



*Academic Senate 2023-2024
Budget Committee*

Academic Senate Budget Committee Meeting Notes

Monday, November 13, 2023

Chair: Andrea Sankar (ANTHRO, CLAS)
Linda Beale (LAW)
Stephen Calkins (LAW)
Wei Chen (ONC, MED)
Chris Collins (MUSIC, CFPCA)
Damecia Donahue (LIBR)
Brian Edwards (BMI, MED)
Christine Jackson (MGMT, BUSINESS)
Satinder Kaur (OBG, MED)
Wassim Tarraf (HEALTH CARE SCI, EACPHS)

Time 11:00 AM – 12:30
Location In person FAB Room 4339

Members Linda Beale, Wei Chin, Chris Collins, Damecia Donahue, Brian Edwards, Christine Jackson, Satinder Kaur, Andrea Sankar, Wassim Tarraf,

Absent Steve Calkins with notice

Liaisons David Goldberg, Huda Syed, Karin Tarpenning

Guests David Ripple, Peter Clayborn, Ramon Griffon, Steve Kenny

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*Academic Senate 2023-2024
Budget Committee*

The meeting was called to order. The agenda was adopted with no additions. Committee members and guests introduced themselves. Note taker will be assigned alphabetically. As Steve Calkins is absent, Chris Collins is next in line and will take notes today.

David Ripple, Vice President, Development and Alumni Affairs President, Wayne State University Foundation, and staff presented information about fundraising efforts and priorities (See presentation).

David Ripple summarized what has changed since his return to WSU. After the group introduced themselves, Ripple provided some background concerning the department's DEI goals and their decision to hire Ramon Griffon, followed by introducing Griffon, who spoke briefly about his role in development and his goals for his position.

Ripple introduced the new fundraising campaigns. He announced that in 2022 we had the second most successful fundraising campaign in WSU history, exceeded only by the year when the Illitchs donated funds for the Business School. He reviewed the expanded budget for development and explained how the increase in funds has helped improve their ability to meet and exceed fundraising goals. The return on fundraising investment is significantly higher than in years past. In total the office now has 163 positions with several vacancies, resulting in 131 staff in FY 22.

Compared to two years ago, fundraising production nearly doubled. The goal of \$80,000,000 was met and helped by receiving a \$20,000,000 commitment from Dr. Rosenberg for the brain health space. Even without the major gift, they are exceeding goals. The return on investment is about \$6 for \$1 invested. Linda Beale noted that the earlier Marks and Lundy study showed that WSU's return is \$5 for every \$1 invested, while UM and MSU range between \$7-8 for a \$1 invested; those peers now average \$9. LB asks where our peers are now. Excluding UM, our peers range between \$7-8 ROI. The current return is the highest in WSU history. Linda Beale asked what can be done to make WSU's return better. David Ripple responded that we need continual growth in our base of funders. The goal for 2024 is \$105,000,000. Wassim Tarraf asked what the formula was for calculating return on investment and was told it is expenses over revenue.

LB asked if development is considering evaluating the fundraisers' success to determine individual fundraiser's percentage improvement, and whether there was a difference among the success of fundraisers working with the different colleges? Ripple replied that the new dashboard will provide transparency to evaluate who is hitting their fundraising goals. There are three factors in evaluating the performance of fundraisers: the amount of revenue raised, the source of the revenue, and its purpose.

*Academic Senate 2023-2024
Budget Committee*

This is the first year WSU has set goal above \$105,000,000. Development anticipates that fundraising results will be in the nine figure range each year from now on. The new dashboard can keep fundraisers accountable and track variations in the fundraising success of the different colleges. The dashboard will drill down to the individual gift officers to assess how well they are doing.

It will track revenue and fundraisers' metrics, showing how current progress is evaluated against past year's performance. The dashboard can differentiate among different sources and types of gifts e.g. cash gift, planned gift expectancy. The dashboard monitors progress in making the ask, commitment, and receipt of gifts. The dashboard also tracks prospective donors to see progress towards securing a gift commitment. Currently there are 3,717 managed prospective donors i.e. they are assigned to a gift officer and have capacity to give at least \$25,000. The dashboard also tracks the stages in donor development. This starts with qualification, meaning development has determined if the individual or organization truly has a relationship with WSU or its programs. The total number of prospective donors differs as they move through the different stages. In each gift officer's portfolio one third should be new names, one third names in advanced cultivation i.e. ready to be asked for a gift, and one third in stewardship, which requires impact information to the donors. An eight-person prospective development team conducts research on potential donors. They constantly follow analytic information that predicts if someone is likely to be a donor.

David Ripple suggested that having a stronger relationship with faculty to identify potential donors is important stating that development needs to build stronger relationship with academic leadership to identify possible donors, as they know who the most successful alumni are who may want to donate. Andrea Sankar commented that faculty have asked for more information on how to move possible donors forward, and suggested they create a FAQ on this topic.

Chris Collins pointed out the problem that occurs when development intervenes between a possible donor and the trusted faculty who identified the donor. Donors may withdraw if the trusted faculty does not remain involve in the discussions about a potential donation. Collins went on to relate an example where he was cut out donations between a donor he had worked with and development. The donor withdrew after he was no longer involved. Others emphasized the concern that possible donors may withdraw if the faculty member who was the initial contact does not remain involved. He emphasized that we have to be careful to keep the faculty member, who brought in the donor, at the table. Ripple emphasized that development now recognizes the need to keep trusted faculty member involved.

*Academic Senate 2023-2024
Budget Committee*

Satinder Kaur remarked that WSU was one million short from its development goals this year and asked if it was a concern? Peter Clayborn replied that it was not a concern because these numbers fluctuate regularly throughout the year as it is too early in the academic year. Development monitors these figures closely.

Brian Edwards asked if the dashboard can tell how many gifts are restricted to funding doctoral level training and how much would one have to give to fund a PHD fellowship? PC replied that it was possible to track that information but it was not readily available as development did not code for type of student scholarship a gift funded. To get that information they would need to review the details of the individual gift. BE urged them to make that information available and related how a gift he had made for MA training was given to an undergraduate. He went on to ask what size of gift was needed to fund a doctoral fellowship. PC responded that a PhD student fellowship is \$50,000 a year. To generate that amount of income, a gift of \$1,000,000 was necessary to fund a single doctoral fellowship.

Chris Collins asked if development tracked how gifts were being used. PC replied that they they track the individual gifts at the college, department, and individual level according to the specifications of the gift through their office of gift administration that tracks if the gift is being used for the specified purpose and communicates with the donor about the uses their gift is put by an annual personalized report.

LB noted that she was concerned that if a college has identified a donor who wants to make a major gift, that the college would not get 'credit' for bringing in the gift but instead it would be directed to the upper administration so that they i.e. Pres. Wilson, would get credit. DR replied that that situation had been remedied with the departure of Pres. Wilson. Chris Collins pointed out that this is problem not limited to the office of the president and that many in upper administration: the president, vice presidents, provosts, deans, chairs all the credit they can get leaving out the faculty member who created the relationship. He suggested that development create a protocol that acknowledges faculty involvement to protect the relationship they have created. This is needed for development to build trust with faculty.

Brian Edwards asked if we receive gifts through annuities; and DR confirmed WSU does.

LB asked about the quality of our alumni data base and noted that the data base for law alumni did not distinguish what kind of law a WSU law grad practices which is very important. PC explained that development has set a priority of their team in 2024 a goal

*Academic Senate 2023-2024
Budget Committee*

to figure out how to collect more detailed information about our alumni. They have good data for likely donors but not for all possible donors.

Chris Collins asked how much donor detail was available from the dashboard, and whether we can tell exactly what specifications donors have and whether those specifications were met after the gift was made. PC responded that development has an office that communicates with donors about how their gift is being used with an annual personalized report.

DR pointed out that WSU has made a significant investment in staff training through hiring Plus Delta, which is working with Harvard and Standard on improving fundraising. DR was familiar with Plus Delta from his work at Ohio State. It is used by hundreds of universities. This is the first time WSU has brought this kind of power to fundraising. Peter Clayborn thinks it will be game changing in helping WSU identify high gift donors. It will equip the fundraisers with the ability to discern the right amount to ask for and to more efficiently manage donor relationships. It will help gift officers move from focusing on only a few donors, and equalize the time spent with all donors. It is a 10 month program with individual coaching, workshops. Steve Kenny agreed it will be a key factor in helping front line teams to improve their skills. The program consists of 9 half day sessions in which real donors' files and prospects are evaluated, along with regular checkups and individual coaching. It costs \$10,000 per attendee, which will be paid for with development funds. "This is real life". Plus Delta teaches the discipline and rigor of front line fundraising. The consistency in training should improve overall quality of fundraisers.

LB asked how they will train these fundraisers about the academic environment because you need to know what you are selling. This also relates to Chris's issue about the importance of the faculty-donor relationship in successful fundraising. PC responded that one of the significant benefits of Plus Delta is that it has worked with hundreds of academic institutions, so they understand the academic context. DR suggested this training will provide an opportunity to go beyond the typical academic development link limited to embedding a fundraiser in a dean's suit. LB suggested that fundraisers need to meet all faculty in a college and perhaps that training should include having focus groups with faculty to ask what the enterprise is all about. Andrea Sankar suggested that the fundraisers be given real time experience of faculty research by visiting a lab or research site.

David Goldberg pointed out that there is also a question of equity in that some programs have more access to funding than others. For example, he has found that his small program is ignored by fundraisers to the point that he has a hard time getting response to

*Academic Senate 2023-2024
Budget Committee*

his emails. DR responded that for 22 years, WSU has focused only on the colleges and schools but that it is changing and there will now be attention to programs and smaller unites.

Damecia Donahue noted that academic staff often have strong relationships with community members which can be a source of potential donors.

Brian Edwards asked whether there was a there a university policy to collect emails or personal address from graduating students so we can stay in touch? Peter Clayborn replied that, while it is voluntary, the university requests contact from all graduates 90 days prior to graduation. The response rate is 22-23%, which is considered good. But Brian pointed out that in the med school no such effort was made for graduating MA students.

Wei Chin asked what the turnover rate was in development and raised the concern that people trained at WSU could take the donors they had cultivated with them when they left. PC replied that the industry rate is about two years or less and that ours was somewhat better. DR emphasized that the major risk to retention is not providing the right environment with appropriate compensation to retain people. WSU is giving people tools and investing in training as well as following the university's commitment to DEI, which is something he emphasized when he returned to WSU. To follow through on this commitment he created a director of DEI and culture, Raymon Griffen, director of DEI&C.

Raymon Griffen explained that institutional culture was a main focus of his efforts. Although he had only been at WSU a short time, he was focusing on understanding the culture and how individuals and groups worked in that culture. He hoped to use his skills as an educator and sociologist to build a culture of trust and to enhance collaboration to make a more cohesive unit in development. Wei Chin asked if their turnover is due to DEI issues? DR replied negatively but emphasized that culture has been a part of the problem. Additionally, there is no clear reward structure. In the US there is only one university that offers a degree in fundraising. Most of those in fundraising are from marketing; thus, the reward structure is unclear. LB noted that DR's point added emphasis to the need to train development staff about the academic environment and goals.

Wei Chin asked how this group will be evaluated and again raised the concern that people may leave after we have invested in them. DR responded that training and individual investment along with creating a supportive culture will help retain staff.

*Academic Senate 2023-2024
Budget Committee*

Steve Kenny explained how metrics drive work and productivity. Development measures whether people are making asks and closing gifts and creating relationships. They expect staff to make at least twenty significant in person visits a month. They can track how a potential donor is moving through the pipeline by documenting the steps development officers take, allowing development to be strategic about their work. They are also elevating major gifts by focusing on the steps needed to bring in major gifts. Plus Delta will help improve the success in obtaining major gifts by preparing staff to ask at a higher level. Development expects a higher ROI, eventually 100% but for now will focus on achieving 50%.

LB asked if this means that the scholarship endowment minimum will have to change? DR responded that there were several mechanisms behind establishing the minimum and that differences between schools and colleges will have to be considered.

John Heinrichs asked what the financial reward is for staff if they exceed their KPI. DR explained that development doesn't have a bonus structure; instead if a successful officer gets the highest grade on their annual review, they will receive a 3% boost to pay or whatever the rate is for that year. The dashboard will define the actual KPI.

The next part of the presentation was a discussion of our technology enhancements. In fiscal 2023 PC explained how WSU enhanced its development technology. This step was recommended 2years ago. [see the presentation for examples of technology data bases]. The most significant technology enhancement was Vanilla Soft. The technology will better train student reps and help development stay in touch with grads. Student reps now have the technology to reach out to donors and alums. The response has been excellent. The student team is solid, close to 20, a large portion of whom are grad students. WSU has a 3yr contract w Blackbaud FPM which supplies predictive data and provides gift officers with metrics so they can drill down to see their success. We also get industry benchmarking information. We are part of the national network of public universities; and this technology allows us to compare ourselves to other publics. It also helps build a strategy for asking for gifts.

LB raised a concern about whether using this technology will give other institutions access to our data. DR explained that much of the data generated is publicly available. The technology is only a tool to help create relationships with a real donor by identifying what capacity the donor has for a gift. LB continued to raise concerns about the privacy of our data and wanted to know if other institutions could get access to information about a possible asset that a donor may have. PC emphasized that the data security for WSU's individual donor information is quite strong. Loss of data could happen but has not.

*Academic Senate 2023-2024
Budget Committee*

Wassim Tarrif asked how development assesses contribution of these technologies; if one doesn't work, how can you decouple; is the 3700 potential donors the ceiling? PC explained that 3700 is not the ceiling but that development's human capacity is limited and that they don't assign more than 75 potential donors to individual staff at any one time. Separately, development assesses the success of each technology regularly. WSU can exit these contracts relatively easily given the way C&IT wrote the contracts. The vendors are required to remove our data if we exit the contract.

David Goldberg asked about potential competition from UM and MSU impacting our ability to fund raise given that they are now both in Detroit. DR noted that WSU has not seen any drop off in fundraising associated with the presence of UM and MSU and that in any case it appears that UM's entrance into Detroit is not going well. Further President Espy is publicly committed to cooperating with other Michigan universities. WSU's mission is different from UM and MSU. WSU has 300,000 living alumni; further half of WSU's donors are not alums. Development and WSU in general must tell our story in a more meaningful way. A particularly interesting challenge is presented by the many shared alums among the different universities, particularly in the fields of law and medicine.

Wei Chin asked which strategy produces the highest return on investment: enlarging the pipeline of potential donors or pursuing high value individual donors? PC responded that it is always a better investment to take care of existing donors; but in this new campaign it is imperative that WSU acquires new donors, both for the current campaign and for the future of WSU. The WSU donor population is aging out and new donors are needed to replace them.

In 2023 the WSU Alumni Association created its first philanthropy committee. The committee helped with giving day in April and will provide a mechanism to tie volunteer leadership to campaign success. Development also launched Alumni 101 focusing on new undergraduate alumni in the first year after graduation and providing specific programs and benefits. They are also collaborating with the student senate for the first time. Development will train the student senate leadership in fundraising.

DR noted that this campaign will conclude in 2030 and starting in FY 2024 development will work with President Espy to define high level priorities, e.g. college to career, health disparities. It will be important to continue talking with academic leaders to refine the case for support. We need to envision the ways in which raising one billion dollars will make the university better. LB suggested that increasing the number of faculty and providing more titles for faculty, particularly in law, would be key. DR discussed the

*Academic Senate 2023-2024
Budget Committee*

need to figure out how to make more effective use of volunteers. A key goal is to increase the endowment, student funding, and scholarships and the number of faculty positions.

BE emphasized the need to increase funding for medical student PHDs. The school of medicine used to have forty PhD students each year; they are not down to 15. This impacts success of both students and faculty who need PhD students for their research, and tis key in faculty retention. He suggested a program in which recipients of fellowships would agree to acknowledge the donor in all publications for 10 years and would meet with the donor and stay in touch. AS noted that some deans are cutting back on PhD funding and only focusing on MAs.

Finally, DR noted that the program “Bold Moves” is no longer a priority with the departure of Pres. Wilson.