



The Board of Regents Advancement Committee Meeting

*February 1, 2012
11:00 a.m. – Noon
Chancellor's Conference Room
Elkins Building*

Barry Gossett, Chair, presiding

Minutes

A meeting of the Board of Regents Committee on Advancement was held at the University System of Maryland office on February 1, 2012 at 11 a.m. In attendance were: Regents Barry Gossett, Linda Gooden, and Collin Wojciechowski. Via conference call was Regent Thomas Slater. From USM institutions: Brodie Remington (UMCP), Theresa Silanskis (UB), Kim Dumpson for Gains Hawkins (UMES), David Balcom (UMCES), Sue Gladhill (UMB), Richard Lucas (BSU), Gary Rubin (TU), Greg Simmons (UMBC), Cathy Sweet-Windham (UMUC), Rosemary Thomas (SU), Al Essien for Jim Roberts (CSU), B.J. Davisson (FSU), and William Schlossenberg (USG). From the USM office: Leonard Raley, Marianne Horrigan, Gina Hossick, Sapna Jacob, Vladimir Jirinec, and Pamela Purcell.

Greetings and Approval of Minutes

Regent Barry Gossett began the meeting by greeting the group and noting that Rosemary Thomas, Vice President for Institutional Advancement at Salisbury University, was leaving her position to become Vice President for Institutional Advancement at Florida Gulf Coast University. He praised Dr. Thomas's many successes at Salisbury and wished her well in her new position.

Minutes were approved with no changes.

Campaign Update

Regent Gossett noted that fundraising totals through December 31st were ahead of the previous year's totals at that time. The University of Maryland, College Park surpassed the \$900 million mark, and that the University of Baltimore has now exceeded its goal. Several vice presidents reported positive news from their campuses:

- Vice President Theresa Silanskis reported that the University of Baltimore had received a \$1 million gift from Bob Parsons, founder of GoDaddy.com, as well as a \$550,000 grant from the Radcliff Foundation. It's campaign total is approaching \$45 million.
- Vice President Gary Rubin reported that Towson University exceeded its \$50 million campaign goal and recently received a \$250,000 gift from T. Rowe Price.
- Vice President Brodie Remington reported on the anticipated announcement of a multi-million dollar gift to the University of Maryland School of Public Policy.

- Vice President Rosemary Thomas announced that Salisbury University would be holding its campaign celebration on Friday, February 3rd, ending its campaign with \$39.5 million raised.

Cost of Fundraising Summary

The group reviewed the 2011 USM Cost of Fundraising Summary. Regent Gossett noted that the methodology of the survey changed slightly this year, resulting in a slightly lower reported cost per dollar raised. Systemwide, we are well BELOW the national standard of 15 cents on the dollar for a well-established university fund-raising program. The data imply that we are underfunding development operations.

Update on Funding Development Operations

Regent Gossett reported that the working group focusing on this issue (Barry Gossett, Collin Wojciechowski, Brodie Remington, Sue Gladhill, BJ Davission, and Greg Simmons, Leonard Raley, Pamela Purcell, and Marianne Horrigan) have met twice. The issue, much simplified is this:

We are already underfunding our current development operations AND may need to reduce support from the Common Trust administrative fee reimbursement and other endowment assessments in order to maintain their spending power in the current investing climate. We are facing the loss of budget support at the very time when we need to be building fundraising capacity.

There are a number of options on the table to address underfunding of development operations (and, for UMCP, UMB, and others, reduction of the Common Trust administrative fee reimbursement). Among them are:

- Increased support from the campuses to fund development operations.
- Gift fees or other forms of assessments on giving.
- A System-led funding mechanism to increase support for development operations.

No one solution will meet the entire need, so campuses, working with the System office, will need to develop multiple strategies to address the need. Increased support for fundraising must also include an emphasis on raising endowment funds, to bring the System in line with its peers. Regent Slater asked if we could do some analysis of our fundraising operations as compared to these peers; Regent Gooden stated that understanding best practices at these institutions would be invaluable. System staff will work to provide that analysis.

Subsequent discussion centered on the need to ensure that students and young alumni remain engaged and understand the importance of philanthropy so that when they are able to make significant gifts, they have the inclination to do so. Regent Wojciechowski spoke about ways to keep young alumni engaged at a time in their lives when they may have time and talent, but no money to give back. Additional discussion centered on the difficulty of attracting and retaining staff when salary freezes and/or furloughs have been in place for so long; competition for effective fundraisers is fierce in this market.

The meeting adjourned at 11:45 a.m.

Next meeting of the BOR Advancement: May 9, 2012 @ 11:00 a.m., USM Office.