ADVANCEMENT AND COMMUNICATIONS COMMITTEE

November 15, 2013
8:00 – 9:30 a.m.
President’s Reception Room, The Rotunda

Committee Members:
John L. Nau III, Chair          Bobbie G. Kilberg, Vice Chair
Hunter E. Craig                Allison Cryor DiNardo
Helen E. Dragas                George Keith Martin, Ex-officio
Kevin J. Fay                   Jeffrey C. Walker, Consulting Member
Frank E. Genovese              George M. Cohen, Faculty Consulting
William H. Goodwin Jr.         Member

AGENDA

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UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: November 15, 2013

COMMITTEE: Advancement and Communications

AGENDA ITEM: I. Remarks by the Committee Vice Chair

ACTION REQUIRED: None

BACKGROUND: Ms. Kilberg will welcome guests and provide an overview of the meeting agenda.
BOARD MEETING: November 15, 2013

COMMITTEE: Advancement and Communications

AGENDA ITEM: II. Presentation by Student Organization - Jefferson Literary and Debating Society

ACTION REQUIRED: None

BACKGROUND: The Jefferson Literary and Debating Society was founded on July 14, 1825, by 16 disgruntled members of the now-defunct Patrick Henry Society in Room Seven, West Lawn. In the intervening 189 years, the Jefferson Society has distinguished itself as the oldest continuously existing collegiate debating society in North America and the second-oldest Greek-lettered organization in the United States, second only to Phi Beta Kappa. The Society, named in honor of Thomas Jefferson, father of the University of Virginia, boasts among its membership the likes of Edgar Allan Poe, former Virginia Governor James Gilmore, President Woodrow Wilson, and University President Emeritus John T. Casteen III. Honorary membership has been conferred upon such distinguished individuals as President James Madison, President James Monroe, the Marquis de Lafayette, and Prime Minister Margaret Thatcher.

Official meetings of the Society begin at 7:29 p.m. every Friday evening in which classes are in session. The meeting program usually includes a guest speaker. Because the Society hosts these speakers as a service to the community, all programs are free and open to the public.

Mr. Thomas Howard

Mr. Howard graduated from the University in May 2013 with a B.A. in History with High Distinction. He received an Archie K. Davis Fellowship and a Harrison Research Grant in support of his thesis, The Grand Question of Union: The Ratification of the Constitution in North Carolina. He was a Lawn Resident, a member of the Raven Society, and currently serves as the President of the Jefferson Literary and Debating Society. While at the University of Virginia, he founded and served as the Editor in Chief of the Academical Heritage Review, a student research journal in history.
Mr. Howard is the author of a forthcoming book: *Society Ties: A History of the Jefferson Literary and Debating Society, 1825-Present*, which received the support of a William R. Kenan Fellowship for the Academical Village. A native of Richmond, Virginia, he is currently pursuing a graduate degree in Higher Education Administration. His research focuses on the interaction between historical sites and universities in the Virginia piedmont.
UNIVERSITY OF VIRGINIA
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COMMITTEE: Advancement and Communications

AGENDA ITEM: III. Report on Alumni and Parent Engagement

ACTION REQUIRED: None

BACKGROUND: Created in 2005 as a result of the Alumni Relations Task Force, the Office of Engagement is a department of University Advancement and works in partnership with the Alumni Association, schools, and units to deliver high quality, comprehensive, and diverse alumni and parent engagement programming.

Formed on July 4, 1838, the Alumni Association of the University of Virginia was the sixth such group organized in the United States. In partnership with the University of Virginia, and through its own mission and goals, the Alumni Association plays an active role in the institution’s future.

DISCUSSION: The University continues to develop training, teaching, and counseling programs for alumni that enable U.Va. to serve as their lifelong university.

Ms. Cindy Fredrick, Associate Vice President for Engagement and Annual Giving, and Mr. Tom Faulders, President and CEO of the U.Va. Alumni Association, will provide an update on collaborative and independent initiatives created to engage the University’s alumni as well as parents of current and former students, including reports on U.Va. Lifetime Learning programs and Alumni Career Services.
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: November 15, 2013

COMMITTEE: Advancement and Communications

AGENDA ITEM: IV. Report by the Chief Communications Officer

ACTION REQUIRED: None

DISCUSSION: Mr. David Martel will provide a report on University Communications activities including efforts to assess and articulate organizational priorities with an emphasis on supporting institutional strategic initiatives.
DISCUSSION: Mr. Robert Sweeney will provide a report on philanthropic cash flow, new commitments, and annual giving to-date for fiscal year 2014. He will give a brief report on the recent Fall Forum for University volunteers, and review plans for the reorganization of the National Committee on University Resources (NCOUR) to prepare for the bicentennial campaign.

Philanthropic cash flow measures actual gifts received by the University during a specific fiscal year. It includes cash or cash equivalents received for philanthropic purposes; it does not include pledges or future support (bequest expectancies, annuities, etc.). Through September 30, 2013, cash flow for fiscal year 2014 was $30.27 million, with nearly $15.68 million received in the month of September. Total new commitments to-date for fiscal year 2014 stood at $21.8 million, including $18.3 million in new gifts and $3.5 million in future support.

Annual giving at U.Va. is defined as giving to annually flagged accounts at the University. Annually flagged accounts are those that hold funds which are available for current use and which are immediately expendable; those allocations may be restricted or unrestricted. Endowment and capital accounts are not considered annual and are not included in annual giving reports.

Overall annual giving stood at $11.3 million through September 30, 2013, an increase of more than 14% from the same period in fiscal year 2013. This total includes $3 million in alumni annual giving, which was up 22% over the same period in fiscal year 2013.
WRITTEN REPORT
Council of Foundations
The Council of Foundations of the University of Virginia (COF) is composed of the senior representatives of each of sixteen University Foundations and fundraising units who meet together with the University administration, the Deans of all the Schools of the University, all of the senior development officers from all the schools and, usually, several Board of Visitors representatives to learn from each other and to discuss ways to be more effective and efficient by sharing best practices and finding ways to work together. The COF also identifies ways to support the University in raising financial resources and bringing other benefits to the various University stakeholders. The COF is the only place where representatives of the University's numerous key stakeholder groups come together for open dialogue.

On October 16, 2013 the COF had its regularly scheduled meeting during which:

- We received an extensive update on the progress of the Strategic Planning process from President Sullivan, Milton Adams, John Simon and Pat Hogan. This was followed by comments and perspectives from the Deans.
- Pat Hogan, the University COO, reviewed the current draft financial model of the University and highlighted key sensitivities.
- David Neuman, the University Architect, reviewed the Jeffersonian Grounds Initiative specifically highlighting the progress on raising funds for the Rotunda renovation and the surrounding grounds. In particular this was an early review of a presentation he will make to the key University volunteers at the end of October.
- Bob Sweeney, SVP for University Advancement led a discussion on the Post Campaign Volunteer Transition plan.
- Bob Sweeney and Cindy Fredrick led a discussion of annual giving results and focus going forward.
- Bill Fryer gave us an update on the efforts to improve the BOV governance structure.
- BOV meeting updates were given by the COF representatives to the BOV - Dan Meyers (Finance Committee) and Allison Linney (Student Affairs & Athletics Committee).
• Pat Lampkin, VP for Student Affairs, and her team gave us a progress report on the Career Services Task Force.
• Members held executive session to discuss a wide variety of topics.

The meeting was preceded the night before by a set of Jeffersonian Dinners in the Lawn Pavilions on such topics as leadership, health service initiatives, etc. The mixing of COF members, potential and current University donors, faculty and students was once again a wonderful way of having open discussions and increasing familiarity. A number of us also attended the previous day’s half-day set of meetings and lunches sponsored by the Contemplative Sciences Center. This event helped engage a number of high potential donors and presented to all of us a wonderful model for unified, collaborative engagement around a common interest and focus area of the University. It is a great model for cross-University alliances and collaboration.

The COF meeting lasted for five and one half hours and was an informative, open dialogue. The following are a summary of the views expressed and points made during the meeting. As always, we would love an even deeper dialogue between the COF members and the BOV since we are all working, in partnership, to ensure UVA is as good as it can be.

• Strategic Plan. We reviewed each of the five Pillars and fifteen Strategies detailed in the strategic plan. Our Foundations and those members that were on the strategic committees are impressed by the comprehensiveness of the plan and the thought that went into moving each of the key strategies forward for approval by the BOV and implementation. We are pleased to see the support the BOV has given to this process and are particularly impressed by each Dean’s expressions of support but also detailed knowledge of how the strategies affected their schools.

One specific issue raised during this strategy discussion and the financial model discussion was the range of philanthropy that should be assumed in a University Financial Plan. We need to review this in more detail as we plan our strategy for fundraising going forward. There is a limit to how much can be raised and we need to have a better understanding of how other sources of funding contribute to the overall financial pie...from the endowment, from research funding, from tuition, from the state and federal government and from other sources. It should not be assumed that the major incremental needs of the University can all be funded through philanthropy.
Second, it seems clear that increased funds to retain and hire key faculty, and to supplement tuition for students’ who have severe financial needs, are needed. Specifically everyone agreed that in-state tuition needs to be adjusted so that there is a more fair and equitable balance between the various sources of funding of the University, again taking into account the scholarship and loan needs of those students and families who do not have sufficient resources to pay for the tuition by themselves. We are looking to the BOV to take the lead on this issue and learn from the innovative approaches of other Virginia state universities such as William and Mary.

We noted that some programs are so good, such as the Total Advising strategy, that they will help differentiate the University from other schools of higher education.

We also discussed with Milton Adams the importance of continuing to keep the many stakeholders who were involved in the creation of the strategy involved in its implementation, possibly setting up key implementation committees for each of the key strategies.

- **University Financial Model.** We discussed the variety of sensitivities related to the key variables in the financial model.
  - In-state tuition and how low it is as compared to most other Universities. We also went over how other Virginia colleges, such as William & Mary, have increased it.
  - Access UVA and loan/scholarship programs and their importance in continuing to make UVA affordable to those that don’t have sufficient resources.
  - Faculty salaries and the need to raise them overall to remain competitive. With a turnover in the next few years of up to 50% of the faculty, a competitive compensation structure will be required.
  - Endowment earnings and endowment payouts and the fact that top-in-class earnings cannot be counted on.
  - The limits of relying on philanthropy to fill the remaining needs of the University and the importance of a solid financial model in the fundraising process.
  - While continued review of cost efficiencies around the University will continue to produce savings, the work already done over the last several years has been impressive and significant other efforts cannot be counted on to contribute significant added funds. However, more shared services across schools should be
explored (the UVIMCO experience has been successful and areas such as human resources and technology services are potential areas of increased efficiency and effectiveness).

• **Annual Giving.** We reviewed the school-by-school giving reports and while there are good programs in place we are not convinced that more time and resources focused on just raising participation percentages alone is the best long-term strategy. In addition to financial giving some universities use other measures of success, such as depth of alumni engagement as well. Cindy Fredrick and Bob Sweeney will come back to us with suggestions for additional engagement measures (attendance at Reunions, participation on key school committees, mentoring a student, leading recruiting for their company at UVA) that we could focus on in addition to dollars given. In the long-term increased engagement will generate more donations. We were reminded by Henry Skelsey from Darden of Darden’s success in focusing on alumni engagement and that, over time, it has a significant positive impact on giving. Engage first, donations will then come.

• **University Governance.** We understand that the BOV Governance Committee is going to move forward with suggestions to improve the administration/BOV relationship. We applaud any moves in that direction and would emphasize that universities are multi-stakeholder collaborations and that while there are key fiduciary and governance responsibilities of the BOV, a sense of deep listening and open partnership must be emphasized for a healthy relationship between the BOV, faculty, administration, alumni and students. We also reemphasized the importance of the Virginia Governor seriously considering the UVA Alumni Association’s candidate suggestions that are, by law, submitted for the Governor’s consideration.

• **Career Advising.** A key component to Total Advising is career advising. The program that VP and Chief Student Affairs Officer Pat Lampkin and her team have put together is impressive and each foundation looks forward to working with her on it.

• **Post campaign volunteer transition.** Bob Sweeney reviewed with us the plan to ensure that the large number of active members of NCOUR (approximately 200) will continue to be maintained as active resources of the University. This continuity in relationships between fundraising campaigns is very important.