

**Response by the Rutgers University Foundation  
to the *Report and Recommendations on Rutgers Fundraising Income*  
by the Rutgers University Senate Budget and Finance Committee  
December 2010**

The Rutgers University Foundation leadership appreciates the care and concern with which the Rutgers University Senate's Budget and Finance Committee looked into Rutgers fundraising policies, practices, and income during the 2007-2008 and 2008-2009 academic years. The Foundation is pleased to respond to the *Report and Recommendations* of the Committee, as adopted by the Senate in May 2009.

**Recommendation #1.** The Foundation should consider adjustments to the gift assessment policy that acts as a disincentive for faculty to participate in and support fundraising:

- Make the assessment formally expire at the end of the campaign with some stipulation that a certain percentage of the assessments to that point be invested as an endowment to provide ongoing support after the campaign.
- Retain the assessment but impose a cap on some gifts; for instance, 5% of the first million dollars (i.e., \$50K) goes to the Foundation; the rest goes to the unit.
- Limit the ultimate assessment on all annual giving to a unit to a certain amount/percentage.
- Permit exceptions to the assessment policy on a case-by-case basis where the Foundation and unit mutually agree.

**Foundation Response:** As the Senate Committee points out in its report, the fundraising activities of the Foundation are funded by nine sources, including a gift assessment fee. The combination of sources was the solution devised and recommended by a committee of seven Rutgers deans and six members of the Foundation's Board of Overseers as the university administration contemplated a new capital campaign in 2006; this funding method reflects similar practices at peer institutions. Only through such a combination could the university assemble the resources necessary for a large campaign. The funding mechanism was subsequently approved by the university's Board of Governors. While this mechanism is working well, we acknowledge the need to review and reconsider these fees as the campaign comes to conclusion. Therefore, in accord with the Senate's recommendation, as the campaign concludes we will reconsider our funding policies as noted above. At that time, the university administration and Rutgers Foundation will re-visit the question of support for fundraising activities and consider a number of ideas, including each of the four adjustments to the policy suggested by the Senate.

**Recommendation #2.** Continue to develop and increase the effectiveness of central services, and work collaboratively with unit academic and administrative leaders to forge ever more collegial and visibly successful relationships.

**Foundation Response:** This is an important goal for us, and our central office is continuing to build its fundraising capacity in multiple ways. The Principal Gifts Office works regularly with the university leadership on large potential commitments for the university, and holds regular meetings with the president, executive vice president for academic affairs, and deans of all the units to review prospects and to establish steps toward soliciting and closing gifts. Central gift officers also work closely with the university's academic leaders, particularly deans, and unit-based development officers to identify priority projects for funding. Faculty and students are engaged in the cultivation of donors as

appropriate. The central staff provides additional support for deans by traveling with them to meet with donors both locally and across the country.

The central office is also helping to identify new prospects in all academic areas. In 2010, the Office of Development Research conducted a comprehensive screening of the Rutgers University Foundation constituent database. The objective of the screening was to electronically review an estimated 250,000 to 325,000 of our alumni, friends, and donors against a series of national benchmarks to help identify prospects for solicitation. The screening, which is ongoing at this writing, is identifying additional prospects for capital gifts.

**Recommendation #3.** Monitor the impact of the reorganization of the alumni associations to ensure that those successful aspects of previous associations are not lost, but are instead enhanced in the new structure.

**Foundation Response:** The Alumni Relations staff agrees that this is a critical objective and has been working with the Rutgers University Alumni Association (RUAA) to collaborate with existing alumni organizations and to facilitate the creation of new alumni engagement opportunities.

The examples below show some of the ways that the successful aspects of previous association operations have not been lost and, indeed, have been enhanced:

- As of November 2010, 101 alumni organizations have been chartered with the RUAA, including all 19 “legacy” alumni associations and all regional clubs from the prior structure. The RUAA has also been successful in engaging myriad other groups, which offer our diverse alumni new ways to connect with the university. Examples of the new groups include a Latino/a alumni group, several MBA groups, EOF alumni groups, alumni fraternity and sorority groups, a regional club in India, an alumni crew group, and an alumni veterans group. A complete list may be found at [www.Ralumni.com/RUAA](http://www.Ralumni.com/RUAA).
- With the elimination of alumni dues, past dues payers who were never donors have been asked to make a gift to the university. The average gift to the university from this effort is \$140, whereas the annual dues were \$40.
- In monitoring the successful aspects of previous association operations, the new structure of the RUAA was able to enhance them in a variety of ways. These enhancements include:
  - a. Leaders of the newly chartered groups are actively involved in the Alumni Leadership Council of the RUAA (a group numbering nearly 200 alumni), and the groups are benefitting directly from the rights granted to chartered organizations. (The privileges and responsibilities available to the chartered organizations are found at [www.Ralumni.com](http://www.Ralumni.com).)
  - b. More volunteer opportunities are available through a robust RUAA committee structure that enables volunteers to become active without being part of a charter group.

- c. The annual Alumni Leaders Conference brings these leaders together to discuss best practices of the chartered alumni organizations. The leaders representing both new groups and the legacy alumni associations learn about their successes from each other, receive leadership development training, and enjoy Rutgers spirit and camaraderie.
- d. New Reunion programming has attracted many more attendees as well as more members of the alumni associations and charter groups.
- e. The Hall of Distinguished Alumni event was expanded in 2008 to a gala and continues to showcase Rutgers alumni talent from across the schools and campuses. Prior inductees are being stewarded with the addition of a pre-Gala honoree reception.
- f. Volunteer Service Awards for alumni service to the university have been continued and expanded.
- g. The RUAA continues to work with Career Services to provide networking and counseling services to alumni.
- h. Volunteer Development
  - i. More than 400 alumni volunteers have become involved with the RUAA since its inception.
  - ii. 100 of these individuals have been involved on the RUAA Board or one of the 15 RUAA Board committees.
  - iii. 92 alumni organizations have chartered with RUAA, 32 of which are new local groups with diverse affinities.
  - iv. 70 alumni volunteers and group leaders from across the country came back to Rutgers for the inaugural two-day Alumni Leaders Conference. Representatives of 16 of the 19 legacy alumni associations attended the event.

In accordance with the Senate's recommendation, we will continue to monitor the effectiveness of this reorganization and the benefits it brings to the university and its extensive alumni base.

**Recommendation #4.** The Foundation and Alumni Relations should make aggressive use of the Internet, the website, and social networking systems for communications to alumni, for showcasing the university, to facilitate donor giving, and to create a site where alumni may find and interact with other alumni.

**Foundation Response:** We agree. In fall 2009, the Department of Alumni Relations hired a social media specialist whose job is dedicated to the electronic engagement of Rutgers alumni. As of November 2010 (and growing every day):

- Ralumni.com: The exclusive Rutgers online community has 41,936 members.
- Facebook: The Rutgers University Alumni Association page has 14,433 friends.
- Twitter: Rutgersalumni has 1,097 followers.

- LinkedIn: Rutgers Alumni is linked to 15,195 people. Recently the alumni relations department launched a comprehensive set of subgroups to allow alumni to connect more specifically around fields of work and industry.
- Visitors to Ralumni.com will find convenient links to the Foundation web site for purposes of online giving and learning more about philanthropy at Rutgers.
- The alumni eNewsletter, *Think Scarlet*, is emailed two times per month to all alumni for whom Rutgers has email addresses.
- A print campaign was recently launched that includes magazine ads, “leave-behinds” at events, and postcards promoting Ralumni.com as the best source for news and interaction with Rutgers alumni and the RUAA.
- The alumni relations department offers webinars and informational presentations to key volunteers and constituents to allow them to create their own alumni groups on Ralumni.com and better communicate with their target constituents.
- The alumni relations department manages an aggressive and targeted broadcast email program and delivers, on average, over 1,000,000 emails per month.

Online giving has grown steadily since it was implemented universitywide at Rutgers in FY2000. *Some 3,491 gifts, totaling over \$860,000, were received online in FY2009.* The gift size has averaged about \$240 for the past eight years. A donation of at least \$5,000 has been received each year. The largest online gift continues to be \$15,000, with such a donation given in FY2002, FY2006, and FY2009.

We also are cognizant of the fact that electronic communication and networking functions continue to evolve at a rapid pace and, in accord with this recommendation, we will monitor these developments and attempt to take advantage of new functions as they become available.

**Recommendation #5.** The university must create a culture of philanthropy from the time students first enter the university, and continuing through the alumni/ae years. Examples of ways in which this could be done include:

- Establish a visible senior class gift program
- Create “giving challenges” across the classes
- Ask faculty and deans to bring students with them on donor meetings
- Make opportunities for donors to speak with students when they come to campus
- Assure that students see the results of their philanthropic efforts, and
- Cultivate class officers as they become alumni/alumnae to continue to relate to their class members

**Foundation Response:** We agree that all of these steps should be taken and have begun to do so. The Rutgers Foundation has conducted a senior class gift effort for the past 10 years with mail and telemarketing components. In FY2010 the program was expanded to include e-philanthropy as a way of enhancing the senior class gift program. In addition, the Department of Annual Giving has arranged to accept gifts via the student RU Express card, thus allowing students to donate any funds left on the card before they graduate.

Plans are under way to develop a comprehensive program that raises awareness among all Rutgers undergraduate students about philanthropy and the impact that private giving has on their experience at the university. This will be done through the development of a Student Philanthropy Board comprising student leaders from each class year. This board will spearhead various communication,

educational, and solicitation efforts such as a Facebook page, Twitter, campus tabling, and events. While the goal is to educate students throughout their time at Rutgers, the intended long-term result is to develop well-cultivated young alumni who understand the importance of giving back and being active members of the Rutgers family for life.

Building the young alumni base will be crucial to the university's current and future fundraising efforts. Therefore, planning is key in maximizing fundraising resources while minimizing costs. This can be achieved through partnerships across academic and administrative branches; for example, partnering with Student Life offices to develop philanthropy workshops, games, and challenges that will encourage students in dorms to participate in student philanthropy.

In terms of alumni, the Rutgers University Alumni Association's strategic plan anticipates adoption of a student engagement plan that would transition students, particularly student leaders, to engaged alumni life. That plan will be implemented in FY2011. The alumni relations department will work particularly closely with the Foundation's Reunion Campaign staff to maintain strong ties with class leaders.

**Recommendation #6.** Urge deans to contribute to a culture of philanthropy in their units by raising awareness of development activities, opportunities, and priorities within their college or school; by encouraging faculty to participate in development and philanthropy; and by using email to connect to their alumni/ae.

**Foundation Response:** The Foundation is working closely with the deans and will continue to build that relationship. The Foundation has offered deans the opportunity to take courses offered by Advancement Resources, the leading provider of research-based training for development professionals. The Foundation has also held on-campus workshops for deans and directors with such well-known development leaders as David Dunlap and Kathryn Miree. Now that the campaign is in its public phase, the Foundation intends to offer even more training opportunities to deans and faculty. A partnership of deans, faculty, and Foundation staff is key to meeting the campaign goal.

Good communication with prospective donors, both face-to-face and through publications, is also crucial to fundraising. The Foundation works closely with many deans on identifying and cultivating donor prospects, and hopes to encourage even more deans and faculty to call upon Foundation staff and unit-based development officers for help in turning good contacts into valued donors.

**Recommendation #7.** While it is difficult to compare faculty/staff giving at the university compared to peer institutions, there is a perception that philanthropy from employees is neither visible nor as cultivated as it could be. Examine best practices at peer institutions.

**Foundation Response:** The Foundation accepts this recommendation and will fully examine best practices at Rutgers' peer institutions before focusing on the faculty-staff component of the campaign in the years 2012 to 2014. The Foundation targets faculty and staff each year in its annual giving drive. In FY2009, the annual giving drive raised \$352,113 from 367 faculty and staff members.

**Recommendation #8.** The Rutgers Day event is an important program to elevate the visibility of the university and raise “friends.” The Foundation should find ways to capitalize on the event for future support.

**Foundation Response:** The Rutgers Foundation and Department of Alumni Relations agree and enthusiastically participate in this highly successful and well-attended event although we believe it is important that the event not be perceived as a fundraising effort. Rutgers Day is a great opportunity to showcase the State University to the citizens of New Jersey, and the primary “take-away” from the day should be a feeling of great pride in our State University. As you suggest, the Rutgers Foundation and Department of Alumni Relations creatively focus on “friend-raising” and alumni engagement at the event.

**Recommendation #9.** Provide more opportunities for alumni throughout the country to gather at regional events and ensure that programs cater to alumni groups with different interests, in particular older and younger alumni.

**Foundation Response:** We accept this recommendation and agree that these opportunities are important; as a result, we are increasing the number of events we hold each year. Regional Club events have included presentations by the university president, Camden chancellor, deans, faculty, and other administrators. The Regional Clubs have also hosted happy hours that seek out young alumni in metropolitan areas and have offered teas and poetry readings that attract an older audience. Regional Club-sponsored visits to local theaters, ballparks, and museums have proven effective in engaging families. Networking events around the country continue to be popular in the current economic climate, and regional tailgate parties allow alumni to cheer on Rutgers sports teams wherever they compete. Many Regional Clubs celebrate an annual event with a brunch or dinner to recognize their volunteers and to attract new faces.

Through the leadership of the Rutgers University Alumni Association and the Department of Alumni Relations, all Regional Clubs now utilize the broadcast email capabilities of the RUAA. This allows all alumni who have active email addresses to receive notices about Regional Club activities and events.

In terms of fundraising, the Foundation is launching a major Regional Campaign across the nation that is an integral part of the overall capital campaign for the university. The Regional Campaign’s dual goals are to raise funds for the capital campaign and to build a broad base of donor prospects for the future. The staff of the Regional Campaign will create and manage a national volunteer structure made up of alumni, parents, and supporters in defined geographic areas. These volunteers will be encouraged to support Rutgers through philanthropic giving and by acting as hosts for alumni and friends at Regional Campaign events.

The Regional Campaign will focus its efforts on alumni, supporters, and parents in the following areas: Southern California, Greater San Francisco, Greater Phoenix, Greater Chicago, Greater Atlanta, the Florida Gulf Coast, South Florida, Greater Washington, D.C., Metropolitan Boston, New England, Manhattan, the outer boroughs of New York City, Greater New York, the Delaware Valley, and all New Jersey counties.

**Recommendation #10.** Investigate the viability of a Rutgers credit card.

**Foundation Response:** The university has long had a credit card program for its alumni. The university and the Rutgers University Alumni Association market the Rutgers credit card to alumni, continuing a tradition of almost 25 years. (The Rutgers University Alumni Federation, the former umbrella organization for alumni organizations, assigned its credit-card contract with US Bank to the university in July 2009.)