

CALIFORNIA STATE UNIVERSITY, FRESNO
COMMISSION TO PLAN FOR THE FUTURE OF UNIVERSITY
DEVELOPMENT

RECOMMENDATIONS TO DR. JOHN D. WELTY

SEPTEMBER 2011

CALIFORNIA STATE UNIVERSITY, FRESNO
COMMISSION TO PLAN FOR THE FUTURE OF UNIVERSITY DEVELOPMENT

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NOTE: LINKS TO RELEVANT BACKGROUND MATERIALS ARE INCLUDED IN THIS DOCUMENT

Introduction and Background

Introduction

After years of hard work, the *Campaign for Fresno State* will conclude in 2012, achieving the ambitious goal of \$200 million. Congratulations and gratitude are due all whose leadership, generous contributions of time, talent and treasure, and determined efforts made possible the largest fundraising endeavor since Fresno State's founding in 1911.

And then what happens?

A new set of challenges and opportunities awaits the University and all of those responsible for the campaign's success. There are new signals of *confidence*, a higher *expectation*, a deeper understanding of *the value of private financial support*.

How will the University maintain fund-raising momentum? How will it re-focus and re-tool the advancement program for success in a non-campaign mode? When will fundraisers again approach donors who gave generously during the campaign? How will fundraisers determine how best to start bringing in new big gifts for Fresno State after most cultivated major donors were tapped to help meet the campaign goal? Is the University staffed to provide appropriate and continuing stewardship to current and prospective donors? What will be the role of the annual fund? How will Fresno State effectively use volunteers when "campaign mode" concludes? What further investment is required for Advancement Services to provide optimum level service to fundraisers and to donors? Why is it important to continue investing in robust internal and external communications when the immediacy of a campaign no longer exists?

And then there's "gearing up" for the *next* campaign!

What worked well in the *Campaign for Fresno State*? What did *not* work well? What lessons can be drawn from the experience? Are there changing patterns of philanthropy that will affect fundraising going forward?

The University's ability to tackle these and other challenges with skill, diplomacy, commitment and vision – even in a culture of economic recession – will make the difference between whether Fresno State keeps moving ahead or plateaus. After all, *the end of one campaign is the beginning of the next!*

Background

In early 2011, President John D. Welty invested a Commission with the charge of contemplating and recommending a five-year future for the Advancement enterprise at Fresno State. The Commission, reporting directly to President Welty, was responsible for gathering input, discussing issues and opportunities, seeking research and counsel, and making written recommendations for his consideration.

Dr. Welty appointed Dr. Paul Oliaro, Vice President for the Division of Student Affairs, to chair the Commission. After several months, Dr. Oliaro turned the Commission's leadership to Dr. William A. Covino, Provost, who became chair.

The consulting firm Barnes & Roche, Inc. was engaged to work with the Commission, and William P. Massey represented Barnes & Roche throughout the process.

Among Commission members, several shared traits emerged: the willingness to question and to change, to relinquish the hold of the past; to use technology to its fullest as a *tool* of advancement, not as a *substitute* for people; and with frankness and optimism to acknowledge that public funding will never again bridge the difference between what Fresno State *is* and what it *aspires to become*.

The Commission met monthly on campus, including one full day retreat, with information gathering, shared reading, research, and interviews between meetings.

The work of the Commission is represented in the attached pages, with attachments as evidence of the information gathering that was solicited in the formative stages of deliberations. The Commission's work is reflective of astute, serious, thoughtful attention to creating a culture of philanthropy that is sustainable, accountable, generous, transparent, and rewarding for both donors and Fresno State.

Overall, the Commission's work validates the Advancement Division at Fresno State as in line or consistent with other peer and aspirational university Advancement programs.

Commissioners were steadfast in their commitment to the President's charge, remained focused, and were congenial even in disagreement. The capacity to witness and understand experiences of others through filters of institutional culture, history, family and career backgrounds, university relationships, and contemporary challenges is a distinguishing trait that enabled the Commission to develop authentically and to present this report.

And while the Commission Report and Recommendations are imperfect, Commissioners agreed not to let the perfect be the enemy of the good.

With outstanding leadership and volunteer service to Fresno State, the recommendations herein are bold, aggressive, and necessary for Fresno State to achieve its mission over the next five years, a time during which when the imperative for private financial support is a reality that only the careless would ignore.

Girded with confidence secured through the success of the Campaign for Fresno State, and cognizant of the uncertainties of the present economy, the university is presented with its greatest opportunity and greatest challenge in the area of private financial support. *With optimism and strength, Fresno State will command its future rather than be commanded by it.*

The Commission is appreciative of this opportunity to enrich its learning of Fresno State and its Advancement mission, to work collaboratively and appreciatively for the university, and to conclude this task with heightened respect and admiration of the students, faculty, staff, administration, alumni, and community of Fresno State.

CALIFORNIA STATE UNIVERSITY, FRESNO
COMMISSION TO PLAN FOR THE FUTURE OF UNIVERSITY DEVELOPMENT
COMMISSION MEMBERS

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Fresno State

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Ray Steele
President elect, Fresno State Foundation
Fresno, CA

Marsha Vucovich*
President and Chief Financial Officer
Fresno Equipment Company
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Darin Zuber
Broker/Owner
D. Zuber Fine Homes & Estates
Fresno, CA

**Withdrew from Commission membership in response to family matters or business responsibilities.*

California State University, Fresno

Commission to Plan for the Future of University Development

As the Campaign for Fresno State begins to move to its final phase, it is important that the University plan for the future. The Commission to Plan for the Future of University Development, reporting directly to the President of Fresno State shall be responsible for the following:

Original Charge

1. Review and evaluate the evolution of private fund-raising at Fresno State including the results to date of the comprehensive development campaign strategies, organization, staffing and support structure including funding sources in support of the planning for and implementation of the Campaign for Fresno State.
2. Assess and propose the level of priority which should be given to private fund-raising for the next three to five years following the completion of the Campaign for Fresno State on June 30, 2012. Such review should include judgments about the potential effectiveness of private fund-raising in the future.
3. Identify best practices in terms of scope, strategy, organization, staffing and support for the conduct of development programs, including comprehensive campaigns, at 'peer' and 'aspiring' institutions — both public (inside and outside CSU System) and private (CASE/VSE Masters) levels.
4. Recommend an overall development strategy and organizational model for the ongoing Development Program utilizing information from 'peer' and 'aspiring' group institutions as a guide. Recommendations should include the various functional areas of fund-raising which should be given priority in the future. The roles of the Bulldog Foundation, Ag

Restatement

1. With [a brief history of private fundraising at Fresno State](#) as a background, what [lessons can be learned from the Campaign](#) for Fresno State that inform planning for the future?
2. What level of priority should Fresno State assign to private fundraising and why?
3. What "best practices" are found in development programs and campaigns at [peer and aspirational universities](#)?
4. Using information gleaned in #3 (above) and experiences at Fresno State, recommend a comprehensive University-wide development organizational model including all schools, programs and affiliated foundations.

One and Alumni Association should also be addressed.

5. Recommend organizational structure for both volunteer and staff to implement the various proposed advancement strategies.
 6. Recommend alternatives for funding the various proposed development strategies and programs which should be considered. Such alternatives should try and assess the potential effectiveness of alternatives and include an assessment of models used at 'peer' and 'aspiring' institutions.
 7. Develop recommendations on the most effective accountability measures which should be utilized in determining the effectiveness of the various components of development efforts.
 8. Review the development support structures which should be in place to support the long term growth of the Development program at Fresno State.
 9. Recommend a critical path time line for the implementation of the recommended Development Program strategy.
5. How can the University best welcome, mentor, support and appreciate [volunteer efforts](#) on behalf of Fresno State?
 6. What are ways to [fund University development](#) at the priority identified in # 2 (above)?
 7. Recommend methods for evaluating and measuring development program effectiveness.

[Measuring Advancement
Advancement Investment Metrics Study
Cost Benefit Analysis 2009-2010](#)
 8. What core [advancement services](#) -- accounting, receiving, receipting, prospect research, reporting, tracking and stewardship -- are necessary to support appropriately the University's investment in development?
 9. Define a timeline for implementing Commission recommendations accepted by the President.

CALIFORNIA STATE UNIVERSITY, FRESNO COMMISSION TO PLAN FOR THE FUTURE OF UNIVERSITY DEVELOPMENT

RECOMMENDATIONS TO PRESIDENT JOHN D. WELTY

Note: *Recommendations are presented without assignment of priority. The Commission fully appreciates the dynamics of timing, institutional culture, public funding, and on-going Campaign requirements that will inform President Welty's consideration of recommendations on behalf of Fresno State.*

A. Fresno State values the trust bestowed over generations by the State of California, its alumni and the community. Our greatest priority is ensuring the well-being of our state and community by being a university of the highest caliber. The approaching conclusion of the Campaign for Fresno State and the current economic climate make apparent the absolute necessity to continue securing increased amounts of private financial support in order to meet this commitment.

Recommendation: Campaign experience at Fresno State and [comparative data from peer and aspirational institutions](#) lead to our recommendation that the most appropriate organizational model for Advancement is the current “hybrid” approach, by which some Advancement functions are provided and housed centrally while others are assigned to and housed within campus units with goal setting and performance review provided collaboratively.

The Campaign for Fresno State afforded a real world “test” for the mission, vision, organization and operation of University Advancement. Strengths and weaknesses were identified to the Commission by university staff, volunteers, donors and members of the community. Capitalizing on the awareness created by the campaign and building on campaign strengths while transforming weaknesses identified throughout these recommendations into opportunities for the future are parallel goals of the Commission.

The necessity for private financial support of Fresno State will not diminish. Competition for gifts, especially major gifts, will significantly intensify. The importance of an efficient, effective and strong Advancement organization to sustain the momentum of private giving is essential.

B. In a shared vision of University Advancement, we are committed to nurturing, encouraging and recognizing at every level a collaborative and cooperative working environment that is accountable, transparent, supportive, respectful and affirming.

Recommendation: All private fundraising on behalf of Fresno State, including athletic fundraising, should report to and be fully coordinated with the Office of the Vice President for University Advancement. The reporting relationship of development officers throughout the university should be to the Vice President for University Advancement (or designee) and to the respective dean or director. Implementing this recommendation will result in the benefits of consolidated information, database usage and consistency in application of [Fresno State Advancement policies and procedures](#).

Recommendation: Those responsible for development activity must be competitively compensated, trained development professionals who are passionate in their commitment to building relationships that serve the university. They must be held to the highest ethical standards, to full accountability in achieving or exceeding ambitious annual individual and institutional goals, and to their on-going professional development. Development officers must be assisted in this critical responsibility by an appropriately sized, efficient staff, specifically including, but not limited to, researchers, gift processing staff and database/report managers, and supported with a robust internal and external communications strategy.

The Vice President for University Advancement, in consultation with respective deans or program directors shall, at the beginning of each fiscal year, ensure that mutually agreed upon annual goals of Advancement, Development and all fundraising staff are established and that, with appropriate review, they are accomplished, responding when necessary with training, mentoring, coaching, probation or termination. Consistency of advancement policies across university units shall be a shared core value, with the primary source of policy guidance being the [California State University, Fresno Advancement Services Policies and Procedures Manual](#).

The Vice President for University Advancement (or designee), director of development for a school/ unit, and dean/director of that school/unit collectively shall agree upon annual development priorities and goals as well as metrics by which success will be measured (individualized to the school/unit/program and the experience level of the professionals). All of the aforementioned must share responsibility for meeting those goals.

A consistent and regularly updated set of metrics for demonstrating progress should be specific, measurable, achievable, realistic, time-bound and aligned with Fresno State's Strategic Plan and high-level university goals. The dashboard-type platform should graph progress toward individual, unit and university goals. The dashboard should be updated continually, making it possible for individual development officers, supervisors and administrators and, for certain reports, foundation boards to monitor progress, celebrate successes and achievement, provide consultation and assistance, and/or consider remediation or intervention.

Metrics should document an ever-expanding pipeline of qualified prospects and donors by tracking Advancement staff “moves” to discover, identify, qualify, cultivate, propose and steward potential donors. Advancement should continue the valuable practice of development staff regularly reporting on the progress and status of their goals. As Advancement makes progress on achieving high-level university goals (or doesn’t, in some cases), progress and status should continue to be communicated to staff on a regular basis in an organization-centric approach. This results in greater accountability and engagement.

The annual performance review for development gift officers as well as the annual review for deans should include, as one measure, success in meeting agreed upon goals.

Priority level involvement of deans in furthering Advancement goals of the university is critical for success. Deans should share responsibility for achieving annual development goals. This shared responsibility is neither casual nor elective. Progress meetings should be held throughout the year to provide on-going feedback, help to manage progress toward goals, and determine where intervention may be appropriate to ensure success.

Regularly occurring on-campus professional development for deans, program directors and department chairs creates a greater synergy between academic roles and Advancement roles. Reinforcing their essential role in their program’s successful development efforts makes deans, directors and chairs more alert to development opportunities, assistance from central development office staff, and university policies and practices surrounding fundraising.

Recommendation: The Advancement enterprise at Fresno State comprises a significant number of administrators, staff and volunteers. Given the breadth of the operation, effective communication among individuals and groups is a challenge, but it is a worthy challenge. Significant attention must be afforded to the flow and consistency of communication across individuals and groups. In a shared commitment to transparency and consistency, reports and accounting should be standardized to avoid confusion that can spawn distrust. The trust and confidence of donors that gifts, trusts and endowment funds are used in accordance with and in amounts consistent with their understanding is a solemn obligation of the university. Preserving this trust and confidence requires absolute assurance that all reports relative to such contributions are consistent, without regard to the office issuing the report.

Sound judgment suggests that the complexity and confidentiality of information, accounting, data and metrics requires an agreed-upon number of reports that collectively share progress toward goals as well as permit the effective exercise of fiduciary responsibility. This is a daunting task, but an important lesson learned from the experience of the Campaign for Fresno State.

C. The university is best served when it maximizes capabilities within existing databases for capturing, managing and effectively using current and new data.

Recommendation: All fund-raising entities associated with Fresno State are required to fully utilize the “Advance” database (or a subsequent database) for documenting all university engagement including relationship building, contact, solicitation and giving, stewardship, special interests, legacy connections to the university, exclusions from solicitation or contact, primary university affiliation, current biographical information, etc. Information limited to ticket sales or subscriptions to athletic activities is singularly exempt from the “Advance” database. However, any development-related activity that results from ticket sales or subscriptions must be posted in the Advance database as frequently as daily.

The effective use of data for the benefit of Fresno State’s Advancement efforts is dependent in equal measures on systems and people. University staff who are required to utilize the “Advance” database must be provided and participate in training and regular refresher sessions, especially as new program modules are added or implemented, thus expanding the capacity of the database to be a trusted and accurate source of information. Anyone authorized to view, add, modify or delete content in the “Advance” database will be held accountable to adhering to the policies created for its management at Fresno State.

D. Great institutions command their future rather than being commanded by it. Fully aware of the fiscal environment of the State of California and the California State University, we recognize that for Fresno State to meet the needs of its students and the region, it must consciously and unapologetically support an aggressive on-going program to secure and manage private support. Over the past two decades, State funding for the university has fallen from 96% to 46%, thus requiring a more sustained development effort.

Recommendation: We believe that dependable funding of Advancement based on demonstrated need and coupled with transparency, consistency and performance accountability for ambitious outcomes represents the strongest long-term return on investment the university can make and is the single most important strategy for addressing the ever-increasing requirement to enhance private support. A more aggressive funding formula for Advancement is essential to respond to the heightened requirement of private funds. We recommend that the university consider a significantly increased operating fund allocation to Advancement. As evidence of a prudent investment in meeting the growing requirement for private financial support, the university administration shall every three years evaluate and determine the value added by increased investments.

We understand that adjusting the operating fund allocation at Fresno State will require the redistribution of funding from other university enterprises, which the Commission does not specify.

A partnership with university administrators and all fund-raising entities shall be responsible for identifying and securing the additional funds

In addition to increased operating funds mentioned above, consider revenue streams from among the following list of funding sources most frequently used in Masters-level universities. *Note: Fresno State currently utilizes some of these sources as noted. Consistency in application of policies must be practiced.*

- Gift assessment fees, with consistently applied policies (currently 8% of Fresno State's Advancement budget)
- Unrestricted endowment income
- Investment earnings, or "float," on non-endowed restricted funds
- Endowment management fees (approximately 19% of Fresno State's Advancement budget)
- Unrestricted gifts
- Possible untapped revenue opportunities at campus venues
- Student alumni fee

Recommendation: Within the Advancement enterprise, strategic investments must be targeted where success in the Campaign for Fresno State has demonstrated the most growth potential or institutional need. Specific attention should be afforded to increasing staff and program support to the following areas:

[Advancement Services;](#)

Planned Giving;

Schools/programs where success to date indicates that potential for gift income exceeds current staffing levels;

[Annual Fund;](#)

[Alumni services;](#)

Corporate and foundation support;

New and emerging programs;

Regional development efforts.

The efficient and effective use of resources in Advancement requires an acceptance of the practical reality that some development programs are more cost effective than others. Absolute return on investment should not be the only measure of an efficient development operation. To the contrary, the Advancement enterprise must envision Fresno State's role in the continuum of an individual's life from an enrolled student to estate planning. Said another way, it is essential for long-term success that the university's connection with constituencies must be relationship-based rather than simply transactional. For example, investment in an annual student philanthropy program, in itself not immediately cost effective, begins developing habits of the heart that accrue significant benefit to Fresno State over a lifetime. Similarly, an estate gift to Fresno State may be realized at the end of one's life, but decades of attentive, purposeful cultivation and stewardship may be the unspoken "investment" the university makes in that gift.

Current and future demographics reveal healthy opportunities for Fresno State to ensure that its entire Advancement operation, including the Alumni office, reflects to a greater degree the rich ethnic and cultural diversity of students and alumni. By honoring philanthropic traditions and customs within the university and region's populations, strong relationships of trust and mutual support are possible with all university constituencies.

The assignment of directors of development within schools/units/programs should be on the basis of demonstrated performance and anticipated potential rather than an assumption that all areas within the university require similar staffing levels. With the expectation of a positive return on investment, schools or programs demonstrating exceptional results in development should receive the investment of additional gift officers or support staff.

Recommendation: Schools, units or programs that most successfully meet or exceed annual performance measures should be rewarded accordingly. The Vice President for University Advancement, in collaboration with the President and senior University administrators, should consider incentives that share with the school, unit or program a portion of new gift income successfully cultivated, "closed," and stewarded by the school, unit or program.

A robust multi-platform Annual Giving program is the bedrock for developing the pleasurable habit of making modest gifts that, over time, have the potential to increase into major gifts. Consistent with its name that implies the importance of donor retention, developing strong annual alumni philanthropy requires a judicious investment of staff and resources in a *full* expression of annual giving components: direct mail, telemarketing, web-based fundraising, student philanthropy program, parents program, class reunions, school-based annual campaigns, regional annual campaigns.

Recommendation: The Commission recommends a robust Alumni operation and that, in conjunction with its Alumni Association, the university evaluate a re-alignment to a [high visibility, high impact, all-inclusive alumni engagement unit](#) providing programs and services that add value to current students and to all alumni. The Commission believes that consideration of a new model is prudent.

An electronic survey can be one effective tool to determine programs/services most highly valued, some of which Fresno State's alumni program currently offers. By including in a blind survey services/programs currently offered alongside services/programs that are not offered, alumni can express their priorities that affirm existing programs/services or indicate other or additional programs/services that may be more highly valued.

Some typical alumni programs/services are: lifetime career services, regular communication through publications and social media, regional networking events, regional lectures by faculty and other Fresno State leaders, online alumni directory, lifetime email forwarding, job-alert listservs, career conferences for students, Homecoming weekend, Alumni admissions forum, Fresno State in-depth weekends on campus, assistance with the college admissions process for children and grandchildren, volunteer opportunities, library borrowing privileges, on-campus wireless access, free transcripts by request, after-hours access to gated parking lots, university bookstore discounts, “class notes,” travel and discount programs, electronic newsletter, advocacy with the legislature and elected bodies, reunions, lifetime memberships, etc.

E. Fresno State demonstrates appreciation for volunteers, donors and the community by valuing and respecting the time, talent and treasure of its supporters.

Recommendation: Intentional and consistent focus on being an “appreciative culture” requires that the university build on its interaction with prospective donors, volunteers and the community as *relationships* rather than *transactions*.

Outstanding [volunteer service](#) on a board, council, commission or committee should be recognized and valued as a strategy for identifying the most distinguished and committed volunteers for the more esteemed levels of volunteer service within the university.

The university’s story is replete with outstanding examples of heroic staff and volunteer stewardship; it likewise is sadly burdened by examples of neglect and insult. Outstanding examples of stewardship practices should be celebrated and shared across the university; lessons learned from missed opportunities may be equally valuable in preventing similar mishaps. A university-wide recognition, at *every* level, of the centrality of constituents as long-term relationships rather than brief interludes changes and deepens the dynamic of the interaction.

Increasingly, volunteers will be mission critical to the university’s Advancement progress. To ensure the most enriching, effective and mutually beneficial experience for volunteers, purposeful care must be afforded to their recruitment, training and coaching, responsibilities, effectiveness, tenure, and recognition. On-campus parking permits for key volunteers and boards is an example of a past practice that should be re-instituted as a means of appreciating and valuing volunteer commitment to Fresno State.

Recommendation: All campus-related entities (i.e. auxiliary organizations, non-profit fund-raising organizations, school/college advisory committees, alumni groups) that use the name, likeness or brand of Fresno State must comply with CSU and Fresno State policies. These include [The California State University, Fresno Advancement Services Policies and Procedures Manual](#) and the University's [Graphic Standards Policy](#). While performing their duties, committees and boards must acknowledge the President's authority over all groups associated with Fresno State. They must strive to coordinate and integrate fund-raising activities with University Advancement in support of the [University's Mission and Strategic Plan](#). To that end, board or committee members shall receive written "board member descriptions" clearly stating expectations for service and giving, including making annual financial commitments commensurate with ability.