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The authors, two experienced fundraisers, explain why private fund raising is important for public metropolitan universities. In this article, they describe the beginning of a \$50 million campaign at the University of Massachusetts Boston, a 33 year-old institution that had never previously mounted a major fundraising effort.

A First Campaign: The Case Study of the University of Massachusetts Boston:

The great majority of excellent not-for-profit organizations or universities have significant philanthropic support. For public metropolitan universities, it can be said categorically that without philanthropy, no institution can be outstanding. This is so for two major reasons.

First, state resources are limited, and they are allocated according to changing political interests. Sometimes public support for higher education is high and sometimes it is low, relative to other concerns. Nationally, the historical trend suggests a diminishing level of state support for public univer-

sities. On average, only about 40 percent of university operating revenue now comes from state allocations. There is also a political limit to the tuition levels that a public university can charge. At some point the public cries out if the level gets too high.

Second, because the mission of public metropolitan universities is to provide quality higher education to all who are qualified, they serve a wide constituency. Such institutions of higher education are the safety net for citizens of limited financial means. Public metropolitan universities are the most affordable option. Being accessible to a wide variety of students, metropolitan universities must provide both catch-up education courses as well as quality academic programs on a par with the best private colleges. This costs money, perhaps even more money than more homogeneous private universities spend. Therefore, philanthropy is essential to supplement public revenue in order to provide the highest quality education to the broadest range of students. In other words, philanthropy can make the difference between an educational product that a legislature can afford but that may be no more than adequate, and a superior product that all students and the community deserve.

The quality of public higher education is of great importance since public institutions of higher education still educate the greatest percentage of our nation's citizenry. Public universities provide the vehicle for the nation's least advantaged citizens to participate in the economic fruits of the knowledge society. From a broad viewpoint, it is critical for the public metropolitan university experience to be of sufficient quality to enable its graduates to compete on a level playing field with others. This sufficient quality requires sufficient resources.

The University of Michigan provides a useful example. Long committed to fund raising, the university has an endowment of \$1.3 billion. This endowment, a permanent corpus of funds that provides annual income to strengthen various parts of the university, is one of the reasons Michigan is regarded as one of the finest universities in the world. Such an endowment finances the excellent extras, provides a nest egg to see the university through tough economic times, and supports bold new academic initiatives.

Philanthropy or fundraising does more, however, than provide additional revenue. Asking for money forces a university to make its case or give reasons why it

deserves support. Before fundraising can begin, the university must organize its constituency, both alumni and nonalumni, to support the mission of the university. The quest for private support forces a university to tell the community what it is doing and why it is important. Alumni involvement in fundraising, both giving and gathering funds, provides a legitimate way for graduates to play a role in strengthening their alma mater for future generations.

The University of Michigan is just one of many older, well-established public universities that have been engaged in systematic and successful fundraising for many years. However, few if any of our metropolitan universities have done so. Most of them are young institutions, with an alumni body that is still both small and limited in resources, and without a tradition of philanthropic development. The substantial reduction in state funding of the last few years has forced many of these institutions to undertake a capital campaign for the first time. This article focuses on one such public metropolitan university that embarked upon a major \$50 million capital campaign, with little track record in private fundraising during its 33 years of existence.

University of Massachusetts Boston: The Context

The University of Massachusetts is a statewide system comprised of five independent campuses. The University of Massachusetts Boston was founded 33 years ago as the “urban campus” serving metropolitan Boston. Established in temporary facilities in downtown Boston in 1964, the campus moved in 1974 to a new facility on an isolated point of land south of the central business district.

A nonresidential campus, today UMass Boston offers 61 majors, 30 graduate concentrations, and 9 Ph.D. programs. The university serves 12,000 racially diverse students (8,000 undergraduates and 4,000 graduates). The average student age is 27, most students work part or full-time, and many have families. Many graduates are the first in their families to attend college.

Like many public metropolitan universities, the economic downturn of the late 1980s meant that UMass Boston had to cope with serious financial cutbacks. During a recent 5-year period, the university’s state appropriations were reduced by 30 percent. Only in 1996 did the university achieve the same level of funding it had

had almost 10 years earlier. While these cutbacks had a negative effect on all aspects of the institution, including morale, the university survived.

UMass Boston is unique in that it is the *only* public university in Boston, the largest and most prestigious bastion of private higher education in the world. There are 56 private institutions of higher education in the Boston area, including Harvard and MIT. In contrast, Michigan has the most prestigious public universities, but no comparable private institutions. As one might expect, the presence and influence of these private world-class institutions have weakened the enthusiasm and support for public higher education in the state.

UMass Boston had never mounted a serious fundraising effort. Excluding a federal appropriation of \$6 million as an endowment for the John W. McCormack Institute, named to honor the former House speaker and Boston's favorite son, UMass Boston had an endowment of only \$2 million after 33 years of existence.

Unfortunately, because the university had never conducted a capital campaign, it had also never touted its achievements and successes. Few people knew what UMass Boston did and how well it did it. The story was a secret shared only by its graduates and faculty. Unfamiliar with fundraising, the university did little to build a culture that encouraged philanthropy. Little attempt was made to communicate with its 55,000 alumni. For example, there were no alumni directory, no alumni magazine, and no alumni clubs. Essentially, alumni graduated from the university and went on with the rest of their lives. With little attempt to foster a sense of responsibility in alumni for the future of the university, most graduates left with no habit or interest in giving to their alma mater. In short, the alumni were like a loyal standing army that was ill-equipped, ill-fed, ill-clothed, and ill-informed. The combination of insufficient support from the state in difficult economic times, private university competition, and no fundraising tradition resulted in a negative self-image for the institution.

The Campaign

In September 1995, Chancellor Sherry Penney decided that this situation must change. She earmarked \$1.2 million to build a development program for a major fundraising effort, and she hired one of us, Michael Luck, a seasoned fundraising

veteran, to lead the development campaign as Vice Chancellor for Development. Plans were made, staff was hired, policies and procedures were implemented, and the atmosphere was changed. Thirteen months later, with \$10 million already in hand, the \$50 million campaign to help put *UMass Boston First* was publicly announced at the John F. Kennedy Library adjacent to the university. During that 13-month period, the entire campus embarked on a significant metamorphosis.

Kent Dove, in his classic *Conducting A Successful Capital Campaign*, lists seven prerequisites for fund raising success:

- Support and time commitments from all key groups—the governing board, the chief executive officer, prospective major donors and key volunteer leaders, the professional fund raising staff, and the institutional family;
- An organization with a clear image of self and a strategic plan for growth and improvement;
- Objectives based on important and legitimate institutional plans, goals, budgets, and needs;
- A compelling case for support, always presented in a written document and, in larger, more complex campaigns, in additional support materials;
- A market survey addressing internal and external preparedness;
- Leadership enlisted and educated;
- Major donors ready and able to give substantial lead gifts before any public announcement of the campaign.

While the authors of this article intellectually agree with Dove's list, UMass Boston felt there was more than one way to skin a cat. The university, which had allocated precious resources to expand its development program, needed to see results sooner than it would have taken to implement Dove's seven prerequisites methodically. In the trade-off between adequate preparation versus pressure to get going, the institution opted for the latter. Whether foolish, bold, insane, or inventive, the university proceeded with a "results now" orientation: let's build a house and its foundation simultaneously. Sometimes sheer momentum can carry the day.

The most important thing to be accomplished was to change how the university's internal and external constituencies perceived the school. Such consciousness raising is an ongoing process. It required weekly meetings with the chancellor and her executive staff, as well as countless visits with key alumni, deans, directors, faculty, volunteers, and community leaders. Many activities were pursued at the same time:

- An 18-person development staff was hired and trained, including fundraisers, computer experts, and support staff;
- An infrastructure (computers and other systems) was enhanced;
- Efforts were made to improve communications by creating a development office newsletter; a speakers bureau (where faculty make community presentations); a great cities advisory board; an alumni magazine, an alumni directory; a planned giving newsletter; campaign film, and literature; and scheduling of multiple academic leadership meetings;
- Alumni clubs were organized in different cities;
- Gift clubs were revised and upgraded;
- Prospect research began;
- A \$50 million fundraising goal for the campaign was established in consultation with key faculty and administrative staff; \$40 million are earmarked to maintain the quality of the faculty (\$15 million), ensure access (\$13 million), and strengthen teaching and research (\$12 million). Another \$10 million are intended to enhance the total educational environment of the campus, including a new campus center, modernization, maintenance, and repair of facilities, an art fund, and new equipment;
- A campaign cabinet was formed consisting of members of the community, faculty members, and administrators.
- And finally, consultants were used to codify essential fundraising systems, and to assist in the development and design of a case statement and film.

Some things were *not* done. No feasibility study was attempted. Although a feasibility study can be very useful for planning, the realities of the situation at UMass Boston prohibited the amount of time that such a study would have required. The leadership, which had never embarked upon a major campaign effort, wanted to see something positive happen quickly. The prevailing attitude was that although many people had never been asked to give, they did have a deep affection for the university and would support the cause.

The basic strategy of the campaign was to mount a major gift effort and to focus almost exclusively on large gifts. Large gift commitments were expected from everyone who loved or had an abiding affection for the institution. The number of contributors needed at different gift levels is shown in Table 1.

Table 1

UMass Boston First Campaign		
Number of Contributors Needed at Different Gift Levels		
Contributors Needed	Gift Range	
3 gifts	\$2.5-\$5 Million	
10 gifts	\$1-\$2.5 Million	
18 gifts	\$500,000-\$1 Million	
30 gifts	\$100,000-\$500,000	
=====	=====	
50 gifts	\$25,000-\$100,000	
100 gifts	\$5,000-\$25,000	
2,500 gifts	\$1,000-\$5,000	
7,500 gifts	below \$1,000	
Total	10,211 gifts	\$50 Million

We hope that sixty-one gifts of \$100,000 or more (above the line in the table), will raise \$42 million. The other 10,000 gifts are expected to yield the remaining \$8 million needed to reach the \$50 million goal. Efforts to identify major gift prospects (\$100,000 or more) concentrate on those who love the university rather than on people with money. The campaign's priorities are shown in Figure 1.

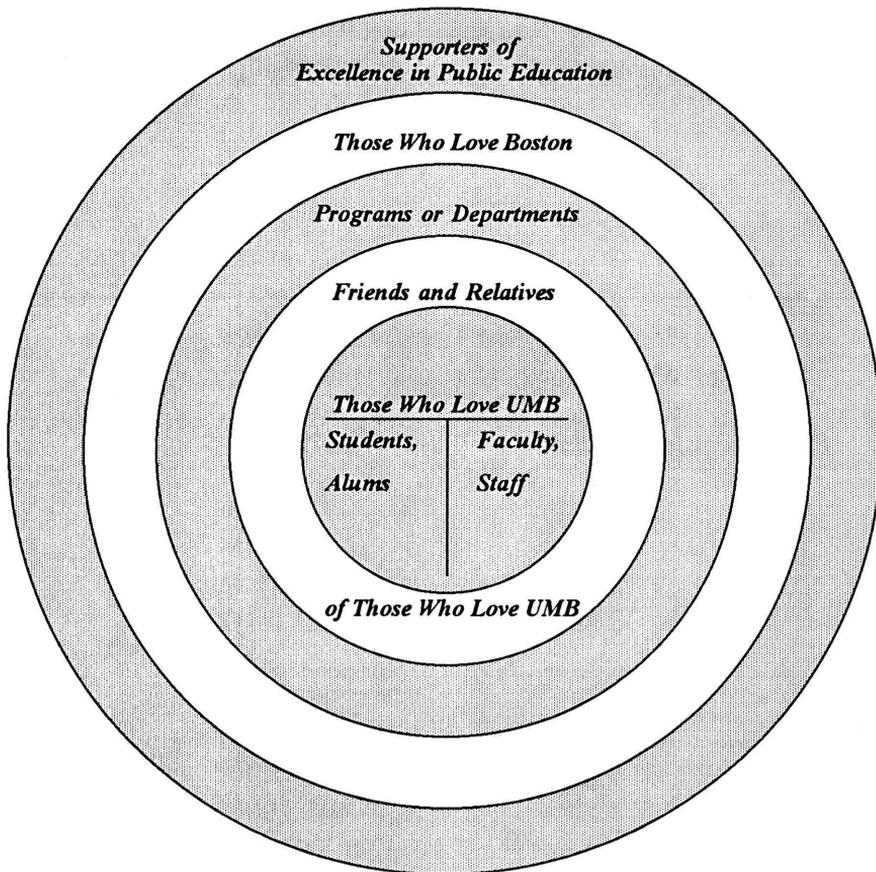


Figure 1. Target groups for UMass Boston's First Campaign

The focus on affection rather than wealth was based on the premise that people who have an abiding affection for the university will make major gifts. By using a combination of giving techniques (i.e., annual contributions, annuities, and trusts, as well as estate plans) the university seeks to accommodate itself to different donors' circumstances. Planned giving is a key component of the campaign strategy. The heart of the campaign is to encourage friends to make a major gift commitment by means of current as well as deferred gifts. In essence, by combining current and deferred commitments, almost anyone can be a great philanthropist.

The emphasis of the campaign was on building an endowment rather than on raising operating revenue. The endowment emphasis was enhanced when the new university system president, William Bulger, convinced the legislature to match all endowment gifts on a 1-for-2 basis.

The campaign staff uses volunteers in a different way from other university fundraisers. We ask them to open doors, provide entry, and use their influence, instead of soliciting prospects. The university does not have a large body of volunteers or the time in which to train them to become solicitors. Volunteers are used to identify and cultivate prospects. Although most major gift solicitation is handled by staff, the role of volunteers is critical.

Symbols have also played an important role in the campaign. Huge banners, posters, and signs promoting the campaign decorate the interior and exterior of university buildings; lapel pins and T-shirts decorate the campaign's supporters. Great care was taken to ensure that the symbolism of the campaign kickoff event was positive. The aim was to have an event that was a public testimony as well as an internal morale builder. On October 16, 1996, 350 guests attended a dinner at the Kennedy Library. Guests were greeted outside by a long line of students in campaign T-shirts with placards reading "UMass Boston First" and "Thank you for my scholarship." After the cocktail hour, trumpets summoned guests to a delicious dinner. Speeches were scripted, coordinated, and short. A symphony orchestra played during dinner and Boston's own Donna Summer provided the entertainment. The room was organized with the campaign cabinet on a dais at the rear of the room so that nobody had a bad seat. Double podiums on either side of the room helped the program move quickly

and seamlessly. During the evening it was announced that \$10 million, or 20 percent of the campaign, had already been raised. While this percentage is less than what most experts would advise, to UMass Boston it represented a visible sign that the university could raise real private support.

Where We Are Now

To mount a capital campaign from scratch in just 13 months is most unusual and problematic. But sometimes one can take advantage of opportunity. As Shakespeare's *Henry V* might have suggested, the cause was right, and our hearts were trim. UMass Boston students and faculty deserve an all-out effort. Our biggest problem so far was predictable. We rushed the planning and preparation process of the campaign. We consequently did not spend enough time identifying and cultivating our major gift prospects. We still do not know who all of our 61 major gift donors will be. We have five years to identify, cultivate, and solicit such people and meet our \$50 million goal.

Over \$10 million has been raised to kick off the campaign; a second alumni magazine has been published; an alumni directory will be published during the summer of 1997; and our chancellor, volunteers, and fundraising staff are busy visiting key prospects.

Conclusion

Private fundraising is essential for UMass Boston's future. If the university has rushed too fast to mount a \$50 million campaign, it was both to meet the institution's financial needs and to take advantage of the positive prevailing political and economic climate.

General Douglas McArthur once said, "the major reason for defeat in war and other important human endeavors can be summed up in two words, 'too late'." While the university development staff may be guilty of cutting corners by rushing the planning process, the university has seized the opportunity to get moving and mount a major campaign. Over the next five years, the campaign cabinet and staff intend to exceed the \$50 million goal. UMass Boston alumni, faculty and staff, retirees, and friends will not let the institution fail.