair, Roy Zuckerberg, stepped down after 10 years of excellent service to the University and the Foundation. Ed D'Alelio, a graduate of UMass Boston and former head of fixed income investments at Putnam Investments, stepped into the Chair of the Investment Committee. The Committee under his leadership has continued its strong performance. The annual return for the endowment during the Fiscal year was 12.35%. The Endowment now stands at \$459,368,045. This is an increase of 203% since June 30, 2003 when the value of the Endowment was \$151,600,000.

Advancement Committee
September 15, 2010

In addition to their great job with the Endowment, the Investment Committee also managed the University's Intermediate Term Fund and produced a return of 11.41%.

Each of the campuses has continued to make every effort to reach out to alumni and friends of the University. Throughout the year, the campuses and the President's office have hosted 100's of events that have engaged alumni across the Commonwealth and the Nation.

Lastly, President Wilson expressed his dismay at the recent *Boston Globe* article that portrayed UMass as a "second-tier" university. *U.S. News* lists UMass Amherst as right in the middle of the first Tier. None of the top 100 schools is considered second tier. There are 197 universities in the first tier and we are number 99. *U.S. News* is quite clear about that.

We are in the middle of the first tier of the national universities –never mind the many other regional and smaller institutions. One could argue that being in the middle of the first tier is not that good. That would be a fair and accurate argument. We want to move up the rankings. *The Globe* argues that because the University says that we want to move into the "top tier," that means we are in the "second tier." The term "top tier" is not the same as "first tier" and is not the compliment to "second tier." The use of the term "top tier" means that we want to move much closer to the top of the *U.S. News* first tier. We want to move UMass into the top portion of the first tier of national universities instead of in the middle where we presently find ourselves.

Under the **Chair's Report**, Chair Lawton reported that in terms of endowment things are healthy at the University of Massachusetts despite the terrible economic time and commended the Chancellors and Vice Chancellors for their hard work in achieving terrific results. The University of Massachusetts raised over \$131 million for Fiscal Year 2010 which ended on June 30, 2010; the goal for 2010 was \$94.6 million.

The Council for Aid to Education reported in May that fundraising for colleges and universities was down 11.9 percent in 2009. The University has vastly exceeded the National Average in fundraising because of the personnel on all of the five campuses. Over the years the University has also developed best-practices in fundraising and the campuses continue to make progress with the CRM conversions.

Under the **Vice President's Report**, Vice President Goodhue announced that Diane Earl, Director of Alumni Affairs at the Lowell campus is retiring from the University this week. Ms. Earl is truly an outstanding professional and represents all the good things about the University of Massachusetts. He also reported that the UMass Foundation staff has been in transition over the last two months.

Chair Lawton, President Wilson, and Vice President Goodhue thanked Katherine Smith for her four years of leadership of the Foundation and the University's Advancement effort. They also thanked Darrell Byers and wished them both well with their new endeavors.

The Vice Chancellors then reported on their Quarterly Fundraising Reports.

Advancement Committee
September 15, 2010

Vice Chancellor Leto reported that the Amherst campus is delighted about its recent gift. The donor family are non-alums and were attracted by the quality of the University, the quality of the programs and leadership. The campus will make an announcement later this fall.

Last year was a highly successful year. Faculty and staff giving increased 101%, almost \$1.2 million, which excludes a \$100,000 bequest; cash giving was up 48% from alums; we are focusing on the number of individual \$5,000 gifts; the number of major gift proposals and personal face-to-face contacts increased last year; online giving continues to increase; the Alumni Association held 240 events across the nation; alumni event participation increased 12%; social media sites (Facebook, LinkedIn, etc.) participation is up 63%. This year's priorities include focusing on faculty and scholarship support, expanding the planned giving program, conducting a campaign feasibility study, and exploring new opportunities.

Interim Vice Chancellor Cappello reported that the Boston campus raised a little more than \$11 million in funding. She announced that the first business meeting with the Board of Visitors will take place on September 30th. This will include a group of 60 alumni and friends of the University; Arthur Mabbett, CEO and President of Mabbett & Associates will chair this event. Wealth screening of alumni has been finalized; a director of advancement services has been hired; 100 alumni participated in an event held in Falmouth—more smaller and intimate gatherings will be planned throughout Massachusetts; Advance conversion will take place in February 2011; there were three bequests donations totaling \$750,000, three new endowments were established; a retired faculty council has been established, a luncheon is scheduled on October 1st; planned giving society received 10 new commitments in FY10; the second annual State Street/UMass event will be held on October 12th.

Assistant Vice Chancellor Eatough reported that the Dartmouth campus exceeded its goal of \$7.5 million in FY2010; the Law School was a tremendous gift to the University; a primary focus will be a fundraising effort for the Charlton College of Business; as President Wilson indicated a major gift of \$210,000.00 was received from Charlie Hoff on July 1st to the Law School; received a \$50,000 scholarship gift; significant amount of activity is underway in the corporate foundation area; a Freedom Festival was held in the past quarter; the annual Blue and Gold Gala will be held on September 25; the State Street/UMass event will be held in October; an event was held yesterday featuring SMAST Dean, John Farrington; strategic goals for the upcoming year include increasing the annual fund, creating four additional videos; developing focus groups with the Law School; conversion to Advance and prioritizing wealth screening.

Vice Chancellor Chiu reported that the Lowell campus ended the 4th quarter of FY09 very strong; the past three years have had the largest results in fundraising in the campus' history; FY10 cash/pledges totaled \$13.1 million vs. \$11.2 million the prior year; key initiatives include a focus to increase annual giving; cash received from alumni totaled \$2.8 million vs. \$1.4 million the prior year; additional revenue from parents increased over 30%, and faculty and staff over 50%; secured over \$2.5 million in pledges towards endowments; secured the first \$1 million for the Emerging Technology Innovations Center; established a new professorship in nanotechnology in the plastics program and six professorships in the plastics and engineering program; commencement eve celebration raised over \$500,000; overall donors increased 7100 vs. 6400 the prior year, an 11% increase; participation from payroll deduction increased 50%;

Advancement Committee
September 15, 2010

parent donors have increased over the last 5 years. This year UMass Lowell will focus on building team, increasing alumni participation and major gift activity.

Vice Chancellor Pagnam reported that the Worcester campus surpassed its \$30 million goal raising \$32 million; \$7.5 million increase in new pledges; new cash gifts are up slightly; alumni giving increased to an all time high, parents and friends giving was down slightly; total cash for the year was down a little less than \$2 million; the full match of the \$12.5 million commitment from the Valley Foundation is almost complete; it was a record-breaking year for alumni participation in all three schools, 27% at the medical school, 16% at the nursing school, and 10% at the GSBS; an initiative to raise financial aid is underway; completed the first year of the Development Council; efforts continue for support from national foundations; this year's fundraising goal is \$33 million, will continue to increase donor pool and cultivation of physicians.

Vice Chair DiBiaggio commented that the campus achievements are commendable in spite of the current economic market but the University needs to do more. He also commented on the recent *Boston Globe* articles. After a brief discussion he indicated that the University needs to be more effective about telling its story.

The meeting adjourned at 11:28 a.m.

Zunilka Barrett
Assistant Secretary to the Board