

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

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

**Wednesday, August 29, 2007; 10:00 a.m.
Lowell/Dartmouth Room
225 Franklin Street – 33rd Floor
Boston, Massachusetts**

Committee Members Present: Chair Lawton Vice Chair Pearl; Trustees Beatrice, DiBiaggio, Endich and Kulenovic; Chair Tocco; Vice Chair Sheridan

Other Trustees: Trustee Nath

Committee Members Absent: Trustees King-Shaw and MacAfee

University Administration: President Wilson; Vice Presidents Julian, Lenhardt and Smith; Chancellors Motley, MacCormack, Meehan and Collins; Deputy Chancellor Stanton; 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

Faculty Representatives: Professor May, UMASS Amherst

Chair Lawton convened the meeting at 10:13 a.m. He acknowledged the members of the Committee for their service over the course of the year, and thanked Chairman Tocco, President Wilson, Chancellors and Vice Chancellors, members of the President's Office staff including Vice President Smith and her staff who continue to work closely with the Committee and the campuses toward advancing the University's ambitious plans for the future of fundraising.

Chair Lawton then indicated that the first item on the agenda was **Consideration of the Minutes of the Prior Meeting of the Committee.**

It was moved, seconded and

VOTED: To approve the minutes of the June 6, 2007 meeting of the Committee.

Advancement Committee
August 29, 2007

Under the **Chair's Report** Chair Lawton reported that there is progress to report on some of the major initiatives that our campuses have been collaborating on. He then acknowledged the former members of the Committee for their service over the last year and welcomed Trustee Beatrice to the Committee.

Chair Lawton then indicated that 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 this fall. The new Online Community is a great way to draw our alumni even closer to their alma mater and to each other. This project will help us to report good news about the University to our alumni, and hope that it will reengage the alumni in University activity and help develop our philanthropic culture. Vice President Smith will also discuss the ongoing progress of the implementation of the Constituent Relationship Management system (CRM) that was approved by the Board in March.

President Wilson will report the great news about the University endowment, which has had some terrific growth due to investment performance and the Quasi-Endowment Policy implemented by the Board in March.

Chair Lawton then thanked everyone involved with the many Advancement initiatives that we've undertaken for their professionalism and tireless work. He indicated that he has been working with Vice President Smith, Trustee Sheridan and the Vice Chancellors to address the needs of the campuses. We are truly positioning the University for future success. I would like to underscore the Trustees' commitment to supporting these important advancement initiatives for all of our campuses. We are committed to continue to develop policy initiatives that present opportunities to make the best use of our limited resources, drive increased participation and donations by alumni and friends, and improve perceptions about the University. Whether we are talking about operational changes or participation challenges, we want to aim at what is good for the University for the long-term.

The next item was the **President's Report**. President Wilson also thanked the Chancellors and Vice Chancellors for Development, Advancement and Alumni Relations staff members for their tireless efforts. We are in a growth and building phase and starting to develop a mature development operation. The Trustees and the University have focused on endowment as a key priority for the University of Massachusetts, and we have to make sure that we develop our endowment the way that the University deserves.

President Wilson commended the Chancellors for their management of the campuses through the downturn in 2001-2002 through the \$150M budget cut process. At the last Committee meeting we heard the success that the University has built over the last few years. The good news is that the focus on endowment is going very well.

The University's endowment as of June 30 stands at \$305M thanks to the good work of the Trustees in enacting the Quasi-Endowment Policy and the good work of the UMASS Foundation

Advancement Committee
August 29, 2007

Investment Committee with a year-end performance of 16.01%. Over a 7-year period we are at two and a half times the benchmarks in performance. Today the University's endowment stands at approximately \$344M. Growth looks good, investment performance continues to be strong, and fundraising will continue to increase.

President Wilson indicated that the key into the future is the development of relationships with alumni and friends of the University. Those relationships must be nurtured in order to develop professional operations on each of the campuses so that fundraising will continue to increase.

Chair Lawton then indicated that over this past year the Chancellors have taken a giant step forward with the implementation of technology and bringing data and information together. There have been a number of challenges and we are very excited about what we are going to do this year.

The next item was the **Vice President's Report**. Vice President Smith reported on the **Online Alumni Community**, the **Constituent Relationship Management System (CRM)** and the **Integrated Marketing Update**.

The Online Alumni Community is up and running and is preparing to go forward this fall at the Boston, Dartmouth, Lowell and Worcester campuses. The Alumni Relations Directors were sent to a meeting in Orlando, Florida where they were able to connect with colleagues from the Amherst campus and begin talking strategically about programs where we could have interactions among the five campuses. We will be in position to share at least the prototype of the portal by the next meeting of the Committee.

As reported at the last meeting with the Constituent Relationship Management System (CRM), members of the Advancement offices have contributed revisions to the Guidelines on University Advancement Data, which has been submitted to the Trustees Office and to the Trustees. Each campus made significant revisions and contributions. The first level guidelines are up and running. The policy guidelines are complete, but the procedural guidelines have to be worked out.

We are moving forward with the vendor of choice, SunGard Advance, and are working through an intermediate solution for reporting for the Millennium and PeopleSoft-based campuses. SunGard Advance has been used by the Amherst campus for many years. We are also in the process of obtaining access to the databases on each campus in order to begin to map data elements in a consistent way and begin the actual migration.

Associate Vice President Granese is away on vacation but has been working with campus colleagues to develop campus-level positioning statements for the Integrated Marketing Plan, and will report on the progress each campus is making positioning statements at the next

Advancement Committee
August 29, 2007

Committee meeting. Once those positioning statements are complete we will work on the overall campus statements.

Vice President Smith then reported that data on the five full years of top line giving from the campuses has been gathered and we can see historic performance on both new gift activity and cash collection. This is the first stage of what will be a deeper analysis that can help to inform where additional investment in staff or other programmatic areas might yield increased philanthropic dollars in the long term. Our colleagues at the Medical School are taking the lead on this and our Amherst colleagues are contributing as well to help develop activity reporting standards.

The next item was the **Campus Year-End Fundraising Reports**. Vice Chancellor Tammerk from the Amherst campus reported that every fundraising indicator has been up for the past year. He then clarified the issue of the Amherst campus losing \$14M. The campus did not lose \$14M in major gifts as a result of current events. What it lost was the opportunity to record it for FY07. Rather than having a record fundraising year, the campus will have to wait a little longer in the course of the campaign to report a record setting year. He is very confident that the campus is going to recover those funds.

Vice Chancellor Tammerk also reported that FY08 will be a rebuilding year for the campus while making further progress with its \$350M internal goal campaign. With the help of the Foundation Board we are all looking forward to a very positive and successful fundraising year.

Vice Chancellor Byers from the Boston campus then reported that the campus had a good year raising approximately \$11.9M in FY07 compared to \$9.81M in FY06. This is a 21% increase over FY06 and a 3% increase over the goal which was \$11.5M. Looking forward to FY08 the campus has a goal of \$13.5M which will be a 17% increase over the FY07 goal and partly a 13% increase over the final amount that was raised in FY07.

A very good job has been done over the past year in improving corporate and private foundation giving, and the planned giving program. This has been accomplished with the help of the staff that was added approximately a year ago, and the goal has paid off. The Boston campus is looking forward to next year, and looks to increase its annual giving and individual giving. Chancellor Motley will be busy on the road meeting donors locally and in the Washington, DC area, Florida, and New York.

Vice Chancellor Wolfman from the Dartmouth campus reported that against the goal of \$6M for the fiscal year, Dartmouth exceeded its goal and raised \$6.8M. As the campus receives large gifts and continues to build the base of smaller contributors it is focusing on increasing the participation of alumni and focusing on how to generate those significant gifts that continue to help with meeting its goals. Private support continues to increase for the campus and the average gift kind continues to ramp up.

Advancement Committee
August 29, 2007

The Dartmouth campus continues to generate significant international attention for its campus projects specifically with the establishment of the Portuguese American Archives. At the end of the fiscal year the campus was selected to service the host location for a regional reception by the President of Portugal, President Cavaco Silva. Over 600 people were in attendance including President Wilson, and it was a great opportunity to begin to establish the campus' connection to the community which has generated a lot of support from friends. People who have no affiliation with the institution have now discovered that the campus is part of their community and cultural/social heritage. Vice Chancellor Wolfman believes that the support will continue and the fundraising techniques like that of the Library will continue to attract friends and alumni support. It is going to be a very exciting time for the Dartmouth campus.

Mr. Davis from the Lowell campus reported on the progress of the PHEEIP Endowment Campaign at the Lowell campus. He directed the Committee members to the blue folder that was distributed. The Lowell campus is a little smaller than Amherst in terms of the campaign but is still running and showing an impressive impact on the endowment. The goal at the end of this program is to have the campus' endowment top \$40M. The idea of this PHEEIP campaign and PHEEIP money has been something that donors have responded to incredibly. Thirty-nine new endowment accounts were created at the Foundation, and the campus looks to create 25 new individual accounts in the endowment. The Lowell campus will do whatever it can to make sure that the PHEEIP program continues, as well as to advocate as much as possible.

A meeting with all of the Lowell campus deans is taking place tomorrow to show them how the disbursement from the Foundation is going to be increasing over the next several years and they will be looking at nearly a \$1M in revenue coming directly from the Foundation on a yearly basis. The deans have realized that this a way to build for the future. Last year the campus received \$2.4M for the endowment, hopefully it will be able to match the \$1.2M that is coming on top of that and looks forward to the next 2 years of continuing the program of building on the endowment level.

Vice Chancellor Pagnam from the Worcester campus reported that of the goal of \$30,580,000 the campus achieved \$35,589,041. With respect to alumni there was a significant increase of \$92,229; friends jumped from about \$5.5M to almost \$13.5M; and gifts from private foundations increased by just over \$4M to \$14.5M. The significant increase in the friends giving comes from an annuity. Overall it was a very strong year for Worcester. The cash total last year was just over \$30M which is the third year in a row the campus received cash of greater than \$30M.

Having been at the Worcester campus for about six months and with a new Chancellor, Vice Chancellor Pagnam is looking forward to FY08. His observation is that there are many opportunities for the campus to go after, and believes this is a world class medical school that deserves the support of the state. The campus should be pursuing every opportunity that it can. From the revenue standpoint the campus has achieved a significant amount but has not built the relationship base it needs to build. Presently we probably have under a 100 relationships, and the

Advancement Committee
August 29, 2007

goal looking forward over the next 3-4 years is to move that number from 100 to 1300-1600. Staff changes have been made in the last two months and changes will continue to be made in the next six weeks. This will allow the campus to move forward and really start identifying and cultivating the constituencies who will be able to meet the ambitious goals of the Medical Center.

Vice President Smith then indicated that the Medical School relies on a lot of donations from friends because of the small cohort of alumni that come out of the Medical School. She then reported that a University-wide training with about 40 fundraisers from the campus was held. All of the Vice Chancellors also participated in the training and there was a lot of positive feedback from the fundraisers who participated. This is something we should consider doing more of.

It would be great to hear presentations like the ones presented at this morning's Science and Technology meeting by Chancellor Collins on the Life Sciences and Vice Provost Kostecki on the Clean Energy Working Group. This is the kind of information that every fundraiser needs to have. We will try to put this together over the course of the year.

Trustee DiBiaggio praised the hard work of the advancement staffs and acknowledged how difficult an environment this is to raise big gifts. He then noted that the numbers reported in the attainment reports were very modest and that in light of what is taking place not only in Massachusetts but in states across the country with the modest support of the government, fundraising becomes all the more critical and we can't drop the correlation between this institution and some others who have done quite well. We simply have to do much better in generating support, otherwise UMASS will not progress. Fundraising has to become the vehicle in which we can develop initiatives and move the institution forward. We have to drive the economy and set some aspirational goals. This is a process that you have to be actively engaged in. President Wilson indicated that Trustee DiBiaggio has provided the appropriate challenge and his analysis is on the mark. We are prepared to respond to that and are developing a Chancellors team that knows that we have to do better and the bar has to be raised. The Vice Chancellors also know that they have to build their teams and there is a lot of work to do. We are resolved to do much better in development.

Chair Tocco then asked if there had been any structured aggressive corporate campaigns in the past and suggested creating a broad-based corporate initiative that the Trustees could take some ownership in. As a group, the Trustees are far too little involved with fundraising efforts. Chair Tocco is willing to get involved and challenged other Trustees to do the same. We also need to do better with industry outreach that should involve a fundraising component as well.

Chair Lawton indicated that with the implementation of technology the challenges have changed. He and Vice President Smith have discussed with the Chancellors about addressing/developing increasing the quality of development offices and using them better. The challenge this year is to work with the campuses and the Vice Chancellors to get great

Advancement Committee
August 29, 2007

development officers and identify those corporate donors. Chair Tocco suggested that the top corporations in Massachusetts should be visited before the end of next year. Vice President Smith noted that we need to be mindful while operations are happening at the campus level. President Wilson indicated that we have to better coordinate the University's priorities.

Chair Tocco indicated that he was going to exercise a Board policy that has been in place for several years and will ask a couple of Trustees to sit on the Foundation Board at Amherst. He will serve on the Board and also appointed Trustee Sheridan to serve. A closer relationship with Trustees and the Foundation Board needs to be formed. An official letter appointing Trustees to the Foundation Board will be sent in the next day or two.

Chancellor MacCormack reported that we need to have a multi-pronged strategy that is very focused because of long-term building when cultivating relationships. While the goals vary by campus, the campuses should be asked to aggressively show what their goals are.

After further discussion on cultivating relationships, Chair Lawton indicated that the Advancement Committee is committed to developing excellence and he is very optimistic that the Committee is going to make some progress. The views of the student Trustees and Trustee DiBiaggio are well taken. The Chancellors have challenges with their budgets and some work ahead of them.

Chair Lawton thanked everyone for their participation and adjourned the meeting at 11:08 a.m.

Zunilka Barrett
Assistant Secretary to the Board