MEMORANDUM

TO: The Advancement and Communications Committee:

John L. Nau III, Chair
Bobbie G. Kilberg, Vice Chair
Frank B. Atkinson
A. Macdonald Caputo
Hunter E. Craig
Allison Cryor DiNardo
Marvin W. Gilliam Jr.
Victoria D. Harker
Stephen P. Long, M.D.
Helen E. Dragas, Ex Officio
Robert S. Kemp, Consulting Member
Jeffrey C. Walker, Consulting Member

and

The Remaining Members of the Board:

The Hon. Alan A. Diamonstein        Edward D. Miller, M.D.
William H. Goodwin Jr.              Timothy B. Robertson
George Keith Martin                 Linwood H. Rose
Vincent J. Mastracco Jr.            Hillary A. Hurd
                                      Leonard W. Sandridge Jr.

FROM: Susan G. Harris

RE: Minutes of the Meeting of the Advancement and Communications Committee on Thursday, April 18, 2013

The Advancement and Communications Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 12:15 p.m., Thursday, April 18, 2013, in the Lower East Oval Room of the Rotunda; John L. Nau III, Chair, presided.
Present were Bobbie G. Kilberg, Vice-Chair, Frank B. Atkinson, Hunter E. Craig, Allison Cryor DiNardo, Marvin W. Gilliam Jr., Victoria D. Harker, Stephen P. Long, M.D., and Helen E. Dragas, Rector. A. Macdonald Caputo participated by telephone.

Robert S. Kemp and Jeffrey C. Walker, Consulting Members, were present.

Present also were George Keith Martin, Timothy B. Robertson, Linwood H. Rose, Leonard W. Sandridge Jr., and Hillary A. Hurd.

Also present were Teresa A. Sullivan, John D. Simon, Patrick D. Hogan, Susan G. Harris, Paul J. Forch, Susan A. Carkeek, Donna Price Henry, Patricia M. Lampkin, Colette Sheehy, Thomas C. Skalak, Robert D. Sweeney, Nancy A. Rivers, Gordon D. Burris, McGregor McCance, Anthony P. de Bruyn, and Debra D. Rinker.

Paul G. Mahoney, Alison E. Traub, and C. Thomas Faulders III were in attendance as presenters.

Committee Chair Remarks

Mr. Nau welcomed everyone to the meeting and outlined the agenda. He said the Chief Communications Officer hire is critical to building a best in class communications division. The Alumni Association plans to increase the number of meetings each year to have a stronger role in reaching out to alumni, and fundraising benchmarks will be reported.

Mr. Nau introduced Mr. Paul G. Mahoney, Dean of the School of Law and Chair of the Chief Communications Officer Search Committee.

Report by Chair of the Chief Communications Officer Search Committee

Mr. Mahoney said President Sullivan decided to separate the communications function from the development function, and created the communications office with the Chief Communications Officer (CCO) reporting directly to the President. A 16 member search committee was appointed and charged. The office should be concept driven or employ strategic communications instead of being event driven or only concerned with crisis communications. A number of key attributes for have been identified for this position:

- Understanding of new and traditional media
- Understanding of higher education and it’s challenges
- Deal forthrightly, honestly, and eloquently with criticisms
- Communicate effectively and educate about the public benefits the university produces
- Understanding of federal and state politics and government, including grant making agencies, congressional committees, staff, and work closely with the governmental relations function within the university
- Understanding of academic medical centers and their challenges
• Ability to communicate the content and results of research to a broad audience
• Impeccable managerial and people skills

Mr. Mahoney said the committee has met with various university constituencies to discuss their needs and has received about 250 applications from some outstanding candidates, many from managers of communications in large, complex organizations. They will begin next week to narrow the pool to those they want to interview in person, and will present three to four candidates for the president’s selection.

Ms. Dragas asked about the Medical Center’s communications division and how would they work together. Mr. Nau answered that each school has a form of communications office; the CCO must establish a confidence level that this office will speak for the University and make sure units are not inconsistent. The branding and messaging will come from the President and CCO. Mr. Mahoney gave an example of faculty comments on Supreme Court rulings as the type of issue the Law School could handle; something of more localized importance.

Report on University Communications

Mr. Nau introduced Mr. Anthony P. de Bruyn, the interim Chief Communications Officer, to report on the University Communications Office activities and he thanked Mr. de Bruyn for the effective work he has done under difficult circumstances. Mr. de Bruyn said the office has created metrics to track media relations activities. They are planning to develop a social media dashboard tool to combine social media monitoring and analytics with efficient social engagement. The dashboard will help foster stronger branding, promote an effective social marketing campaign, allow engagement on Facebook and Twitter, and monitor meaningful conversations about the University using filters by topic, social media channel, language, and geography.

Mr. de Bruyn said Phase I of the reorganization of University Communications is on track, with budget and staffing proposals in place pending administration approval. A new Social Media Coordinator will start next month.

He reported on successful media events over the last two months. In February, the office coordinated the visit of Secretary of State John Kerry, to deliver his first major foreign affairs speech. They handled pre-event publicity, media relations, issued 65 credentials to press, and worked closely with the State Department, security, and the Office of Major Events to coordinate. This event provided significant national and international exposure to the University.

In February, Philip Zelikow’s MOOC (Massive Open On-line Course) “Modern World Global History Since 1760”, had 47,000 students registered for the free course, and was included in a featured article in the Washington Post. In March, a study co-authored by Sarah Turner of the Curry School, and Caroline Hoxby of Stanford University,
received significant national attention. Their findings showed that by simply providing qualified low-income applicants basic information regarding the admissions process and costs of attending selective colleges significantly increased the number who attended and graduated from top colleges.

Mr. de Bruyn highlighted some of the 25 events taking place during Earth Week, such as Earth Week Expo and Earth Walk. A website with information about Earth Week can be found at www.virginia.edu/sustainability.

Answering a question about the social media dashboard, Mr. de Bruyn said they have inventoried the programs and know what each of the schools are doing on their own. Ideally through reorganization he would like to pool the resources together and have shared services, with control from a central point of view. The new Social Media Coordinator is a first step.

Ms. Sullivan asked Mr. de Bruyn to describe the restructuring more thoroughly. He said that several marketing positions are pending approval by the administration: a director of marketing, a brand specialist, and a marketing specialist. Data and information from a previous marketing study are still relevant. The position for the new social media coordinator was repurposed from a media relations position when the incumbent retired. He said they continue to look for efficiencies to minimize costs, however, some investment will be required in order to create a “best in class” communications division. Ms. Dragas asked him to quantify the investment needed. Mr. de Bruyn said the new positions would require $300,000; he estimated recurring costs of $1.4 million to maintain a high level communications division.

Ms. Sullivan said when she came to UVA, communications was closely aligned with development, but needs were much greater. Different areas have their own communication needs and strategies, for example, athletics has a marketing strategy, as does the hospital. The objective is to have a coordinated group with better integration and synergies among the different parts. In the last few months they have streamlined the current operation by taking advantage of four retirements and reworking those positions. There are many things that need to be communicated better, AccessUVa is one, but there is good momentum now.

Mr. Nau said communication is the key piece of marketing and it will help development in the long run. There are many different constituent groups that need clear, targeted messaging. The result will produce better outcomes all over the university.
Report on the University of Virginia Alumni Association

Mr. Nau introduced Mr. C. Thomas Faulders, the President and Chief Executive Officer of the University of Virginia Alumni Association, to give his annual report. Mr. Nau said the Board will get more frequent reports from the Alumni Association because they are an integral part of the advancement effort.

Mr. Faulders said he works closely with the Office of Engagement, led by Cindy Fredrick on Alumni Engagement. Ms. Fredrick handles the UVa Clubs, Lifelong Learning, and Cavalier Travels programs, and he handles alumni events, alumni services, and communications. Alumni events include approximately 20 reunions per year for various groups, tailgates, homecomings, and sponsor class councils. Homecomings has evolved into a young alumni weekend, which drew over 5,000 people last year; over half of the class of 2012 returned. Alumni services include admissions advice to children of alumni, career services, and alumni interest groups. He said they have found that over time alumni identify less with what class they are from and more with what group they participated in. There are currently 38 Alumni Interest Groups (AIGs). The Alumni Association also supports the UVa Fund, which provides services to 2,000 University clients and holds 3,000 accounts, providing gift receipting, accounting, and investment services. Their development efforts are relatively small: they have raised about $18 million and have established the Jefferson Trust, which is growing very nicely.

Focusing on Alumni Association communications, Mr. Faulders said the University of Virginia Magazine, which has been around since 1902, has a print version, an iPad version, and two online versions. Some of their other communications efforts involve their website, an e-newsletter, and social media. They have redesigned their website recently, with a 40% increase in visits, and they created a design template for all alumni communications.

The fundamental goal of the Alumni Association is to connect alumni to the university. The Virginia Magazine is a way to bring Charlottesville to the alumni: it is published quarterly and reaches 238,000 alumni, faculty, students, and parents. They send out 214,000 print copies, 20,100 electronic copies for students, and 3,900 electronic copies for alumni. One online format includes an open forum where individuals can comment. They need to maintain a certain level of printed copies to keep advertisers happy. The ipad version of the magazine enables them to add more pictures and some video. Since 2009, the online magazine, uvmagazine.org, has included 1,790 articles, 133 videos, and just under 3,000 comments. Occasionally an article will take on a life of its own through comments, and continue to have interest for years. The online magazine has received over 3 million pageviews from almost 1 million visitors from 212 countries.

Mr. Faulders said they also issue a Virginia Magazine E-Newsletter eight times per year by email to 217,000 people because
they have more articles than they can feature in the print or online versions. The articles generally follow a theme.

The Alumni Association participates in different forms of social media: Facebook, Twitter, LinkedIn, YouTube, Pinterest, and Instagram. An interesting statistic is that 20% of site traffic to their online magazine comes from Facebook.

In 2013, the Alumni Association won six national CASE III Awards, including two Grand Awards in the Crisis Communications and E-Newsletter categories; the second time in three years for the E-Newsletter. They received two second place awards for University Magazine/Tabloid Improvement and the Alumni Website. Two third place awards were in the alumni magazine and website design categories.

Mr. Faulders played a "Year-in-Review" video that will be shown to the Board of Managers at their meeting.

Ms. Kilberg asked about the cost of the print version of the magazine, and whether there is enough interest to continue. Mr. Faulders said it costs $800,000 per edition to print and mail the magazine. Advertising covers about 60% of the cost. They have polled their readers after each edition, and readers continue to want a physical copy; many keep them for over a month and display them.

Ms. Dragas asked for an overview of how the Alumni Association is funded. Mr. Faulders said they have a budget of $8.5 million for the year, of which 20% is funded from the University. The rest comes from endowments, advertising, the UVA credit card, reunions, etc. Mr. Jeff Walker asked about their database of alumni and its accuracy. Mr. Faulders said they use a common university database; home addresses are almost 90% accurate, and emails are 65-70% accurate. In answer to a question from Ms. Dragas, Mr. Faulders said that since 2007, students may maintain their email addresses for life. He said they were a pioneer in doing this.

Council of Foundations Update

Mr. Nau called on Mr. Jeffrey Walker, the chairman of the Council of Foundations, for his report. Mr. Walker said the Council has a meeting on May 30th focused on strategic planning and governance. He believes there are a number of synergy opportunities among the different foundations.

Remarks by Faculty Consulting Member

Mr. Nau acknowledged Mr. Robert Kemp, the Faculty Senate representative from the McIntire School. Ms. Kilberg commented that in talking to a number of McIntire graduates she concluded that the McIntire School does an excellent job of communicating how their differential tuition is spent. Mr. Kemp agreed that the school is managed exceptionally well, as evidenced by their national ranking.
Mr. Nau said he has pulled the issue of how much it costs to raise a dollar, to be discussed at the next committee meeting. He introduced Mr. Robert D. Sweeney, Senior Vice President for University Advancement, to give a status report on cash flow. Mr. Sweeney said it has been a challenging year for fundraising, however, since January it has become exciting as they approach their goal for the campaign. Through March 2013, the campaign has raised $2.937 billion, including $27 million in commitments for March alone. He meets with Gordon Rainey, the Campaign chair, weekly to talk about prospects. He is confident that the campaign will be completed this spring.

Philanthropic cash flow in March was $164.6 million; this is cash or cash equivalents, not commitments. The number is down 7% from fiscal year ’12, due to three very large bequests that year.

Mr. Sweeney showed benchmarks for 2008 to 2012 comparing our cash flow with other elite public and aspirational private institutions. He belongs to a couple of groups: one is the Advancement Leadership Forum, which includes Ohio State, Wisconsin, Michigan, Penn State, and other elite public institutions. He has also been honored to join another group of leading private universities that have met for over 50 years; Virginia is the first public university to be asked to join. This group includes Cornell, Columbia, Duke, Johns Hopkins, Georgetown, Northwestern, Stanford, Chicago, Notre Dame, and other very high performing schools.

The data in his presentation comes from the Council for Aid to Education (CASE), a national non-profit organization established in 1952. The first graph demonstrates similar effects of the financial downturn from 2008 to 2010 among the schools; however, the University experienced a more severe impact than others, which he is not able to explain. The University’s results follow private peers more than public peers. There has been a strong increase in fundraising in the last two years. The institutions are so different in size when compared with large schools, such as Ohio State, that it is helpful to look at cash flow per alumnus. The University exceeds the average total giving from parents, friends, and foundations in 2012 compared to other public institutions. The size and number of professors has an impact on corporate giving, where we hold our own. Many individuals are now giving through private foundations, where the University also does well.

In 2012, 202,073 UVA alumni gave, or a 18.9% participation rate, which is among the privates such as Cornell, and exceeds Vanderbilt, Georgetown, Northwestern, Columbia, and Johns Hopkins. The total giving from alumni in 2012 was $60,712,053, more than most of our public peers. Average giving per alumnus is $1,663. The category of parent giving also puts the University among our private peers: $435 of parent giving per student is better than USC, Chicago, and Northwestern.
Mr. Sweeney said that he believes corporate giving is correlated to the number of full time faculty engaged in funded research. With the University of Virginia focused on undergraduate education and our strength in the humanities and social sciences, we are clearly disadvantaged in this category. Total corporate giving for fiscal year 2012 was $26.8 million, in the bottom third of our peers. However, per faculty full-time equivalent, the University’s $12,554 is respectable. All of the largest gifts from corporations have been involved with faculty and research. Development helps to serve as a bridge between the faculty and donors and his office aims to strengthen those relationships. A great example is the new program in contemplative sciences, driven by a faculty committee. Mr. Walker said eight schools, three deans, and seven faculty members are working with the donors, which is unique. He said it is a great model.

Ms. Dragas asked the amount that has been raised to date for the three initiatives that will be the focus after the $3 billion campaign is complete. Mr. Sweeney said fundraising will focus on three initiatives as the bridge campaign: AccessUVa, faculty salaries, and historic preservation. A reorganization of development efforts will reallocate manpower to those areas. Mr. Nau said the goals for these three areas need to be finalized. Mr. Sweeney said he will send Ms. Dragas the amount raised to date; each school has raised some money separately.

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On motion, the meeting was adjourned at 1:35 p.m.

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These minutes have been posted to the University of Virginia Board of Visitors website.
http://www.virginia.edu/bov/externalminutes.html