



## **The Board of Regents Advancement Committee Meeting**

*May 8, 2013  
11:00 a.m. – Noon  
Chancellor's Conference Room  
Elkins Building*

Barry Gossett, Chair, presiding

### **Minutes of Public Session**

A meeting of the Board of Regents Committee on Advancement was held at the University System of Maryland office on May 8, 2013 at 11 a.m. In attendance were: Regents Barry Gossett, Linda Gooden, Thomas Slater, Chancellor Brit Kirwan, and via teleconference were Regent Bob Rauch and Thom Faulk (Office of the Attorney General). From USM institutions: Theresa Silanskis (UB), David Balcom (UMCES), Gary Rubin (TU), Greg Simmons (UMBC), Cathy Sweet (UMUC), Greg Prince (SU), Michael Dowdy (UMB), Rosemary Thomas (FSU) Kimberly Dumpson (UMES), Richard Lucas (BSU), Doug Dalzell (CSU), and Peter Weiler (UMCP). From the USM office: Leonard Raley, Marianne Horrigan, Gina Hossick, Sapna Jacob, Pamela Purcell, Vlad Jirinec, Janice Doyle, Joe Vivona, Bob Page, and Mike Lurie. Not in attendance was Bill Schlossenberg (USG).

Before convening the meeting, Regent Gossett noted the passing of former Regent Richard E. Hug the previous weekend, praising him for his dedication to higher education in Maryland, his collegiality, and his generosity and service to a variety of causes.

#### **1. Review of Minutes**

Minutes of the February 6, 2013 meeting were approved as presented.

#### **2. Fundraising Report**

Regent Gossett presented a report on annual fundraising progress, noting that the campaign report is no longer presented because the campaign closed on December 31, 2012.

Overall, the System is well ahead of last year, and should not have any difficulty reaching its System goal of raising about \$230 million, having raised \$210 million as of the end of March. Some of our campuses are having a very strong year, driven, in part, by an end-of-campaign push.

Vice Presidents reported on several significant gifts, including the \$8 million gift commitment from the Guerrieri family to name the new Academic Commons at Salisbury University; an in-kind gift to Bowie State from the Lockheed Martin/Verizon Education Innovation Initiative valued at more than \$3 million; a \$300,000 planned gift from a long-time Frostburg library staff member; and \$600,000 raised at UMUC's Cyber Security Gala.

### **3. Quasi-Endowment Legislation Update**

The group discussed passage of Senate Bill 431 that will allow the Board of Regents to maintain and manage quasi endowment funds. These funds –an anticipated \$50 million – will be invested with the System's already existing Common Trust Fund through the University System of Maryland Foundation. Earning from this quasi-endowment should produce \$2 million or more in income to support advancement.

Vice Chancellor Joseph Vivona discussed the goals of this initiative, which are to support the building of fundraising in general and endowment in particular at all institutions and to encourage each institution to invest its own resources into fundraising operations. A group of Regents representing the Budget and Finance and the Advancement committees, as well as USM staff, will be working out the parameters of this program in the months to come. Vice Chancellor Vivona noted that it will take time to realize and distribute earnings from this investment; he will explore the possibility of providing seed funds as an interim step to jumpstart this effort.

### **4. Dashboards**

Assistant Vice Chancellor Ben Passmore presented draft advancement dashboards to the group. A number of comments were raised. The issue was raised as to whether the use of green and red accurately portrayed gains made in programs over time, even if performance lags behind peers. Ben Passmore will develop some more nuanced indicators in response to this observation. The choice of certain peer groups was also questioned, and it was decided to use performance peers—and where available—aspirational peers in order to be consistent with other dashboard reports. If there are exceptions, a clear rationale will be provided. In addition to showing peer benchmarks, the revised report will also show institutional goals in relevant categories.

These dashboards will become an annual report measuring the System's programs in key areas – in particular endowment building and appropriate investment in advancement programs.

### **5. Gift Assessment Discussion**

The committee discussed the emergence of gift assessments as a means to provide support for development operations. Vice Chancellor Leonard Raley noted that recent surveys on this subject indicate that such assessments are becoming more common, and that some of our institutions, in particular the larger research campuses, could see significant revenue from assessments. Assessment rates range from 2% to some in the teens (most commonly at medical campuses.) Some questions were raised as to whether instituting gift assessments would make System institutions less competitive in the philanthropic marketplace. Some felt that there were few donors who would “shop” for their gifts among institutions to get a better

rate; others noted that competition included other local nonprofits that may not have a gift assessment. It was agreed that institutions should be free to set their own assessment rate; there is no need for a Regents policy on this issue.

**6. Reconvene to Executive Session**

Regent Gossett read the motion for the Advancement Committee to close the meeting to discuss issues specifically exempted from the open minutes act under State Government Article §10-508(a) for the reason stated in the Convening in Closed Session statement. Regent Linda Gooden moved for the adjournment of the meeting, seconded by Regent Thomas Slater. All present voted to reconvene to Executive Session. The public session of the Advancement Committee meeting convened at 12:15 pm.

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Minutes were approved via email on August 27, 2013 by the following Regents: Rauch, Slater, Gossett and Gooden.