



EMPOWER
EXTRAORDINARY
THE CAMPAIGN *for* **MICHIGAN STATE UNIVERSITY**



Objectives

1. Learn how University Advancement can help you do your job of leading an academic college or program.
2. Learn how you leverage relationships with alumni and friends of MSU to help move your program forward.
3. Understand the importance of private financial support in advancing MSU's mission.
4. Determine your role in securing private support.



CAE

Council for Aid to Education
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FOR IMMEDIATE RELEASE
Tuesday, February 6, 2018
12:00 a.m., Eastern Standard Time

Colleges and Universities Raised \$43.60 Billion in 2017

Gifts from Alumni Rose 14.5 Percent and Reached \$11.37 Billion

Gifts for Capital Purposes Increased 12.3 Percent

Current Operations Gifts Inched Up 2.6 percent

Contributions to the Nation's Colleges and Universities Reached a Record \$43.60 Billion

Charitable contributions to colleges and universities in the United States increased 6.3 percent in 2017, according to the Voluntary Support of Education (VSE) survey, conducted annually by the Council for Aid to Education (CAE). At \$43.60 billion, the total is the highest level reported by CAE since the survey's inception in 1957.

Top 20 Fundraising Institutions – Less than 1 Percent of the Nation's Colleges – Raised 28.1 Percent of All 2017 Gifts. Gifts to These 20 Institutions Grew 10.5 Percent in 2017.

The Top 20 fundraising institutions together raised \$12.23 billion, 28.1 percent of the 2017 total. In 2016, the same 20 institutions raised \$11.07 billion.



Institutions that Raised the Most (and Amount Raised), 2017

| | |
|--|--------------------|
| 1. Harvard University | (\$1.28 billion) |
| 2. Stanford University | (\$1.13 billion) |
| 3. Cornell University | (\$743.50 million) |
| 4. Massachusetts Institute of Technology | (\$672.94 million) |
| 5. University of Southern California | (\$668.33 million) |
| 6. Johns Hopkins University | (\$636.91 million) |
| 7. University of Pennsylvania | (\$626.49 million) |
| 8. Columbia University | (\$603.08 million) |
| 9. Yale University | (\$595.89 million) |
| 10. Duke University | (\$581.05 million) |
| 11. New York University | (\$567.12 million) |
| 12. University of Washington | (\$553.89 million) |
| 13. University of California-Los Angeles | (\$550.93 million) |
| 14. University of Chicago | (\$483.47 million) |
| 15. University of Michigan | (\$456.13 million) |
| 16. University of Notre Dame | (\$451.43 million) |
| 17. University of California-San Francisco | (\$422.17 million) |
| 18. University of California-Berkeley | (\$404.59 million) |
| 19. Ohio State University | (\$401.85 million) |
| 20. Indiana University | (\$398.26 million) |



Development

College and Unit Development
Regional Major Gifts
Corps and Foundations
Planned Giving

MSU Alumni Association

Regional Alumni Engagement
Lifelong Enrichment for Spartans
Alumni Career Services
Association of Future Alumni / Izzone

University Advancement

Adv. Information Systems

Alumni Biographical Records
Gift Processing
Prospect Development and Donor
Strategy
Business Intelligence and Analytics

Adv. Marketing & Communications

alumni.msu.edu / givingto.msu.edu
Alumni Magazine / Developments
Direct Mail / Greenline Telemarketing
Event Production
Donor Stewardship

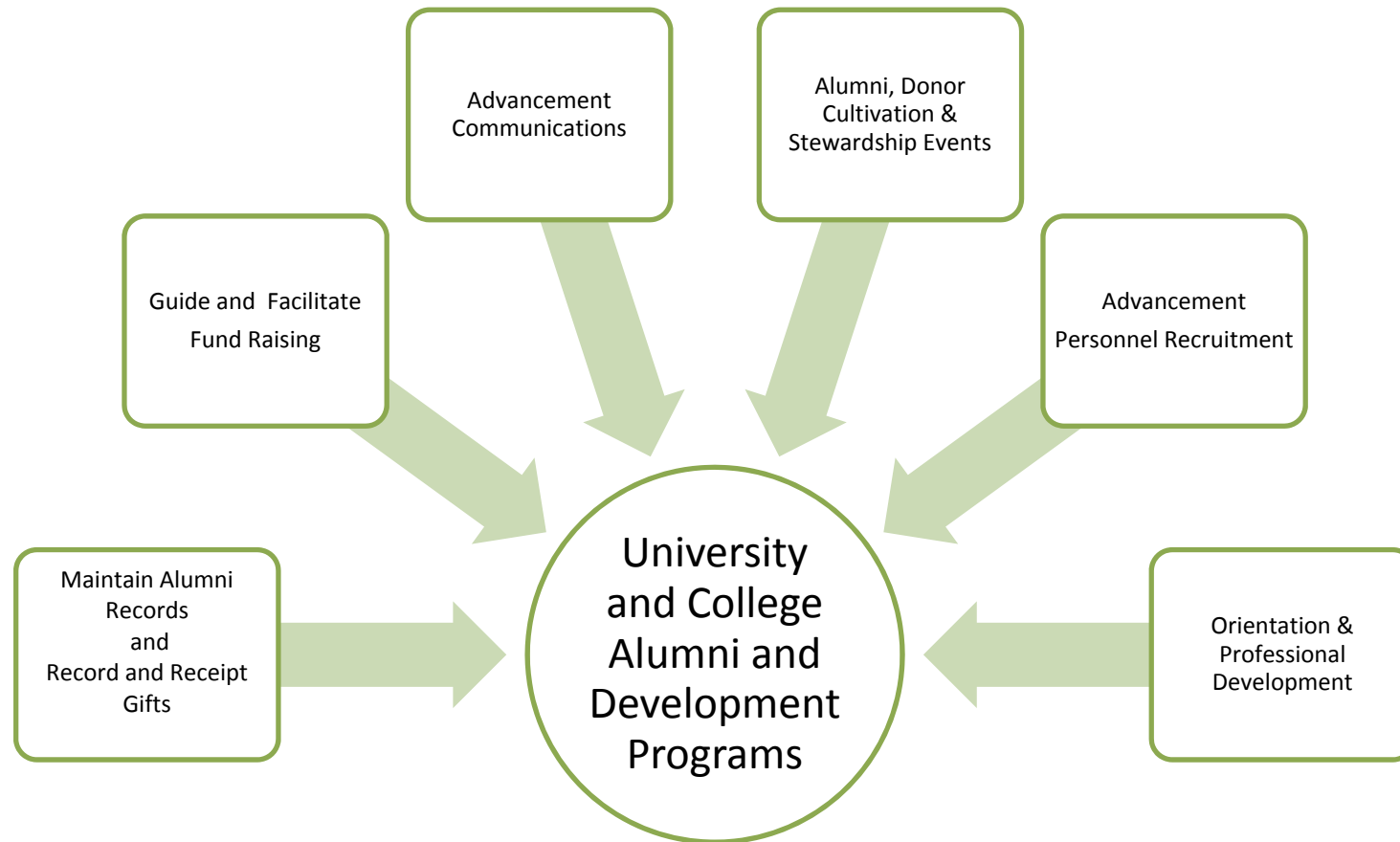


Quick Facts about MSU and University Advancement

- Living Addressable Alumni*: 450,000
- Database of more than 1,000,000 alumni, friends, corporations, foundations and other organizations
- Number of Employees: 240+
- Staff Supported: 300+ (UA provides database access, training and coordination to school, college and unit employees who do not report to UA)

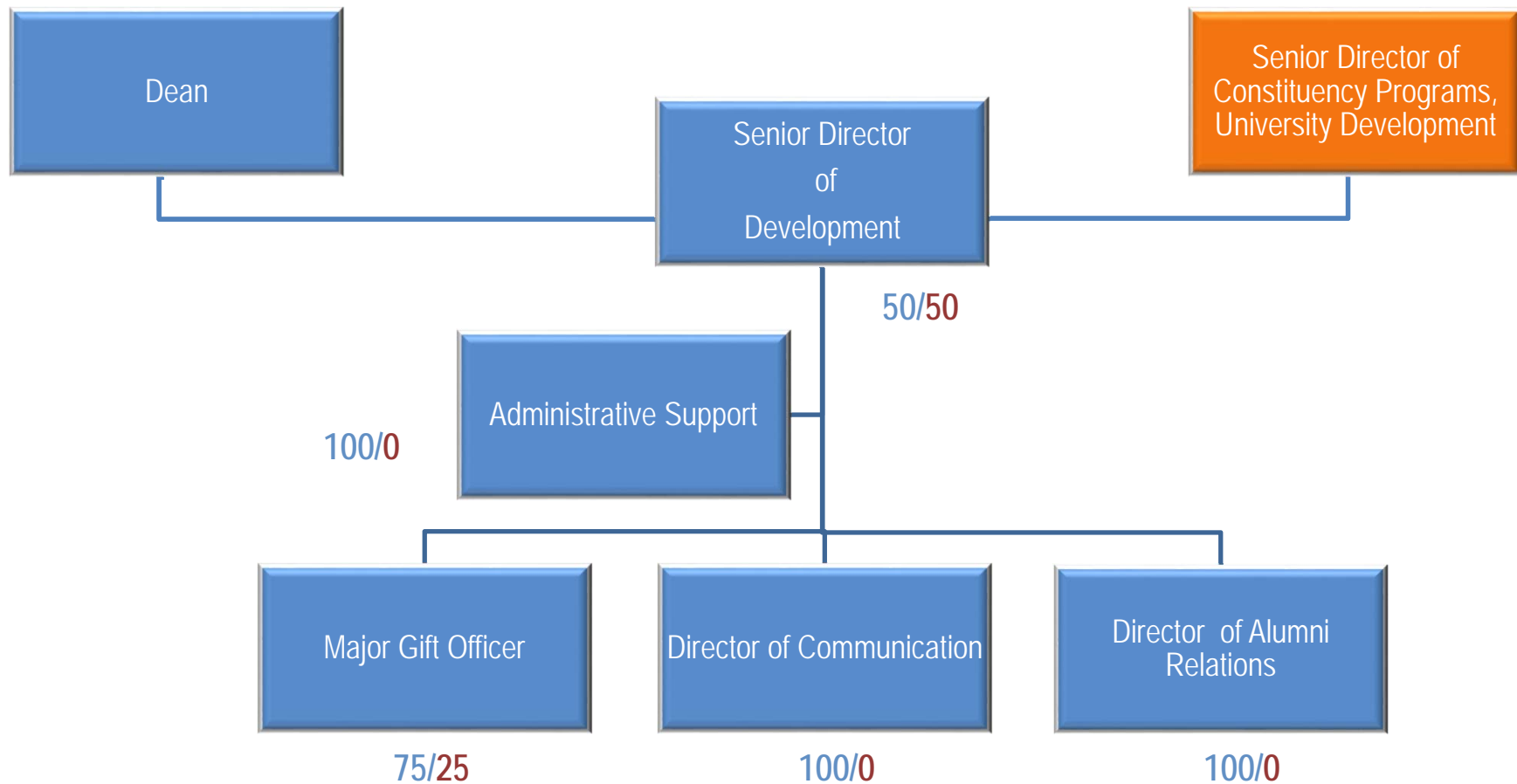


Campus-wide Advancement Services



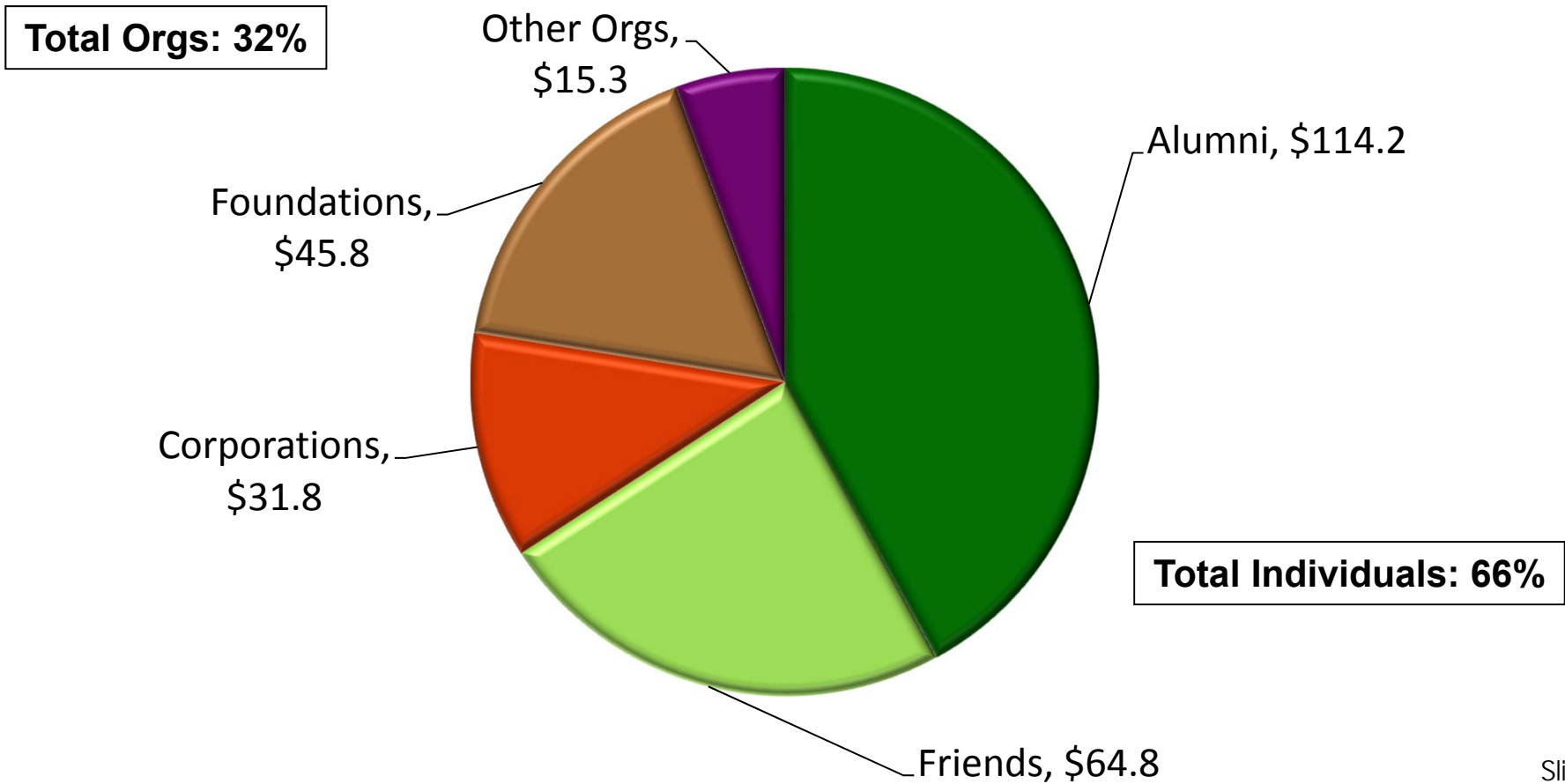


Sample College/School Partnership



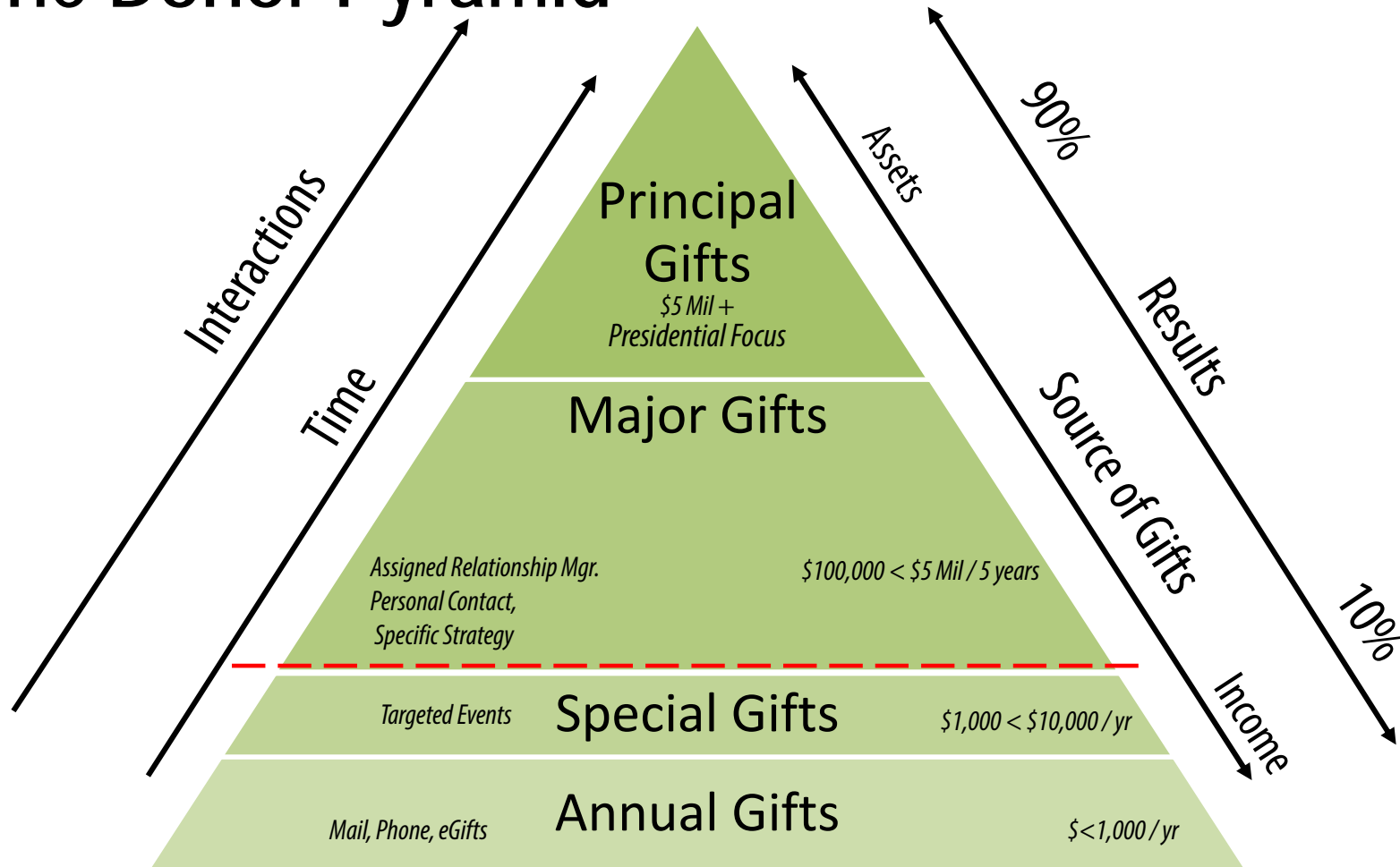


FY2016 Total Giving Activity: Source of Private Support



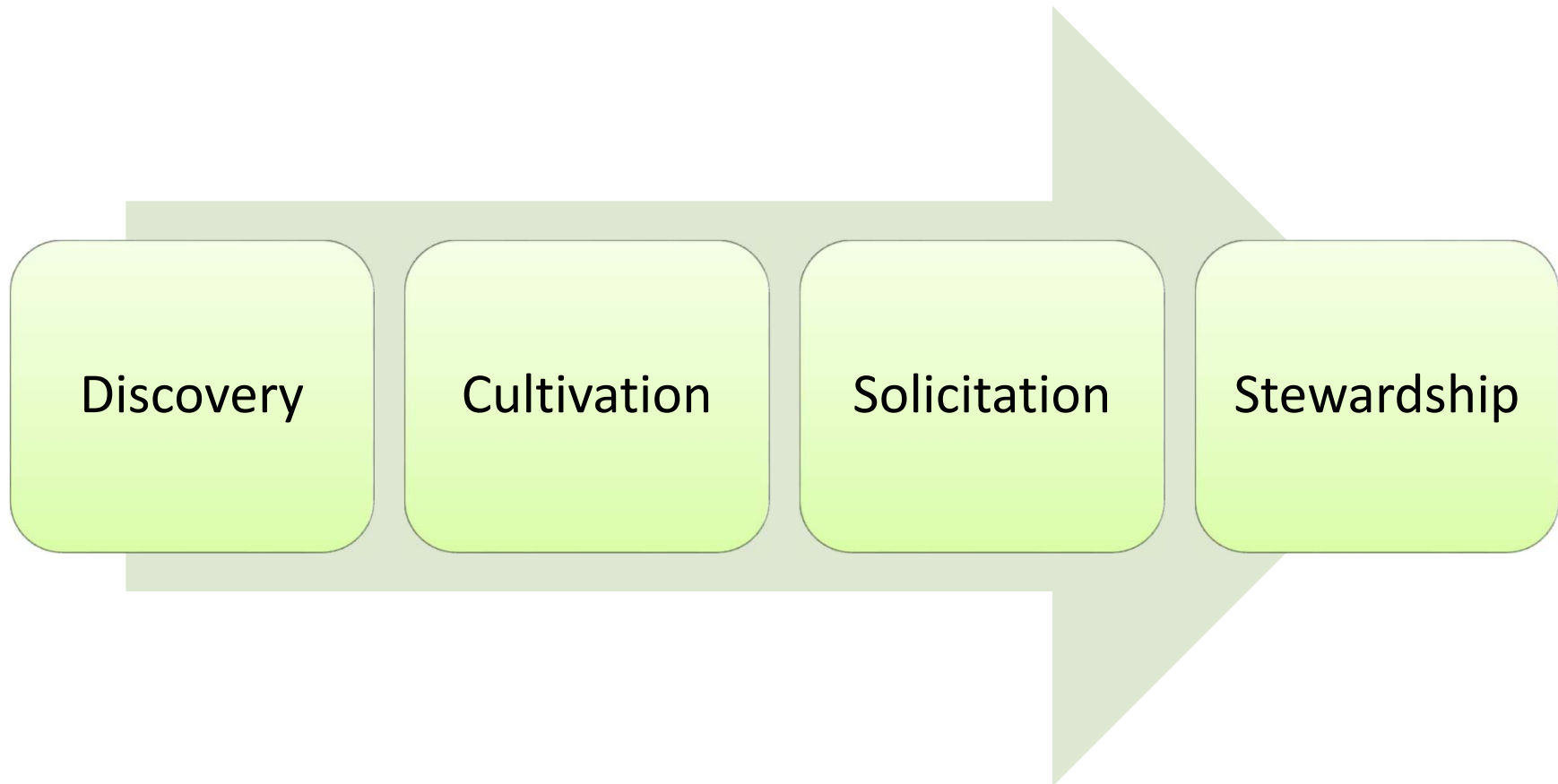


The Donor Pyramid





The Donor Continuum



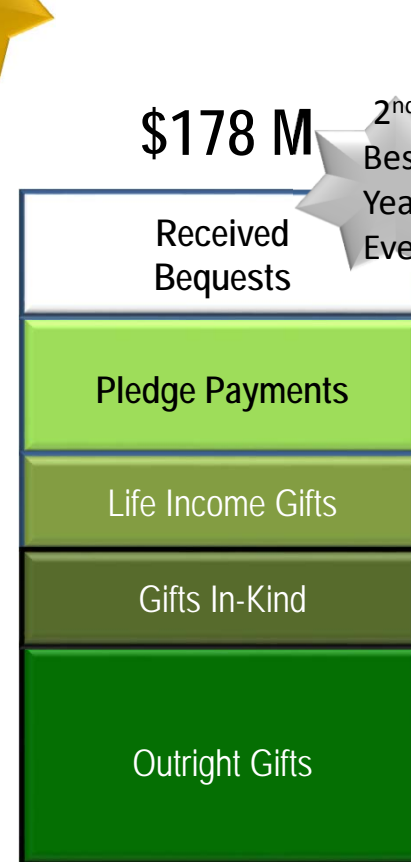
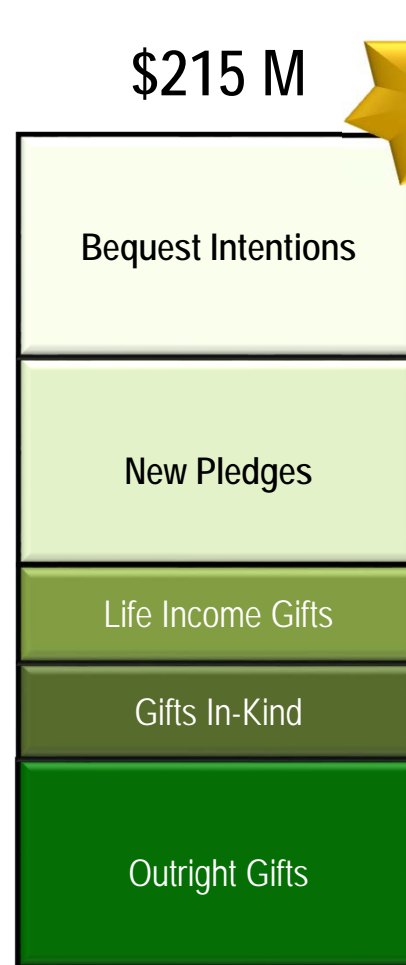


Total Gift Production vs. Cash Receipts

Total Gift Production

- All new gifts acquired in the current fiscal year including new pledges and bequest intentions – a measure of new development productivity.

(Campaign Counting)



Cash Receipts

- The most conservative accounting of giving, accounting for only actual gifts in-hand

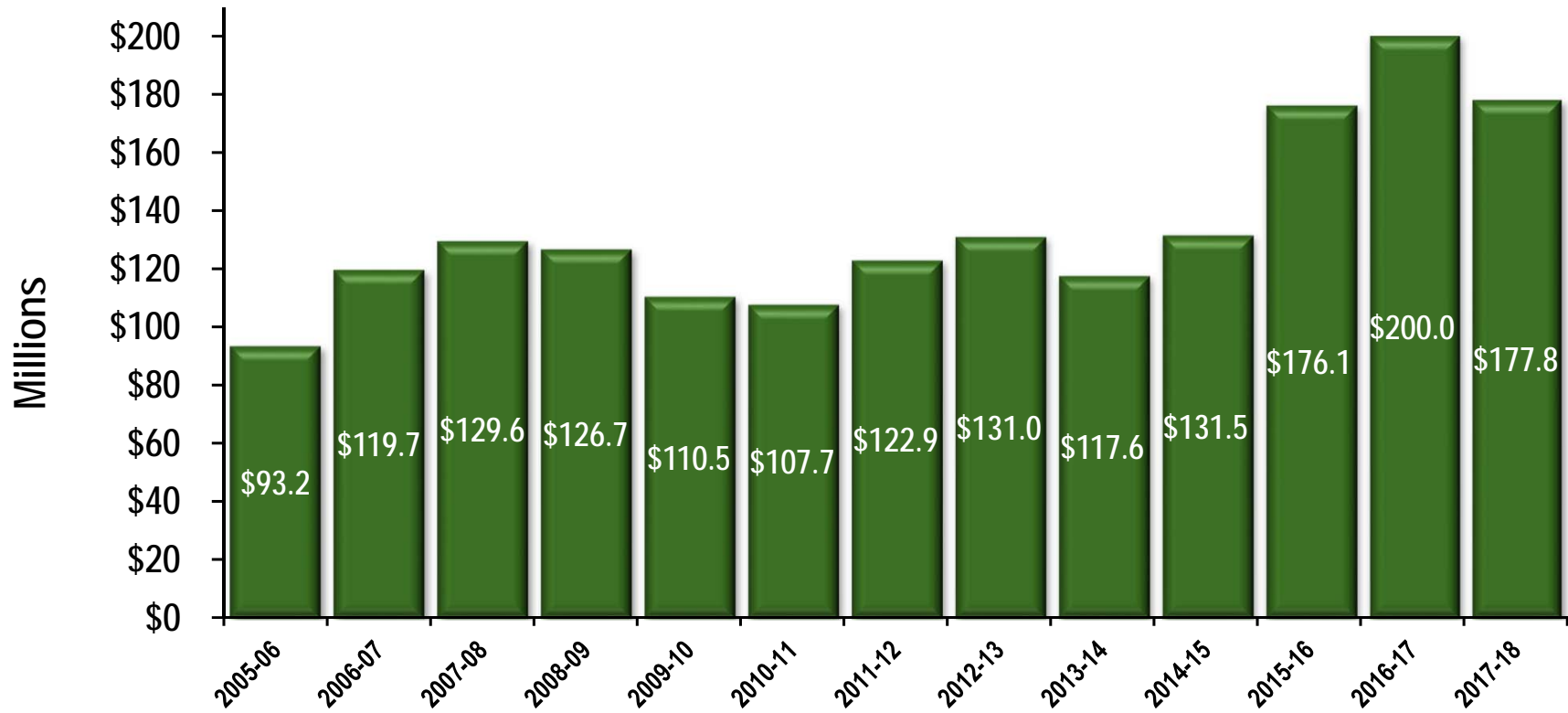
(CAE- VSE Survey)



Total Gift Receipts

Cash Gifts, In-Kind Gifts, and Irrevocable Planned Gifts Combined

Note: Irrevocable planned gifts stated as future value of gift





Total Gift Receipts

(continued) (millions)

| Fiscal Year | Current Operations | Capital Purposes | Irrevocable Planned Gifts | Total Gift Receipts |
|--------------------|---------------------------|-------------------------|----------------------------------|----------------------------|
| 2014 | \$ 70.3 | \$ 46.4 | \$ 0.9 | \$ 117.6 |
| 2015 | \$ 71.3 | \$ 56.9 | \$ 3.3 | \$ 131.5 |
| 2016 | \$ 106.2 | \$ 65.2 | \$ 4.7 | \$ 176.1 |
| 2017 | \$ 115.8 | \$ 82.9 | \$ 1.3 | \$ 200.0 |
| 2018 | \$ 91.1 | \$ 85.5 | \$ 1.2 | \$ 177.8 |



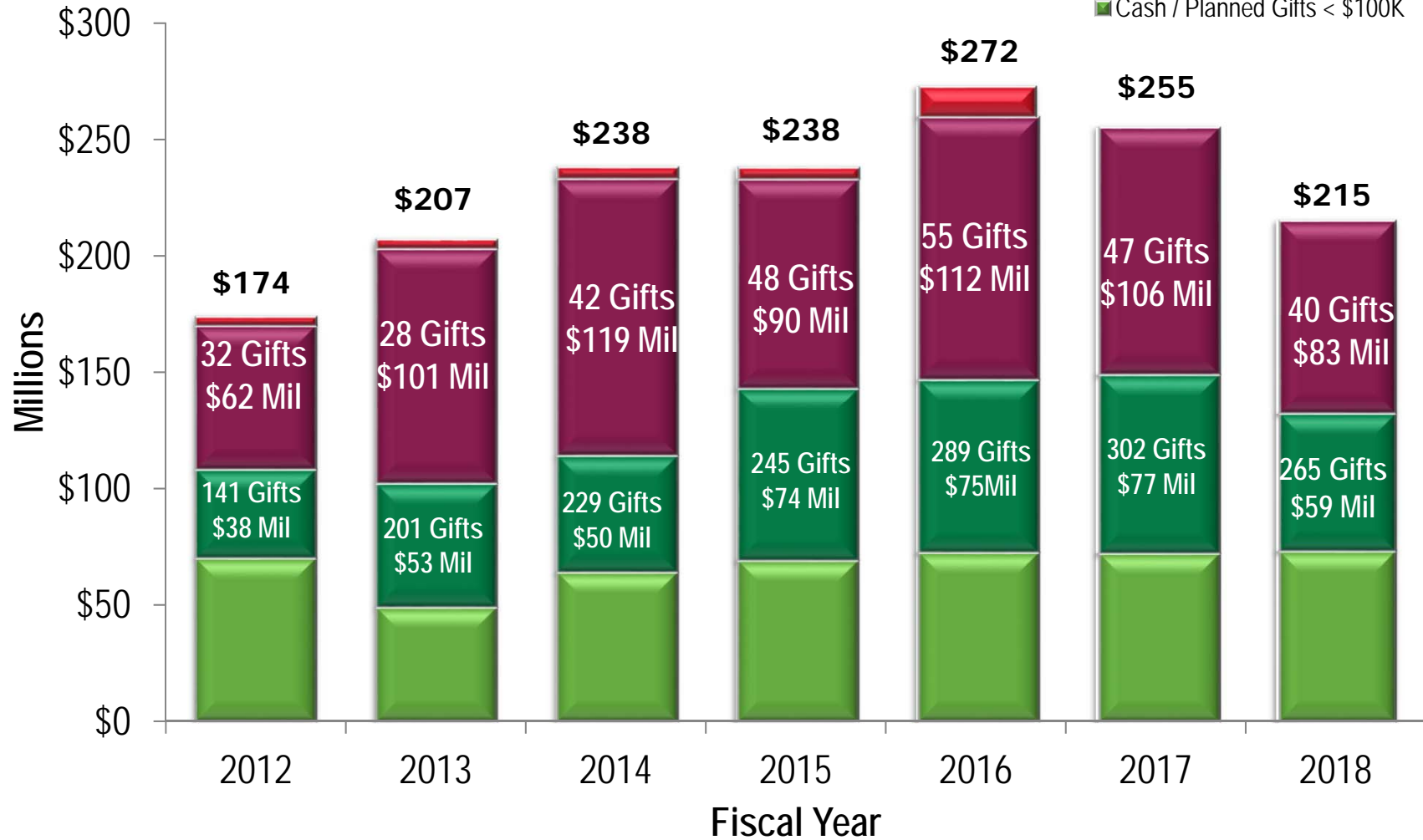
Impact of Cash Receipts in FY2018

- **\$178 million in cash receipts is the second highest total ever – despite the impact of Nassar –related publicity and tax law impact.**
- **An estimated \$15 million in athletic seat-premium-related gifts have shifted from gift accounts to “other revenue” due to tax-law treatment, but these funds still are a part of the university’s revenue stream.**
- **An additional \$58 million will flow into endowment investments from private gifts received this fiscal year.**
- **\$27 million was received for capital projects this year.**
- **Nearly \$22 million was received this year in realized bequests from 164 individuals.**
- **In FY2018 YTD, an additional 15 endowed chairs and professorships have been secured, bringing the campaign total to date to 84.**



Large Gifts Drive Totals

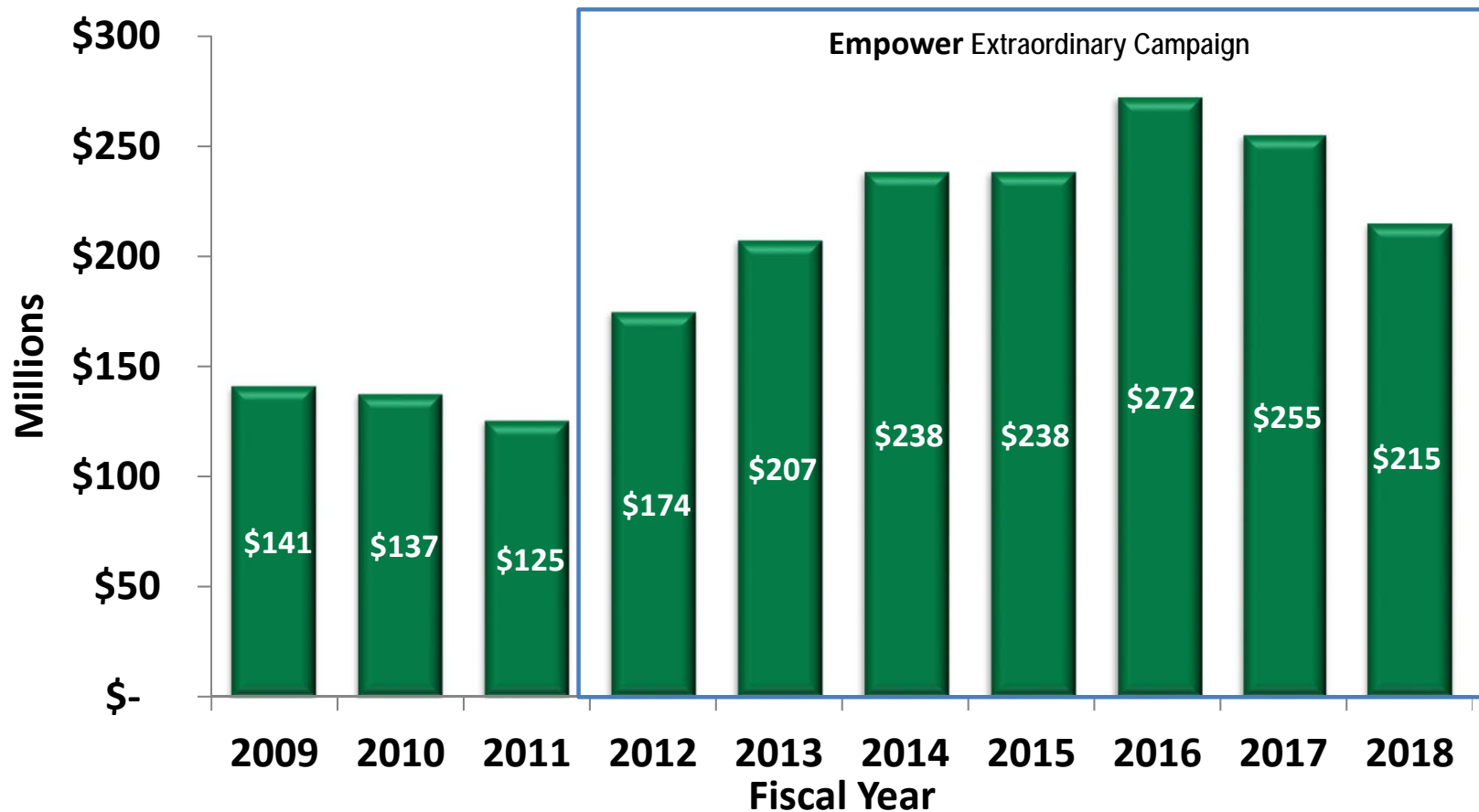
- Gifts in Kind \$1 M+
- Cash/Planned Gifts \$1 M+
- Cash /Planned Gifts 100K < \$1 M
- Cash / Planned Gifts < \$100K





Total Gift Production

New Cash, Pledges, In-Kind, and Planned Combined





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MICHIGAN STATE UNIVERSITY

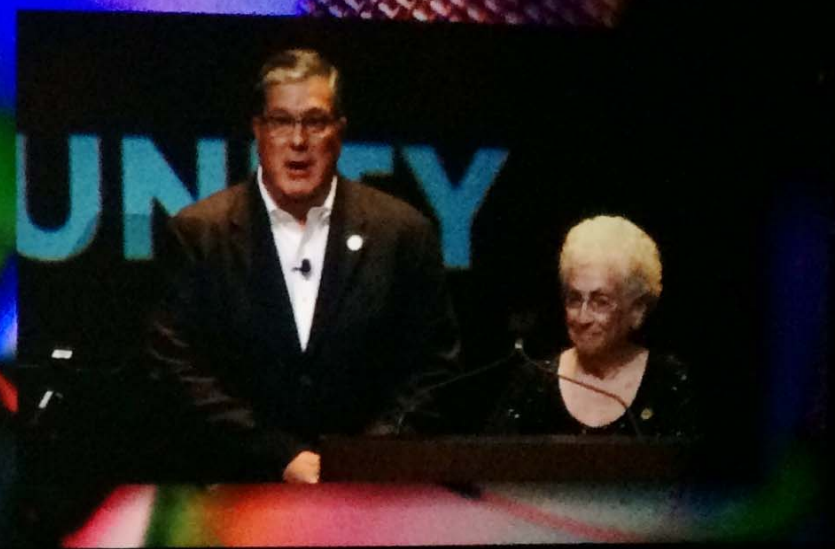
MICHIGAN STATE
UNIVERSITY

University Advancement





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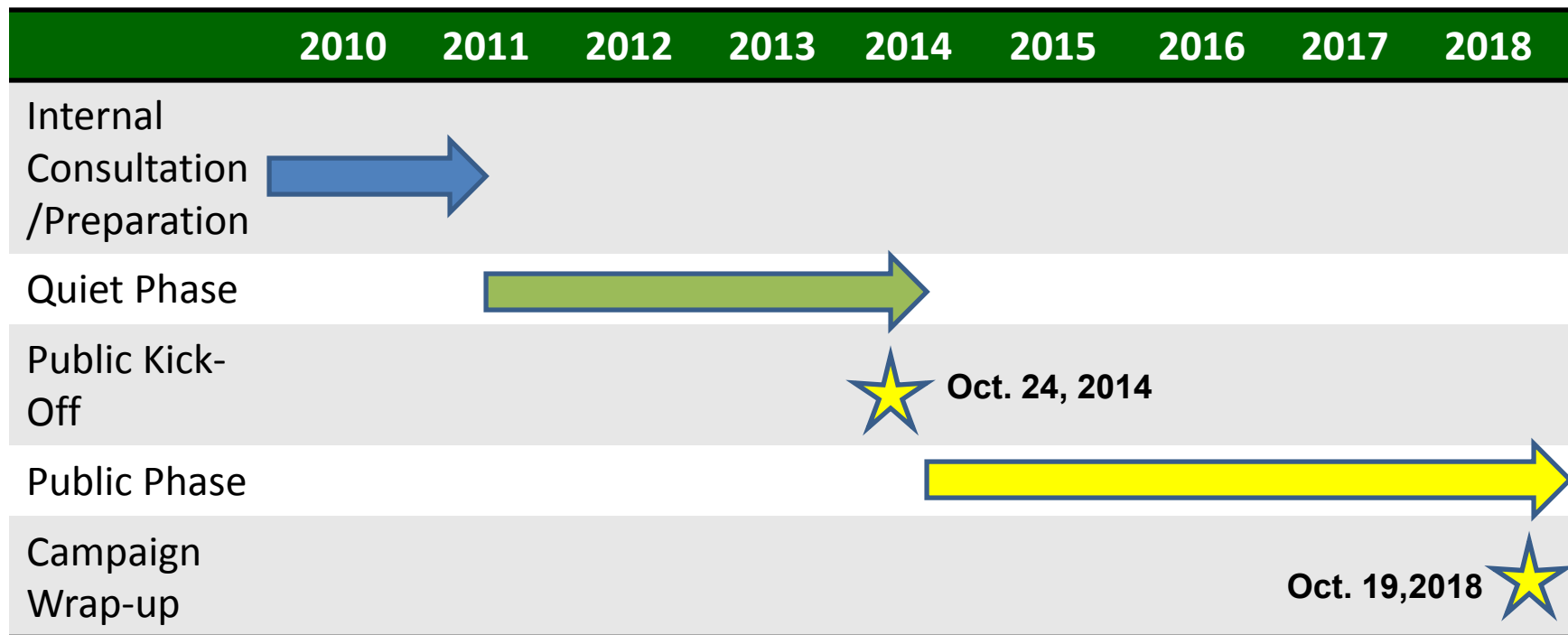


Why do we do Capital Campaigns?

- Campaigns provide a discipline for setting fundraising priorities
- Campaigns create excitement, intensity and a series of deadlines that motivate donors to give, and give at higher levels
- Campaigns create pride and a positive environment in the university that help to re-energize alumni, faculty and staff to seek and give private support
- Campaigns generally bring 25-40% new money to a university that would not have been raised otherwise
- Campaigns help fund high-priority needs such as scholarships, fellowships, professorships, research, new programs, and buildings
- Campaigns bring discipline and accountability to fundraising personnel and programs



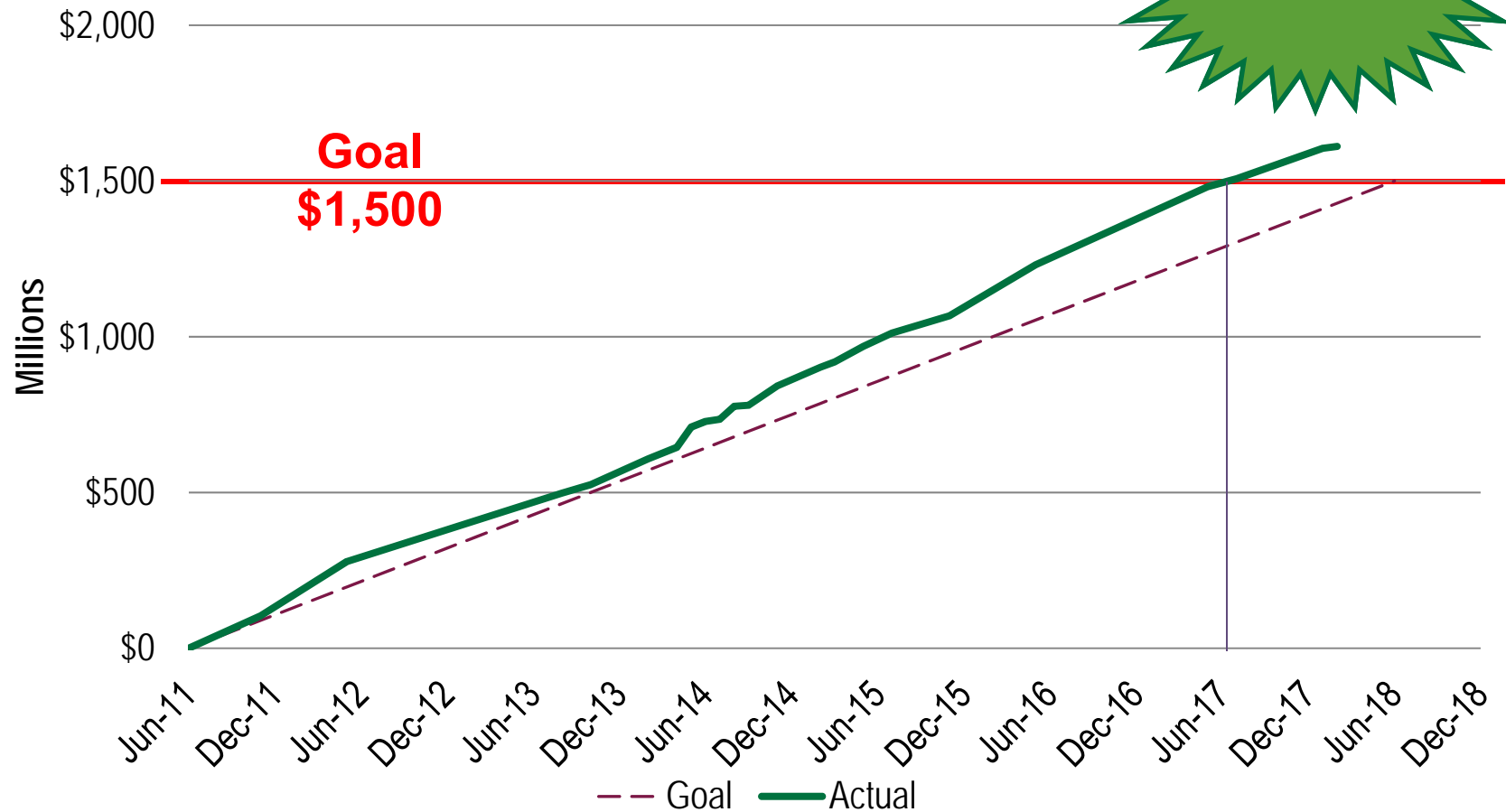
Campaign Time Table



EMPOWER EXTRAORDINARY
THE CAMPAIGN for MICHIGAN STATE UNIVERSITY

PROGRESS TOWARD CAMPAIGN GOAL

June 30, 2018
\$1.64 Billion





Empower Extraordinary Campaign Results

(7/1/2011 – 6/30/2018)

- **The university began the quiet phase on July 1, 2011 and the public launch occurred on October 24, 2014.**
- **In September of 2017, the university surpassed the campaign goal of \$1.5 billion, and as of June 30, 2018 we surpassed \$1.64 billion. We have exceeded the goal by more than 11%. The campaign will officially conclude on December 31, 2018.**
- **Nearly \$684M has been committed for endowments, which represents more than 41% of the total dollars raised.**
- **59% of all gifts are now from individuals. At the close of the last campaign, only 49% of gifts were from individuals. This represents increased fundraising capacity of the institution.**
- **Final Year of Capital Campaign – new multi-year major gift commitments of \$1 million or more are slowing down as expected.**



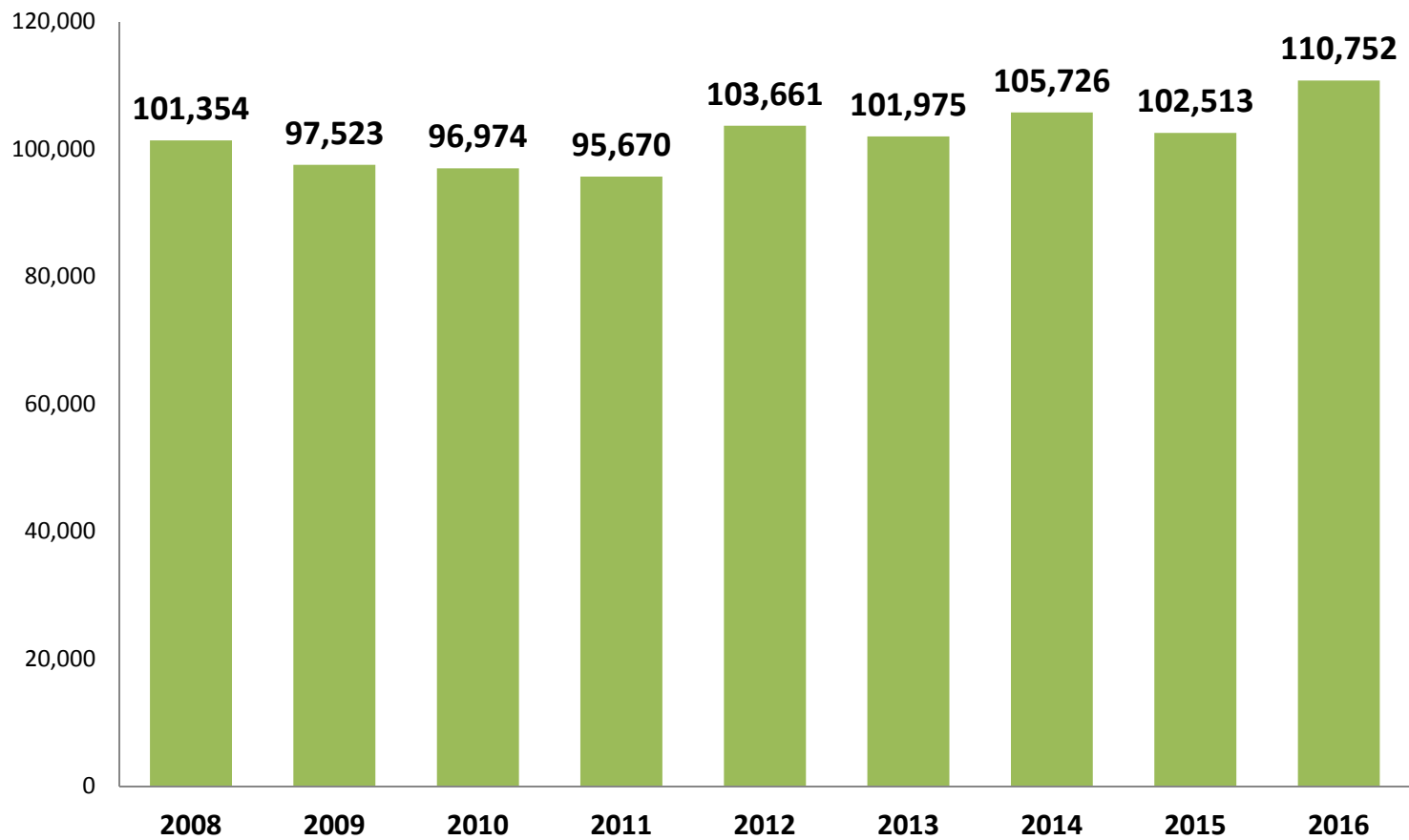
Gift* Cancellations due to Nassar Scandal

| Groups | Donors | Designations | Value | |
|---------------------------------|-----------|--------------|---------------------|---|
| MasterCard Foundation | 1 | 2 | \$5,000,000 | Amount estimated. Current obligations to be honored. Reconciliation in progress |
| Commitments of \$10,000 or more | 10 | 18 | \$13,529,253 | 16 of 18 were bequest intentions. Largest was \$5 Million. |
| Commitments less than \$10,000 | 20 | 20 | \$10,640 | |
| Total | 31 | 40 | \$18,539,893 | |

* Includes cash pledges, bequest intentions and outright gifts.



Number of Donors





Nine “Musts” for a Program Leader

1. Provide a vision and direction for the program which is clear and ambitious
2. Provide development staff with a focused set of the fundraising priorities for the program and communicate the same information to faculty and other key administrators
3. Invest sufficient budget resources for the development officers which include secretarial support, travel money, and donor cultivation events
4. Make time to visit with prospects. Flexibility in meeting the schedule of key prospective donors is often more important than just scheduling a day for the development officer to fill



Nine “Musts” for a Program Leader (cont.)

5. When seeing donors and prospects, develop long-term relationships that will benefit the program, school and University and share with them the positive aspects of the program as well as the commitment to excellence and plans for improvement
6. Leverage the time and effort of you and your development staff by utilizing the full array of resources to help with program prospects and donors—regional major gift staff, planned giving staff, corporate and foundation staff, annual giving staff, donor relations, and development communications
7. Create expectations among faculty to be involved in a coordinated fashion, in the cultivation of prospects and the stewardship of donors (e.g. engaging prospects in a class or seminar, speaking to groups of alumni and donors, meeting with the donor of an endowed chair for stewardship, etc.)



Nine “Musts” for a Program Leader (cont.)

8. Have high expectations of the School development officer to identify major gift prospects, to develop and enhance relationships with prospects, to make use of both School events and University events and resources to bring prospects closer to Michigan State University. Development staff, in partnership with volunteers and other development staff, should take the lead in prioritizing the time of academic and program leaders in cultivating and soliciting prospects
9. Regularly thank volunteers and donors for their help to the program. Provide leadership in making good use of donor funds – ensure that gifts are making a difference and insist on good stewardship by others in your program



Telling the Story...

Endowed Chair Factors Into a Nonlinear Path

April 20, 2015

"I never envisioned myself at a big, Midwestern university," Dr. Tim Vogelsang says as he leans back in his chair and looks out the window of his sun-filled

office, where he can see the rooftops of the historic red brick buildings that line MSU's Circle Drive. And why would he? With a bachelor's degree in math from MIT, a doctorate in economics from Princeton, and a gig as a tenured professor at Cornell, the East Coast was treating him just fine. He was happy where he was. But now? He's *thrilled* with where he is.

Professor Vogelsang specializes in econometrics, a field that sits at the intersection of *economics*, mathematics and statistics. He is a researcher and a leader in his discipline and his list of publications, papers and presentations on the subject is long.





THE WORLD NEEDS
MICHIGAN STATE,
AND MICHIGAN STATE
NEEDS YOU.

EMPOWER.MSU.EDU | #EmpowerMSU



Additional Resources

- [University Advancement](#)
 - Includes org charts, newsfeed
- [University Development](#)
- [MSU Alumni Association](#)
- [Gift Planning](#)
 - Includes examples of charitable gift planning techniques through tax and estate planning
- [Endowments at MSU](#)
 - Includes most recent annual endowment performance report, endowment FAQ, and link to Office of Investments and Financial Management
- [Honored Faculty Website](#)
 - Featuring Faculty who hold Endowed Chairs and Professorships
- [MSU online giving site](#)
- [Empower Extraordinary Launch Recap](#)
- [FY2016 Best Fundraising year ever!](#)
- [September 2017 – Campaign Exceeds Goal a Year Early!](#)
- [College and Unit Campaign Case Statements](#)
- Don't Fear Fund Raising, David Perlmutter, Chronicle of Higher Educ.
 - [Part 1 – The ins and outs of asking 'friends' for money](#)
 - [Part 2 – Matching donor passion to your department's needs](#)