MEMORANDUM

TO: The Advancement and Communications Committee:

John A. Griffin, Co-Chair
John L. Nau III, Co-Chair
Frank B. Atkinson
Helen E. Dragas
Bobbie G. Kilberg
Edward D. Miller, M.D.
George Keith Martin, Ex Officio
William B. Fryer, Consulting Member
Christopher P. Holstege, M.D., Faculty Consulting Member

and

The Remaining Members of the Board and Senior Advisor:

L. D. Britt, M.D.          William H. Goodwin Jr.
Frank M. Conner III      Victoria D. Harker
Allison Cryor DiNardo    Stephen P. Long, M.D.
Kevin J. Fay             John G. Macfarlane III
Barbara J. Fried         Margaret N. Gould
Frank E. Genovese        Leonard W. Sandridge Jr.

FROM: Susan G. Harris

SUBJECT: Minutes of the Advancement and Communications Committee Meeting on November 13, 2014

The Advancement and Communications Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 4:15 p.m., on Thursday, November 13, 2014, in the Auditorium of the Albert and Shirley Small Special Collections Library of the Harrison Institute; John A. Griffin, Co-Chair, presided.

Present were Frank B. Atkinson, Edward D. Miller, M.D., William B. Fryer, and Christopher Holstege, M.D.

Other Board members present were L. D. Britt, M.D., William H. Goodwin Jr., Victoria D. Harker, and Leonard W. Sandridge Jr.
Present as well were Teresa A. Sullivan, Susan A. Carkeek, Susan G. Harris, Donna P. Henry, Patrick D. Hogan, Richard C. Kast, Patricia M. Lampkin, David W. Martel, Marcus M. Martin, M.D., Nancy A. Rivers, Colette Sheehy, Thomas C. Skalak, and Debra D. Rinker.

Presenters were R. Philip Herget III, Mark M. Luellen, and David W. Martel as well as Mr. Fryer.

Mr. Griffin introduced Mr. Fryer, the Committee’s Consulting Member and Chair of the Council of Foundations, and Mr. Herget, Chair of the College Foundation.

Report on the Council of Foundations

Mr. Fryer and Mr. Herget reported on the Council of Foundations’ recent planning efforts. At its May meeting, the Council decided to re-evaluate its fundraising model in preparation for future fundraising efforts. It was noted that the Council, which was created to bring the development functions of the foundations and University Advancement under one roof, is a hybrid model that has served the University well, but can be more effective and efficient. A working group identified areas of common concerns and opportunities with University Advancement, ways to promote more collaboration, joint fundraising, and sharing of best practices among foundations, and optimal decision making strategies for the foundations and University Advancement especially regarding investment resources.

The working group discussed the respective roles of the foundations and University Advancement and the leading roles that the schools and their foundations will play in the next campaign. They acknowledge the importance of developing goals that meet the needs of both the individual schools and the University as a whole. They see faculty support and financial aid as significant areas for fundraising in the future. They noted that donors want to see a stable financial model that addresses current and future needs before making their gifts, and they want strong leadership from the Board of Visitors in the areas of financial stability and governance. Council members also believe that a solid financial plan will require higher in-state tuition.

The discussion session that followed focused on leadership, in-state tuition adjustments, and the potential for conflicts between the foundations and the University. With regard to the Board’s leadership role, Mr. Herget, who has served on the Board of Visitors at the College of William and Mary, noted that its Board led the process that resulted in the William and Mary Promise. He also noted that there was a marked increase in donor support after the plan was in place. A discussion ensued about the William and Mary Promise. William and Mary’s tuition is $682 more than the University’s, however, William and Mary’s fees are $2,300 higher than the University’s. Philanthropy has enabled the University to minimize debt for new facilities, which may in part account for the fee differences. In response to donor
concerns about the University’s finances, it was noted by members of the Board that the University has a solid financial base and the Board is finalizing a five-year financial plan in support of the strategic plan, faculty hiring needs, and financial aid. Mr. Herget and Mr. Fryer indicated that better communication of the University’s financial strength is needed. Board members also noted that the Board is addressing governance; however, the process takes time. With regard to potential conflicts between the foundations and the University, the presenters noted that the individual foundations are aware that the University as a whole needs to be successful if the individual schools are to be successful.

In their closing remarks, the presenters said campaigns tend to focus on the present day and the immediate tomorrow. The Council has concluded that the foundations and the University have underinvested in the long haul, in annual giving and engagement, and in the creation of a pool of new prospects for major gifts. A culture of philanthropy should start when students graduate. It should stress to new alumni that the University was founded on the principle of the perpetuation of liberty through the education of leaders, and this mission makes the University unique.

Report by the Chief Communications Officer

Mr. Martel reported on the Uncommon Thinking campaign, which has the objectives of expanding the University’s media presence and demonstrating how the University contributes to the common good. The strategy is to have a unified University voice, an emphasis on storytelling, and a focus on ingenuity, ownership, and passion in service of the greater good. The campaign’s exposure to date includes a circulation of 5.8 million with 10.8 million potential readers. The social media exposure is 183,000. The campaign’s videos have been viewed by 55,000 people.

Report by the Senior Vice President for University Advancement

Mr. Luellen reported on annual giving and philanthropic cash flow for the first quarter of fiscal year 2015. Annual giving totaled $11.5 million; this is a 2% increase from the first quarter of the previous year. There were 7,811 donors, which is a 6% increase from last year. He noted that November and December are important months for the annual giving campaign. The President’s annual fall solicitation letter will go out later this month to some 160,000 households; last year it generated $1.5 million. There will also be a one day “Giving to Hoos Day” email and social media campaign on December 2nd. This is a follow-up to last year’s campaign that was created by the Alumni Council. It focused solely on the last five graduating classes and raised nearly $130,000. This year’s campaign will go out to all alumni, parents, and friends.

Philanthropic cash flow for the first quarter was $45.3 million, which is nearly 50% more than the first quarter of the prior year.
The July 2014 cash flow was more than double the July 2013 total. The cash flow increase is uniformly distributed across the schools and units. New commitments were nearly $42.65 million, which is approximately double the previous year total for the same period. New commitments include $31.72 million in new gifts and $10.85 million in future support.

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On motion, the meeting was adjourned at 5:13 p.m.

SGH:wtl
These minutes have been posted to the University of Virginia’s Board of Visitors website:
http://www.virginia.edu/bov/advancementandcommunicationsminutes.html