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EXECUTIVE SUMMARY

Growth Design Corporation (GDC) conducted a strategic assessment that focused on how to move forward, and not if to move forward with a campaign for the University of Wisconsin-Whitewater (UWW) Foundation in testing comprehensive campaign goals of $60 million – January 1, 2006 – June 30, 2012. The goals were predominantly for endowment funds to support faculty professorships, research fellowships, and exchange programs, student scholarships and graduate assistantships, and future and ongoing initiatives in college and academic programs and learning experiences. $2.5 million to update the Warhawk’s Multi-Sports Athletic Complex was also sought.

Forty-six interviews were conducted from late-March to early May. The findings, observations, recommendations and suggested strategies have been prepared in this report.

We believe the $60 million is achievable. In fact, this or a similar number could be positioned as part of a larger longer-term goal that is defensible by UWW. The length of the campaign, however, may need to be more than five years given the search for a new Chancellor and the need for several major donors to first complete their significant pledges to the College of Business and Economics campaign.

The campaign case will need to be reconstructed to focus on the need for endowment to improve the student experience on campus, which includes, as an important component, supporting improvement of the faculty. The case sub-goals should not be part of the case, rather kept as internal goals. Rather the case should add more specific needs of the University and the colleges, and more personal student and alumni testimonials citing the impact of scholarships on their academic and professional success. One thing that will be particularly important is to lift up and celebrate all of the quality programs at UWW and not just the ones traditionally put forward.

This campaign will likely require more staff to be successful. We recommend immediately adding a planned gift officer who can be mentored by Mike Spellman, and to whom Mike can transfer significant relationships. The Foundation should also hire a major gift officer who can work across College boundaries and be utilized by all Colleges when needed.

Significant research on alumni and relationship-building with alumni will also be needed to expand the donor pool beyond its current numbers. We believe there is great opportunity here with a more highly proactive, and re-energized alumni initiative.

To reach this goal, the UWW Foundation staff will need to make available diverse gift vehicles, and make a concerted effort to educate the donor population of these options. As one interviewee put it, “They have to be provided [with this information] and understand that there are ways to give that do not hurt and can have a great impact on the University.”
INTRODUCTION

The UWW Foundation was successful in completing its $10 million Excellence for the 21st Century Campaign in 2000 and oversubscribing it to the tune of $12.5 million. The College of Business and Economics Campaign has also recently raised over $6.2 million for its new building. The UWW Foundation began planning for a major endowment campaign during 2006. Key elements of these plans were formulated during planning retreats. In Fall 2006, a comprehensive $60 million campaign goal was determined.

In early 2007, the Foundation decided to test these plans with key supporters. The presence, leadership, and vision of Chancellor Martha Saunders were impetus to proceed with testing and implementing these plans. Thus, a case for support was prepared in early 2007 with plans to test them March through May 2007 with a report to the Foundation Board in June 2007.

As the strategic assessment began, the announcement of Chancellor Saunders’ departure was learned. The decision was reached to continue testing the plans and goal, with the intent of learning how important Chancellor Saunders’ continued leadership was to a campaign’s ultimate success.

The Foundation staff selected over 50 strategic assessment study candidates with the Growth Design Corporation (GDC) service team of Ron Laughter, who has been counsel to the Foundation for several years, and David Lichter, a senior consultant with GDC who has higher education experience and has teamed with Ron Laughter in the past on such studies.

Jon Enslin and Foundation staff did an exceptional job in setting 45 appointments with 48 interviewees over a period of six weeks. Ron Laughter and David Lichter conducted all of the interviews in person.

The content of the interviews focused on the interviewees’ attitudes toward:

- University of Wisconsin-Whitewater
- Chancellor Saunders, and the Foundation Board’s leadership potential for the campaign
- The plans for a comprehensive endowment campaign, and the specific elements of the plans
- The potential of raising $60 million
- The potential of their giving and volunteering to support a campaign
- Possible campaign strategies

This report provides GDC’s findings and professional observations gained from these interviews, and our recommendations and suggested strategies for conducting a comprehensive campaign.
The following summary presents our findings and professional observations regarding the interview content areas.

Attitude Toward University of Wisconsin-Whitewater

Findings
Almost all interviewees spoke very favorably about their relationship to UWW. They affirmed the growth of UWW over recent years, and expressed positive comments about UWW’s image in the marketplace and among its constituents as a high quality, medium-sized regional University that will prepare you well for life and a professional career.

As to UWW’s strengths, the College of Business and Economics was most frequently identified. This could be attributed to the fact that many of the interviewees were graduates of that College. Several remarked that the Business College grads were highly sought by state businesses. Many commented very favorably about Dean Christine Clements’ leadership. A few interviewees advised that this College should be the UWW’s lead college into the future. One interviewee recommended that the College be named through a donor and become the icon of excellence within the University system, as a Wharton School of the University of Pennsylvania or the Carlson School of Management of the University of Minnesota. Several cited its location of being accessible to Milwaukee, Madison, and Chicago to be a plus for businesses accessing UWW’s business graduates. Interviewees felt, however, that the College needs to do a better job of marketing itself to Wisconsin businesses.

The second most frequently noted strength was UWW’s values-based education, and the formation and career guidance provided to students through direct professor contact. Given the fact that many were first generation college students, they spoke about the University’s size, and the faculty-student ratio, and its efforts to provide students the attention, support, and guidance they needed to be successful. One contrasted this experience to larger University settings where one is often taught by teaching assistants rather than professors.

Thirdly, the College of Education was noted for its historical importance, and commented that graduates of this college have been successful teachers and professors, many of whom are retired and nearing retirement and can be a new source for planned gifts.

Other programs noted for their strengths included: programs for people with disabilities, athletics, computer science, social sciences (one of the largest undergraduate programs in the country), and arts and communication.

As to weaknesses or noteworthy issues to be addressed, only a few mentioned their disapproval of the recent past incident of Professor Ward Churchill of the University of Colorado Boulder being invited to speak on campus. And for most, this was a past
mistake addressed personally with some donors by Chancellor Saunders. It is, indeed, now considered in the past.

Some commented on UWW’s ongoing challenge of being perceived as a University that does not offer an attractive resident life and community, but realize the University’s continuous efforts in this area. A couple cited the City of Whitewater for not keeping up with the times, and keeping pace with the University’s plans, and being potentially an obstacle to the University’s growth. “It looks old and tired,” commented one interviewee. “You can’t come for alumni events, eat and drink, and expect to drive to a decent hotel.” Stronger economic development partnerships were encouraged. A couple noted the challenge of getting good media coverage due to its not being in a large, urban center.

**Professional Observations**

It is apparent to the interviewers that UWW enjoys a solid reputation among and is strongly appreciated by those interviewed. While the College of Business and Economics in general, and its accounting program in particular, remain the center of attention, the College of Education was a close second. An underlying theme, however, was the University’s ability to be successful in preparing its students, many first in their family to go to college, with a values-based education. As one interviewee put it, “It was an integral part of helping me find my calling in life.” While several areas of strength were identified, many others seem to remain hidden or were not talked about. It will be important for the campaign that each College and program highlights its distinguishing features. Finally, the University seems to be in a position of strength to leverage itself in a partnership with the City of Whitewater to advance the City’s economic development plans.

**The Importance of Leadership**

**Findings**

The strategic assessment began just as the announcement of Dr. Martha Saunders, Chancellor of the UWW, was to be named President of the University of Southern Mississippi in her home state. There was concern as to what impact Chancellor Saunders’ departure would have on a campaign. Those interviewed prior to Chancellor Saunders’ announced leaving spoke very highly of her vision, enthusiasm, Southern charm, engaging personality, and relationship-style. Many of the interviewees had met her in person. This is a credit to her and the Foundation’s efforts to get her to meet major supporters of the University.

Upon learning of her decision to leave, all interviewees were certainly disappointed but understood and empathized with her reason to take an opportunity to be a leader in her home state. As to the impact of her leaving on a potential campaign, many interviewees reflected philosophically that the University will go on, and a new Chancellor should have many of the qualities Chancellor Saunders embodies: visionary, enthused, relationship-oriented. A few advised seeking a new leader from within UWW itself, thus
ensuring a longer tenure. Some noted the strength of the College Deans and other UWW leaders that will be good spokespersons for the University in a campaign. Only a few recommended the Foundation should put the campaign on hold until a new Chancellor is named.

Upon reviewing the Foundation Board member list, the interviewees generally did not have much knowledge of or contact with the members. Some recognized names of those who had been involved in the Excellence for the 21st Century and College of Business and Economics campaigns. A few identified the members who are longstanding Whitewater business leaders. Given this general lack of recognition, interviewees were questioned as to the importance of having a recognizable “campaign leadership team” to lead the campaign effort. To most, this seemed unnecessary. What was considered most important was that some group of volunteers be tasked with the management and oversight of the effort. That they be recognizable names on a letterhead was deemed of little importance.

Professional Observations

While Chancellor Saunders is well liked and will be missed, her departure does not seem to be a major obstacle to moving forward with this campaign. The hallmark of the University’s strategic planning process was its comprehensive buy-in process. It will stand on its own. A new Chancellor will not need much start-up time for this campaign, as the vision and message will not shift from an endowment campaign to something altogether different. For those who believe that having a new Chancellor in place would be important for their consideration of a gift, their contact regarding the campaign can be delayed. For those for whom the answer to the question “who is Chancellor” was not important to consider financial support that will last in perpetuity, they can be approached as soon as a cultivation/solicitation strategy dictates.

On the volunteer front, the good news is that having a blue ribbon campaign steering committee will not be a key ingredient of ultimate success. Appropriate campaign management and oversight is all that will be important for this effort. The Development Committee of the Foundation Board can fulfill this role, if so decided by the Board. This is not to say, however, that a volunteer network will not be needed in order to raise the goal. We will talk about how to best employ volunteers in the recommendations and strategies section of the report.

Responses to the Campaign Case and Receptivity Toward A Comprehensive Endowment Campaign with Its Specific Elements

Findings

Prior to the interview, few interviewees had reviewed closely in advance the campaign case booklet, and, therefore, it did not have much impact on the interview. When this was the case, the interviewer directed the interviewee’s attention to the final page of the case that outlined the overall $60 million goal and its $50 million endowment sub-goals for
faculty, students, and future initiatives, and $10 million with its sub-goals of $2.5 million for the Warhawk athletic complex and $7.5 million for ongoing initiatives.

Most interviewees were favorable to the idea of an endowment campaign, and highlighted its importance within the higher education setting. They realize that UWW, unlike a private University or UW-Madison, is late in aggressively building its endowment. Many understood endowment as moving assets from their bank account into the Foundation’s bank account, and raised financial management/stewardship questions, such as: Who will decide about its use? How will it be used? How will it be invested?

As to their reactions to the specific goals, student scholarships made the most sense and attracted their attention. “This is all about the student’s experience and success, isn’t it?” remarked one interviewee. “I know the University had a tremendous impact on turning my life around.”

Endowment for the faculty was also seen as important to strengthen the University’s academic reputation, and help it keep pace with other top schools. A few lamented the UW System’s poor compensation level compared to other state systems. A few referred to the incentives athletic directors/coaches receive beyond salary in recruitment and retention, and felt more of that is needed for top notch faculty in other disciplines. One noted the tremendous difference between very good and exceptional personnel, “although there is very little difference in cost,” he said. Thus, endowment funds can make the “little differences” that have a big impact.

To many we interviewed, faculty members were seen as the “privileged class,” and not in need of additional “entitlements” resulting from faculty endowments. In their opinions, endowment for faculty took the eye off the ball—supporting students and their ability to enter college and experience a quality education. As a way to help individuals with this notion of faculty rethink their position, one interviewee suggested that solicitors encourage prospects to talk about one professor who really influenced them, who has had a major impact on their current success, as a way to impress upon them the importance of attracting and retaining such a teacher through the use of endowment support.

“Support for Ongoing Initiatives” required explaining and examples, and was less understood or attractive. Few interviewees asked questions about the Warhawk Multi-Sports Complex.

In general, the language used to describe the funding opportunities offered in the campaign—from endowment to current needs—was considered to be vague at best and unclear to most. The Foundation was encouraged to avoid “academia-ese” and present the needs in layman’s language for the sake of clarity and understanding.

Professional Observations

It seemed to the interviewers that the sub-goals around faculty support, student scholarships, current and ongoing initiatives, and the student support services, and the Warhawk facility were fairly broad, and elicited mainly general comments from the interviewees, such as “Yes, these are important.” However, the interviewers did not get any deep passionate responses from interviewees, or many inquiries, such as, “I want to
learn more about this area…” The tenor of the responses was more like, “Yes, universities, and UWW in particular, need private support help to attract and retain good teachers and good students.” The interviewees were more trying to envision what the impact of their endowment giving will have. What will the $2.5 million plus from a $50 million endowment do for UWW? How can my gift make a difference through endowment? This indicates the need for more explanation on how an endowment functions, and what difference individual endowment giving can have, and less emphasis on the Foundation’s sub-goals for the campaign. It also suggests that the case must clearly indicate that the areas where endowment is being sought are only general categories of endowment, and that donors can be as specific or general related to their own gifts as their interests and dedications dictate.

**Attitude Toward a $60 Million Goal**

**Findings**

Most interviewees thought that this goal was ambitious. No interviewee felt knowledgeable enough of the alumni base and current donors to comment intelligently about the likelihood of achieving such a goal. No interviewee said, “Absolutely not.” No one identified him or herself as a $5,000,000 or $10,000,000 donor. Only one specifically self-identified as a $1,000,000 donor prospect.

As the interviewees thought about the $60 million goal, they asked about the timing and length of the campaign. They also offered a variety of recommendations to determine if the Foundation can get there. Some of these were:

- Conduct deep research on the capacity of the donor base to reach this type of goal
- Educate the donor community on the wide variety of gifting vehicles/options that “don’t hurt” – multiple planned giving options
- Target and research age categories of alumni that are most ready to consider a planned gift
- Each College needs to develop a specific strategy to identify, research, and reach out to its alumni and get them involved, educated, and prepared to make significant current or planned gifts

**Professional Observations**

The interviewees did not give strong arguments either for or against the goal. While it seemed high to the interviewees, all knew it would require the significant effort of the Foundation and the respective College development personnel to prepare for and conduct such a campaign. Unlike a capital or program-directed campaign, the size of the goal was less important and more difficult to assess. Therefore, the Foundation need not shy away from setting such a goal.
Attitude Toward Giving and Volunteering

Findings

Almost all interviewed were open to support the campaign. A number of interviewees would not identify themselves on the gift chart, conditioning their reluctance on a variety of factors, such as, timing of business ventures, needing to speak with their spouse or other key individuals such as their financial advisor, or just being unprepared to commit themselves to a level at this time. Several who were already committed to the College of Business and Economics campaign emphasized their need to complete their pledges to that campaign before considering giving to this campaign.

As to volunteering for the campaign, some offered to help in limited and specific ways when asked. One person expressed interest in playing a more high profile role.

Professional Observations

The interviewers were not surprised by the interviewees’ reluctance to self-identify on the gift chart. Endowment giving often requires much planning and creative gifting options to maximize a donor’s potential. In most cases, their hesitancy signaled the need for more cultivation and planning.

In general, the interviewers sensed many interviewees’ openness to play very clear, contained campaign roles from reviewing alumni lists, helping to identify and cultivate particular prospects, assisting with building alumni groups, hosting small groups of individuals to learn more about planned giving, to offering educational sessions on planned giving. Strategic use of these individuals will also help these individuals feel part of the Foundation’s efforts.
RECOMMENDATIONS & SUGGESTED STRATEGIES

Based on our findings and professional observations, we are confident that UWW Foundation can be successful in its plans for a comprehensive endowment campaign. We offer the following recommendations and strategies for consideration to begin preparing for and implementing the campaign.

CASE

1. *The Endowment Campaign should be couched in a theme of supporting students and the student educational experience.* Interviewees focused primarily on these two important aspects of the endowment building effort. Everything else was considered supportive of these primary goals. Therefore, all the emphasis should be directed to students, and how to enhance their educational opportunities as the interests of interviewees centered on the access to education and the opportunity to have the best of all possible educational experiences. Part of enhancing the educational experience is through a high quality faculty, thus making endowment money for faculty recruitment and retention an important student focused component of endowment building.

2. In general, people do not understand very well endowments or how they work. To help them fully understand the impact endowments can have, we need to paint a picture of how endowment touches the lives of students. *The best way to do this, we are told by interviewees, is through real life stories—sometimes referred to as testimonials.* When asked what type of “stories” would be best at illustrating the importance of endowment on the students we wish to serve, three were suggested. The first is of a current student who can say, “Without this scholarship, I would not have been able to enroll at UWW.” The second would be a faculty member who can say, “I was recruited by other universities as well as industry. But because of the unique opportunity presented by this endowed chair, I elected to come to UWW.” The third can be a testimonial from a recent graduate (within the past ten years) of how his or her scholarship made a difference, and how their education at UWW has positively impacted on their ability to pursue their chosen career and attain some level of success.

3. *Do not identify the totals for each area* ($25 million for faculty, $15 million for students, $10 million for future initiatives, $7.5 million for ongoing initiatives). Eliminate those totals and talk only about the overall goal. This breakdown of goals is only important to the Foundation and UWW, and raised in the minds of interviewees questions regarding the ranking of the importance of students versus faculty. With a goal of faculty endowment being greater than student endowment, several interviewees questioned whether students were indeed (as they believed it should be) the focus of this campaign.
4. **Omit from the case document any mention of naming opportunities.** They are seen as creating limits on how a donor can craft an endowment that meets their specific interests and needs. They also are seen as excluding from campaign participation those who cannot afford a gift that meets the minimal “naming gift” level.

5. **Fold the $2.5 million for the Multi-Sports Athletic Complex into the Annual Fund for a $10 million total.** Interviewees saw this component of the needs list as “off focus” from the basic endowment theme. Although the importance of this need was not questioned, they saw it as being attractive to a small segment of the Foundation’s constituency and believed that it could be adequately and successfully handled by including it in the “comprehensive component” of the goal. It was suggested that, if a person were interested in the sports aspect of the University, solicitors would soon find out and could use this aspect of the University’s need to engage the prospect in productive conversation.

6. **Consider this message: “The total endowment need of the University is in the neighborhood of $200 million [first offered up in early Planning Committee meetings, or pick another defensible number], and we are starting the challenge by setting a $50 million endowment goal.”** To several interviewees, $50 million was considered a lofty goal for endowment building. However, when interviewers suggested that financial realities argued for an even greater number, the target seemed more reasonable and more attainable. A statement that contextualizes the goal may serve to make the goal more reasonable in the minds of our donor prospects.

7. **There is a need to focus this campaign on the UWW situation and the opportunities envisioned by the University’s strategic plan.** The average constituent does not fully understand the economic realities of State System higher education. It will be important to communicate the University’s true financial condition without disrespecting the support the University receives from the State and the University System. However, it will also be important to communicate the limitations this reality places on the University to achieve its desired goals.

8. There is a tendency to talk about the College of Business and the School of Accounting as the star programs of UWW. However, given that endowment building is intended to benefit all components of the University, it will be important to lift up all programs that are superior (nationwide ranked or otherwise academically recognized) at UWW. Make sure each College is represented. Each College should inventory and identify attractive program options for endowment consideration. Make it clear that, although several general categories are noted where endowment is needed, a donor can direct their gift to any specific area of UWW programming, as they desire. Message: “If we do it, you can endow it.”

9. **Refine the language of the case statement to make it less academic and more attractive to the layperson,** particularly as it talks about the types of endowments sought. Interviewees were not able to translate the language used in the case discussion document into the true needs of the University and the application of endowment to address those needs.

10. Despite the educational background of interviewees, few were fully aware of endowment management practices and the decision-making process that backstops a
quality endowment program. For donor prospects to completely embrace the idea of funding endowment at the University, the Foundation needs to describe what endowment is, why it is important, how it works, how it is managed, and who will decide its usage.

11. Not everyone processes information in the same way. Some use narrative to gather information. Some find charts and graphs more helpful to fully understand new concepts. Others see the issues more clearly from numerical presentations. In order to address all of the different information processing styles, consider creating:

   a. A short, crisp video or DVD version of the case to be played with a prospect, preferably in the presence of a staff member or volunteer as a prologue to endowment building conversations.

   b. Create visual and numeric representations of the problem, such as, the change in mix of paying for education, and comparing the cost of an education at UWW in the 60’s inflated to today versus the cost students must address today.

12. There are a few areas dealing with the economics of higher education that are ill understood by the vast majority of the University’s constituency. These should be addressed in a proactive way so as to allow solicitors to move beyond them and to get to the gift conversation more quickly. The two factors that are most poorly understood and rank highest in what donors need to know are:

   a. The national competition for quality faculty, both from other educational institutions and from industry;

   b. Why inflation within higher education tends to be higher than the general inflation we all experience in our day-to-day lives.

Although not appropriate for the formal case presentation, these answers need to be prepared and at the ready for solicitors as the questions inevitably arise.

LEADERSHIP

1. The Chancellor vacancy causes some to be cautious about giving. Some will await the appointment of a new Chancellor before entering into conversations about their participation in the endowment campaign. Some don’t see the relevance of a Chancellor vacancy and are ready to talk now. So, the start of the campaign need not be delayed as a result of the Chancellor circumstance. However, there will be delay with some major prospects, and that delay might cause the campaign to run longer than desired. However, presently there is no way to predict the influence the Chancellor search and search result will have on the campaign timeline.

2. The endowment campaign is only the next step in the Foundation’s evolution in support of the University. Other campaigns are sure to follow. And, the engagement of the Chancellor will likely have a demonstrable impact on the success of those campaigns. Therefore, it will be important for the Foundation Board and staff to
impress upon the Chancellor Search Committee the importance of finalists having a “fundraiser” profile in addition to all the other attributes they are seeking.

3. Train the acting Chancellor and all Deans to be spokespersons for the campaign, to be the story-tellers as to why the educational experience envisioned for future students is important to the students, and what it means to the students.

4. Interviewees suggested that volunteer leadership would not be a critical component to the campaign’s success. Unlike many campaigns, a blue ribbon campaign steering committee was not seen as a determiner of campaign participation by donor prospects. Rather, it was suggested that a group assembled to manage the progress of the campaign would be far more important. Therefore, rather than assemble a campaign steering committee, assemble ad hoc “groups” of volunteers who can assist the staff in the fundraising process. Consider creating these ad hoc groups by College, perhaps utilizing the current Advisory Boards of each College as a starting point. The Development Committee of the Foundation Board or another assembled group can perform the management of the overall campaign. It is important to note that several interviewees who are also members of Advisory Boards expressed the desire for a more meaningful role in support of the Colleges, and felt that playing a more active role in this campaign would be a good way to begin.

5. When we talk to people about being involved in fundraising, their minds immediately take them to personally asking for gifts. This is true of all volunteers, probably including our own Board. Of course, the fundraising process involves many roles, all of which are important to the ultimate success of the solicitation attempt. However, unless these roles are understood and people are allowed to align themselves comfortably with them, many will naturally flee from fundraising. To engage as many people as possible in the fundraising process, define the roles we need to be played and ask potential volunteers and Board members to agree to play the roles with which they are most comfortable.

ENDOWMENT MANAGEMENT

Being successful in an endowment building campaign can be as much a burden as it can be a blessing. The blessing is obvious. The burdens can be several, but principal among them are: the scrutiny under which fund performance is placed, and the ability of the Foundation to effectively manage and steward a growing number of dedicated endowment funds.

1. We need to be ready to report what our return history has been, how money is invested and monitored, what our investment strategy/philosophy is, and other issues related to sound financial investment principles and processes based on the Uniform Prudent Investor Act. This is true both during the campaign and after the campaign has been successfully concluded.

2. There needs to be a determination on how many separate endowment accounts we can manage and support (stewardship issue) before we offer naming options. How many are we prepared to handle? What would be the financial and human resource costs?
SOLICITATION STRATEGIES

How we go about soliciting and raising funds will determine the ultimate success of this campaign. The ultimate “success/disaster” scenario would be to raise $50 million in new endowment commitments and have all those commitments be deferred, leaving no current dollars available to meet University needs. To avoid this scenario, the following strategies are offered for consideration.

1. The order of presentation for solicitations should be current gifts (pledge period negotiable based on the needs of the donor) first and, failing that, deferred gifts.

   The pledge period for endowment gifts should not be considered as restricted in time as is often the case with giving for capital projects. If a person needs ten years to fulfill the gift, why not? Work with donors to match the University’s needs with their needs.

2. If deferred giving is desired by the donor or most appropriate to their situation, then propose:

   a. Current gifts during their lifetime to provide the dollars that the deferred endowment gift will provide once received. This is the equivalent of “people” functioning as an endowment. For example, a deferred $100,000 endowment gift will provide $5,000 annually. Thus, in order for the endowment to have an immediate impact on the needs of the University, the donor could donate $5,000 annually until the deferred gift has matured.

   b. Current gifts that can be split between current needs and endowment building. If the donor can afford to annually give more than the endowment will ultimately be able to provide, the excess can be placed into the endowment fund. In that case, the deferred gift can be structured such that if the person’s lifetime giving is insufficient to fully fund an endowment, the deferred gift makes up the difference.

3. Offer all the standard planned giving tools plus the following:

   a. The Pension Protection Act of 2006 provided an opportunity for individuals older than 70 ½ to make gifts from their IRAs to charity. For this to result in no withdrawal penalties or income tax implications, several facts must be in place. First, the gift must transfer directly from the IRA administrator to the charity. Second, the gift cannot exceed $100,000 per transferor. Under the Act, gifts of this nature may take place in 2006 and 2007. After that the opportunity expires, unless Congress decides to recommend an extension of the provision. In addition, the early versions of this Act included the ability of donors to create qualified deferred gifts using IRA transfers. This provision was not in the final bill, but could find its way into extension legislation. This should be monitored closely by the Foundation to ensure that giving opportunities are fully understood and aggressively pursued.
Although IRA contributions are limited by law, many people have, through several employments, rolled over employee retirement plans into personal IRAs; therefore, have substantial IRA balances.

b. Many people will naturally be reticent to make gifts of “assets” to the Foundation because they or their loved ones may need those assets at some time in the future. Currently they will have enough income to deal with their needs. It is the unpredictability of the future that will give them pause. Charitable Lead Trusts can be the answer to this dilemma. By using this form of trust, the donor can dedicate a certain amount of their assets to the use of the Foundation to build an endowment, and preserve the asset for their use later in life.

4. **Offer several general endowments to allow small donors to give to their area of interest.** Examples would be:
   a. A general endowment for a College
   b. A general endowment for a Department or program
   c. Endowment for scholarship generally
   (Caution: we don’t want so many options that we wind up with lots of under-funded endowment funds.)

5. **Consider endowments by corporations**

This area could be ripe for fundraising, given participation by the University. In many university environments, the collaboration between corporate America and the university is quite close. The same opportunity potentially exists with UWW and the corporate community.

Typically, corporations do not fund endowments. However, there are circumstances where endowment funding becomes attractive. The two most compelling circumstances are when there is a natural opportunity to recruit new talent and when there is an opportunity to replace their own corporate training requirements. Matching these with University offerings maximizes giving opportunities.

If UWW is willing to participate, appropriately, with the needs of corporate America, the Foundation will be able to broker endowment “deals” in its fundraising attempts.
EXPANDING THE PROSPECT BASE

In recent history, as reported by interviewees, the Alumni Association has not aggressively engaged alumni around the country. This fact presents a unique opportunity to the Foundation as it relates to expanding the donor prospect base. One of the worst things an organization can do is to reengage an alumnus with a request for funding. But, because we have not had an active alumni program in their area, we can, instead, engage them in the development of a regional alumni group. Using the five (plus) years of the campaign, we have the opportunity to reengage these alumni in a non-fundraising environment and cultivate them for an ultimate endowment development gift solicitation.

STAFFING

1. The Good News is that the Foundation has expanded the staff and provided Directors of Development in each College. The Bad News is that there is a need for even more staff for this campaign.
   a. Interviewees reported to us that they understand that Mike Spellman will retire in 2008. Whether or not this is accurate, it is clear that Mike’s remaining time at the Foundation may be somewhat limited. He holds many key relationships. These need to be transferred. He is the only one with a broad knowledge of planned giving strategies. This campaign will be heavy on planned giving. We need to hire a Mike Spellman understudy to focus on relationship-transfer issues and planned giving education (at first) and then become an active part of the planned giving field force as the campaign proceeds.
   b. It is predicted that as time moves forward Colleges will have more prospects than a single College director of development can productively manage. In those cases, the Foundation will need additional fundraising supports. A major gift officer serving at first as a “utility infielder,” assigned by the President of the Foundation, moving from College to College to take up the overflow where identified prospects outstrip the ability of the College director of development to manage will allow the campaign to move forward without delay. (There might be a need for more than one of these.)
   c. As the current endowment grows, the need to steward those endowment donors will also grow. A full-time stewardship officer will be needed to ensure that what has been promised to endowment donors is indeed delivered. This person will need to be both a relationship person and a highly detail-oriented project manager. Examples of this person’s responsibilities would include:
i. Tracking of recipient course work with requirements of scholarship
ii. Notification and credentials of scholarship recipients
iii. Meetings with scholarship recipients or named faculty members
iv. Various reports of progress, accomplishments, success
v. Events linking donors with recipients, perhaps an annual event

GENERAL CAMPAIGN RECOMMENDATIONS

1. Memories fade over time and expectations tend to change. In the interest of codifying the endowment transaction between the Foundation and the donor, it will be important to create endowment agreements with each donor detailing how the endowment will be managed and the rights/expectations of both parties.

2. It is expected that many of the gifts to this campaign will be deferred in nature. Unlike a classic capital campaign, we will need to celebrate the deferred gift on an equal level of importance and impact as the current/pledged gift.

3. The additional cost of running the campaign will not be insignificant. If this cost is not incorporated into the annual fund components of the goal, it should be.

4. It will be important to have representatives from the Foundation Board, the Alumni Association Board, and the several College Advisory Boards meet regularly, if not in person, then by some formal protocol. The purpose of these meetings would be to communicate about where we stand and who needs to do what to be successful. We all win or we all lose!

CONCLUSION

We believe that an endowment goal of $50 million is achievable, as is a comprehensive goal of $60 million, given the alterations to the case we recommend and the strategies we recommend are implemented. It will not be easy, given the change in leadership that we face. But, the attitudes toward the University are strong and transcend the Chancellor’s position. Given the implementation of the proper strategy and some flexibility in the campaign end date, we believe the Foundation will be able to successfully conclude its most ambitious campaign to date.
APPENDIX
### APPENDIX

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Appendix 1

a moment and picture a premier university. What do you see? A campus with outstanding buildings and facilities. Cutting-edge technology that enhances every student’s experience. Faculty from the world’s great universities who choose this campus to pursue their love of teaching and research. Students from the Western region who have a deep passion for learning and the determination to succeed. A broad range of academic programs that are ranked among the nation’s best. Athletic teams that have national championships and high graduation rates.

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A university is strong and dynamic when faculty, staff, students, alumni and friends support it in good times and during challenges. We are fortunate that many people believe in UW-Whitewater and trust it in its future. Over the course of our nearly 150 years, UW-Whitewater has grown from a state supported university to one that relies more and more on the generosity of its alumni and friends to provide the essential support for an outstanding university. It is because we know and trust that UW-Whitewater can be a premier university that we believe it is time to increase our Foundations worth by $50 million.

Chancellor Martha Saunders believes that a solid education is the foundation for a successful life. "Believe in the transforming power of a good education. My life and career are good illustrations. As a first generation college student, I witnessed how a university can lift a community and the people in it. A university can provide opportunities beyond some of our wildest dreams. Because I know how a university can change lives, I have great dreams for UW-Whitewater."

Our enrollment will swell with students who demonstrate a hunger for achievement. We will be the first choice for talented faculty who have mastered the blending of theory and practice. Some form of hands-on learning in the form of original research, internships or service learning will be embedded in every curriculum. Our graduates will enter the workforce understanding and respecting people of other races and cultures. Every graduate will have a heightened awareness of the world. The majority will have participated in some form of study abroad. Worried students will no longer have to worry about paying for college. There will be sufficient scholarships, work opportunities or study grants to fund their education.

"- Chancellor Martha Saunders

A major goal of this campaign is to recruit and retain stellar faculty through endowed chairs and professorships. Endowed chairs and professorships give faculty a guaranteed source of funding for their research, provide support for research assistants who help enhance their research and teaching, increase their salaries and elevate their stature among peers. These are important tools for attracting and keeping the best and the brightest faculty who embrace the need to balance research and teaching. We believe in a university whose faculty is engaged in research and the classroom bring the best of both worlds to the students.

Dean Christine Clements of the College of Business and Economics recognizes the importance of supporting quality faculty and hiring engaging, new teachers. "Believe the faculty at UW-Whitewater is our most critical resource. A good professor can change lives, create unlimited opportunities and affect the future in a positive way. Our ability to attract and retain talented faculty allows us to bring exceptional expertise to our programs and students, and assures that we have the academic leadership to take us from very good to great. Endowed chairs and professorships will provide a legacy of leadership and excellence for education in the business professions and an ability to teach and enrich future business leaders who will change the face of business in Wisconsin and the world."

"- Christine Clements
Scholarships are a way for UW-Whitewater to attract some of the most motivated students in the region. We believe scholarships that emphasize academic achievement, diversity and community involvement attract students who will be committed to our goal of graduating students who are prepared to be successful in their chosen careers and give back to their communities.

As a donor to UW-Whitewater, Mary Sieverson sees that she can change the future for many students through her gifts.

“UW-Whitewater provides a quality education in an intimate setting, which allows students and professors more interaction. In the future, I hope additional dollars will enable students to travel abroad to experience and appreciate cultural differences.”

- Mary Sieverson, Alumna

Learning doesn’t just take place in classrooms. The experiences our students have outside the classrooms are just as important to their futures. This campaign will also raise money to help underwrite activities that encourage students to participate in leadership programs that teach them what it means to be a productive citizen in today’s world. We believe leadership development and student support services change lives by providing new opportunities.

Denise M. Bealn took advantage of the leadership opportunities afforded him at UW-Whitewater. He got involved, expanded his world and today he is the budget director for the Division of Academic Support Services and associate director in the Office of Pre-College Programs on campus. He is also poised to receive his Ph.D. in educational administration. He so believes in what UW-Whitewater does for students that he has also endowed a scholarship in honor of his parents.

“Coming from Bailiff, I have always been comfortable in a diverse environment but UW-Whitewater gave me a window to the world. As Black Student Union president, Whitewater Student Government senator, and McNair scholar, I was deeply integrated in the campus. I believe that this type of integration shaped my professional career and the careers of other students from minority political relationships with student government. All of this was diversity and multiculturalism personified. My national experience was highlighted through spring break travel. Before I visited Atlanta, New York, Washington D.C. and Houston, my perspective on diversity was limited to Bailiff and the UW-Whitewater campus. My international experience traveling to Jamaica to present a research paper gave me insight into societies beyond the border of the United States. I believe that if I had not been associated with UW-Whitewater I would not have had those experiences. I believe UW-Whitewater will continue to be a window to the world for even more multicultural students.”

- Denise M. Bealn

Strong athletic programs win national championships and bring positive attention to campus. We believe that the continued development of quality sports facilities and the ongoing support of the Whitewater Athletic Complex, a project that updates our track, softball,
baseball and soccer facilities. Our students strongly support this project and have committed $3.7 million to help fund it. The Multi-Sport Athletic Complex project will be the culmination of an effort that began with the construction of the Rachel Fieldhouse and the Student Athletic Complex.

Retired Whitewater baseball coach Jan Miller knows that successful sports teams are a point of pride for the campus. When teams win, people pay attention and the media pays attention. Those moments in the spotlight are priorities in terms of building a strong connection with students, alumni and the community.

"I believe that athletics enriches life—the successes, failures, highs and lows that we experience in athletics help to prepare you for the real world. Even though baseball or football is just a game, the competitiveness and the team building helps prepare students for the challenges that life will present. But beyond the lessons for the students, the coaches, the students and alumni want to be associated with winners. Students apply to schools with winning programs and alumni give money to winning programs. I believe strong athletic programs will continue to help UW-Whitewater by showing that when you support the Warhawks, you support winners." - Jan Miller

These people see that UW-Whitewater has the potential to be a premier university. In order to become this exceptional university, we know UW-Whitewater can be, we are seeking to raise $50 million for the endowment and other university priorities. We know this is an ambitious goal, but we also believe the time is right. You can help by making a donation that will have a lasting impact on the future of UW-Whitewater.

Why should you support this campaign? Because you believe in UW-Whitewater. Your gifts will support students who view UW-Whitewater as an institution of opportunity. You can help bring the best faculty possible to the campus, faculty who love teaching and research. Our winning athletic teams will continue to make you proud to be associated with the Warhawks.

As part of your support, you will receive an annual report on your donations so that you can see how your support is making a difference at UW-Whitewater. We feel so strongly about the importance of this campaign, that we are offering the following naming opportunities for your consideration:

- College: Naming Rights
- Academic Program: Endowment
- Student Program: Endowed Chair
- Endowed Professorship
- Research Fellowship Fund
- Endowed Teaching Award
- Student of Distinction Scholarship
- Endowed Learning Experience Funds
- Endowed Scholarship

Here is a summary of our goals for this campaign. Through these goals we believe UW-Whitewater can be a premier university that continues to be an institution of opportunity for our students.

Comprehensive Campaign Goals
- Ensuring Excellence in the Classroom ($25 million)
  1. Professorship/Chair
  2. Research Fellowships
  3. International Faculty Exchange Programs
- Maintaining Academic Excellence & Increasing Diversity ($15 million)
  1. Scholarships for Talented Students
  2. Minority & Disadvantaged Scholarships
  3. Study Abroad Scholarships
  4. Graduate Assistantships
- Supporting Future Initiatives ($10 million)
  1. College and Academic Department Endowments
  2. Endowed Learning Experience Funds
  3. Unrestricted Endowment
- Whitewater Multi-sport Complex ($7.5 million)
- Support for Ongoing Initiatives ($7.5 million)
LIST OF INTERVIEWEES

1. Anderson, Dan
2. Anilionis, Ray
3. Arntson, Amy E.
4. Bellman, Floyd
5. Brostowitz, Ruth E.
6. Burish, Andrew D.
7. Caldwell, James K.
8. Cesario, Michael
9. Connor, James R.
10. Cullen, Mark
11. Douglas, Robert & Virginia
12. Duffey, Patricia J.
13. Ellefson, Kermit
14. Fiebrink, Mark
15. Fiskum, Robert & Yvonne
16. Fletcher, Wade
17. Fogarty, Jude
18. Ganser, Roger H.
19. Hughes, Don
20. Hyland, Timothy J.
21. Jacobsen, Raymond
22. Jarman, Brett & Darcy
23. Kachel, David
24. Kamphuis, Robert D.
25. Kent, Dale J.
26. Klisurich, Anne
27. Madison, John
28. Marklein, Howard
29. Mealy, Dennis
30. Meeusen, Richard A.
31. Morava, Alice
32. Murphy, William T.
33. Orsolini, Alex
34. Rabas, Rita
35. Schopen, Joseph
36. Shilts, Guy W.
37. Siegert, Marvin G.
38. Studer, Quint
39. Sumnicht, Vernon C.
40. Timmerman, Douglas J.
41. Tincher, John
42. Van Galder, Stephen R.
43. Witthun, Frank
44. Wrobbel, Scott
45. Zitzner, Merlin E.
UWW FOUNDATION

Strategic Assessment Question Areas

KEY AREAS OF INQUIRY:

- Whether the comprehensive approach is understood/accepted, or if presenting individual components is a better strategy.
- Donor reaction to dollar amounts—a combined $60M or individual pieces.
- Ranking of individual campaign components.

OPENING AND GENERAL PERCEPTION QUESTIONS:

1. Background with the University and any current involvement with the institution.
2. Single greatest University strength to you. Greatest weakness/void/challenge.
3. Perception of the new Chancellor and the Foundation leadership.

Familiarity/Understanding/Reaction to Plans:

4. What is your perception of the University’s plans for the future?—Overall perception of the vision (approve/critical? Explain).
5. Reaction to the case. Is it compelling/strong? If so, why? If not, why not? What revisions are needed?
6. Given you approve of the general direction, which components or projects seem most important/exciting to you? Least important?

Fundraising:

7. In order to implement the plans, approximately $60M will be needed over five years. Can the Foundation raise that amount?
8. Look at the achievability of individual component goals:
   a. Faculty endowments--$25M
   b. Student scholarships--$15M
   c. Initiative endowments--$10M
   d. Warhawk multi-sports complex--$2.5M
   e. Support for ongoing initiatives--$7.5M
9. Introduce scale of giving. From your perspective, are gifts potentially available to the Foundation in the levels of this chart? Where/from whom are the top gifts most likely to come?

10. If you were to rate your volunteer or gift-giving interests, where would you rank UWW and the Foundation? (high, med, low?) Given that, where could you be on the draft gift table (note—this is not an ask)? What circumstances are important for this consideration?
   a.  Family issues
   b.  Active pledge payments elsewhere
   c.  Tax considerations
   d.  Other

11. If the Foundation were to conduct a campaign, what strategies would you suggest for maximum fundraising results? What issues could block success? (Consider timing, economy, leadership, competition, etc.)

12. Identify leaders who will need to be personally involved for optimal campaign results.

Other:

13. Who else (specifically) should we be interviewing to assess this opportunity?

14. Any other issues/comments relevant to the study’s outcomes?

15. Any parts of this interview you wish us to treat confidentially?

INTERVIEWER COMMENTS/OBSERVATIONS

- Estimated gift potential: _____________________
- Level of readiness to make that gift: _________________
- Cultivation ideas/moves recommended: _________________
- Other observations:
### UW-Whitewater Foundation

#### Campaign Gift Chart

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