

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

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

**Wednesday, June 6, 2007; 12:00 p.m.
Lowell/Dartmouth Room
225 Franklin Street – 33rd Floor
Boston, Massachusetts**

Committee Members Present: Chair Lawton; Trustees Endich (arrived late), MacAfee and Makrez (arrived late); Chairman Tocco; Vice Chair Sheridan

Committee Members Absent: Vice Chair Pearl; Trustees DiBiaggio, King-Shaw and Kulenovic

University Administration: President Wilson; Vice Presidents Motley and Smith; Chancellors Collins (arrived late), MacCormack (arrived late) and MacKenzie (arrived late); Mr. Goodhue, Executive Director of Alumni Affairs; Ms. Kelley, Assistant Vice President for Operations and Community Affairs

Advancement 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. Davis, Senior Director for Development, UMASS Lowell; Mr. Pagnam, Vice Chancellor for Development, UMASS Memorial Foundation

Alumni Association Guests: Deborah Masloski, Alumni Office Interim Executive Director, UMASS Amherst; Sarah Nethercote, Associate Vice Chancellor for Institutional Advancement; UMASS Boston; Joseph DeMedeiros, Executive Director of Alumni Affairs, UMASS Dartmouth; Diane Earl, Alumni Office Executive Director, UMASS Lowell; Diana Tsotsis Alumni and Parents Office, UMASS Medical School

Chair Lawton convened the meeting at 12:15 p.m. and acknowledged Trustee Pearl as the Vice Chair of the Committee, and Trustee Sheridan, Chairman Tocco, President Wilson, and all of the Chancellors and Vice Chancellors for their continued hard work and support. He also recognized Vice President and Chancellor-elect Motley and Vice President Smith for their continued work with the Committee and the campuses toward advancing our ambitious plans for the future of fundraising at the University of Massachusetts.

The next item was the **President's Report**. President Wilson indicated that at this morning's meeting of the Committee on Science, Technology and Research Secretary of Housing and Economic Development, Daniel O'Connell briefed the Committee on the Governor's initiative to

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place the University front and center...This is a first in the history of the University. The Governor has offered to personally assist the University with development efforts when he can.

President Wilson thanked Chair Lawton, Chairman Tocco, Trustees Pearl and Sheridan, and the members of the Advancement Committee for their support of the Committee and for their many contributions to the University. He also thanked the Chancellors and Vice Chancellors for the critical roles they play in helping the University to realize its many goals and objectives for the present and future of this great institution; and recognized Vice Presidents Motley and Vice Smith for their ongoing work with the Committee.

President Wilson then reported that the University endowment continues to grow thanks to the efforts of the development teams across the five campuses and the UMASS Foundation team. As of March 31, the endowment stood at more than \$260 million providing a perpetual source of income to support scholarships, professorships, research, and other academic priorities of the University. Today's endowment stands at approximately \$305 million thanks to the good work of the Trustees Quasi-Endowment Policy in place. \$40 million of this growth is the result of a quasi-endowment transfer from the Medical School to the Foundation.

The University's endowment will contribute \$10 million to the University's programs for fiscal year 2008. This contribution is relatively modest but represents an increase of 15% over the prior year's allocation. We expect this upward trend to accelerate with continued fundraising successes, the quasi-endowment policy, and great stewardship from the Investment Committee led by Lowell alumnus Roy Zuckerberg and the representation from most of our campuses. The endowment investment performance continues to be strong, posting double digit gains for the third consecutive year, with a current year to date performance of 13.36% through the end of April.

President Wilson reported on the UMASS Foundation Endowment Performance as of 3/31/07.

- The Endowment portfolio registered an overall increase of \$7.5 million this quarter, driven by both positive investment returns (+2.54%) and additional cash gifts (\$1.6 million). Equities and Alternative Investments were the drivers of the performance for the period and our Fixed Income managers' outperformance vs. their benchmark also contributed to the overall portfolio strong return.
- The Foundation liquidated one active equity manager during the quarter and invested the proceeds into an index fund pending completion of the search for another manager.
- The Market Value of the UMASS Foundation as of 03/31/2007: \$260,426,000. The Asset Allocation as of 03/31/2007 is as follows:
 - Domestic Equities: 23%
 - International Equities: 17%

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- Fixed Income: 31%
- Alternative Investments: 24%
- Cash Equivalents: 5%

President Wilson departed the meeting at 12:26 p.m.

The next item was the **Chair's Report**. Chair Lawton indicated that Vice Presidents Motley and Smith will report on some of the major initiatives that they are collaborating on with the campuses. Vice President Motley will update the Committee on the Integrated Marketing Plan and on the success of the recent UMASS Night at the Pops event.

Vice President Smith will update the Committee on the new Online Community which could be set to rollout to alumni of the Boston, Dartmouth, Lowell, and Worcester campuses as early as this fall. This is a great marketing tool to help us report good news about the University to our alumni. Vice President Smith will also discuss the ongoing progress that is being made toward the implementation of the Constituent Relationship Management system that was approved by the Board in March.

Chair Lawton thanked everyone involved with the many initiatives and collaboration. We are truly positioning the University in a great direction.

The next item was the **Vice Presidents' Reports**. Vice President Motley first reported on the **UMASS Night at the Pops event**. The Pops event was sold out a month in advance for the first time. Honoring Dr. Craig Mello with the President's Medal was an exceptional opportunity. Vice President Motley thanked Carol Kelley and Coleen Burgess who led this successful event along with Robert Goodhue ensuring that each of the five campuses was represented during the event. Plans for next year's Pops event are already underway.

In the absence of Associate Vice President Granese, Vice President Motley gave an update on the **Integrated Marketing Project**. Associate Vice President Granese continues to lead the system-wide effort and has been working with campus-based staff to create unique statements that position each campus' role in communicating the University's rightful position as a world-class public research university. Vice President Motley indicated that he looks forward to supporting the project's efforts in his new role as Chancellor.

Vice President Smith then reported on the **Online Alumni Community** and the **Coordinated Constituent Relationship Management Policy (CRM)**.

Online Alumni Community: Harris Connect has been selected as the preferred vendor for the UMASS Boston, Dartmouth, Lowell, and Worcester shared portal community. UMASS Amherst also selected the same vendor. Because we communicated during the selection

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processes we were able to get a discount on the contracts. The professional services agreement will be finalized by June 15th with the hope of launching the community live in the fall.

Coordinated Constituent Relationship Management Policy (CRM): Members of the Advancement offices have contributed revisions to the Guidelines on University Advancement Data, which has been prepared pursuant to the Trustees adopting the Coordinated Constituent Relations Management Policy. In addition, the support of the UITS group led by Vice President David Gray has been actively engaged to begin a technical assessment of the two leading database vendors currently under consideration—SunGard’s Advance product and the Millennium product offered by Sage Software. Over the next couple of weeks, vendor meetings site visits to key best practices institutions will begin as part of this process.

Recognizing that it could take a couple of years before a CRM solution is fully developed, the expertise of UITS staff has also been engaged in providing report programming support to the campuses in need. Each campus has been asked to identify and rank-order a list of mission critical reports that they need but cannot currently extract from their current databases. In addition to streamlining the suite of fundraising reports at today’s meeting, the Shrewsbury staff will begin to program the prioritized campus-specific reports and make them available to the campuses for use as an interim step until the CRM goes live.

The Advancement Officers then reported on the **Campus Fundraising Reports**. Highlights included:

UMASS Amherst (Vice Chancellor Tammerk)

- As of June, the Amherst campus had raised approximately \$24-25 million;
- The campus is on track for a record fundraising year;
- The Annual Fund is up significantly from last year at this time;
- Since January 1, 2007, there are a number of Major and Planned Gifts of Notes;
- This year will close as expected—between \$28-38 million.

UMASS Boston (Vice Chancellor Byers)

- The Boston campus had a good third quarter. The quarter ended with approximately \$900,000 more than last year at this time;
- The beginning of the fourth quarter looks very strong. The campus expects to meet its goal of \$11.5 million;
- As of the end of May the campus is at 84% of goal;
- The campus received a \$500,000 gift from the Carol and Peter Lynch Foundation for the School of Nursing;
- The Annual Fund and Planned Gifts are up this year.

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UMASS Dartmouth (Vice Chancellor Wolfman)

- UMASS Dartmouth ended the quarter as of March 31 at \$2.8 million;
- In March the Dartmouth campus was established as one of the first public university campuses to receive foreign aid;
- An international agreement was signed between the Government of the Azores and the campus. An initial commitment of \$100,000 was made to assist with the Portuguese-American Archives campaign;
- On June 5, the University hosted a reception and luncheon at the UMass Club for the President and First Lady of the Azores along with other elected officials of Portuguese descent;
- A \$200,000 scholarship was established by Robert Watkins for students of New Bedford High School to attend UMASS Dartmouth;
- The campus anticipates that it will receive another commitment from the Charlton Family later today;
- The Dartmouth campus expects to meet its fundraising goals this year.

UMASS Lowell (Mr. Davis)

- At the end of the third quarter UMASS Lowell is at 84% of goal for the year—this was the best quarter ever;
- The campus is confident that it will exceed its goal for the year;
- Leadership changes are taking place on campus. The new UMASS Lowell Alumni Magazine profiles Chancellor-elect Marty Meehan's vision for the campus;
- UMASS Lowell continues to work on its PHEEIP program and endowment building. Over 30 new endowment funds were created this year;
- The PHEEIP program is very important and continues to raise unrestricted and restricted funds for the campus;
- The campus is preparing for Chancellor-elect Marty Meehan's arrival on July 1st;
- The Alumni Office ran approximately 60 alumni events around the country this year. An alumni event centered around the Boston Red Sox is planned for this summer;
- Negotiations with the Independent Alumni Association has begun;
- In the future, the College of Management will celebrate its 50th anniversary, and an initiative will be underway to support the nanotech manufacturing program;
- Staffing issues continue to be a concern.

Vice Chancellor Davis raised the issue of recent staffing challenges in the Advancement offices and how the issues might be affected by collective bargaining. Vice Chancellor Tammerk indicated that he'd been in touch with CASE and could not find a single other institution which had unionized fundraisers. Union rules make it difficult to reward good people with appropriate salaries or bonuses and difficult to make non-performers accountable. Vice President Smith indicated that Vice President Lenhardt is aware of this issue. Chair Lawton and Chairman Tocco requested that each Vice Chancellor for Advancement compile a list of salary and personnel

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issues for their individual campus and submit it Vice President Smith by June 15. It was then suggested to have further discussion with Vice President Lenhardt to address the issues.

UMASS Worcester (Vice Chancellor Pagnam)

- The Worcester campus ended its third quarter with just over \$13 million. It is projected that fundraising efforts will be \$2 million beyond goal;
- A \$1 million donation was received from the Kresge Foundation to complete the Emergency Care Campaign;
- A lack of donor pool has been developed over a period of time. This will improve with some organizational changes within the Development Office;
- Leadership changes are taking place on campus with the departure of Aaron Lazare and arrival of Dean Laurence Flotte and Chancellor-elect Michael Collins;
- There is little community and alumni relations at the Worcester campus. In order to develop a pool of prospective donors, priorities must be set, community outreach must take place, and a patient program must be developed;
- The overall total of the percentage of dollars from individuals need to increase.

Chair Lawton then asked the Committee to **Consider the Minutes of the Prior Meeting of the Committee.**

It was moved, seconded and

VOTED: To approve the minutes of the March 1, 2007 meeting of the Committee.

Chair Lawton thanked everyone for their participation and briefly summarized the meeting for members that arrived late.

There being no further business, Chair Lawton adjourned the meeting at 1:02 p.m.

Zunilka Barrett
Assistant Secretary to the Board