

University Advancement 2009-11 Budget Introductory Letter

DA: March 10, 2009

TO: Colleagues, WWU Campus Community

FROM: Stephanie Bowers, VP, Division of University Advancement

RE: Budget Proposal for 2009-11

The Division of University Advancement is comprised of work units including the Alumni Association, the Foundation, and Special Events. Supporting all three functional areas are advancement services which include our constituent database, research, donor relations, and financial and accounting activities such as budgeting, investing, gift processing, and scholarship tracking. The Alumni Association connects alumni and students through communication, engagement opportunities as volunteers, awards, and program and activity offerings for nearly 100,000 alumni. The Foundation cultivates, solicits, manages, and stewards annual, major and estate gifts from alumni, parents, students, members of the community, corporations and foundations. The Special Events staff organizes and implements presidential, donor recognition, and fundraising events.

The leadership team of University Advancement consists of Vice President Stephanie Bowers and three senior directors, Mark Bagley, Deborah DeWees and Patricia Woehrlin. The Finance Officer for the division is Randy Senf.

Our State operating budget is 90% permanent staff, 5% student staff, and 5% operational funds. Student work responsibilities range from phonathon callers to ambassadors to data-enterers. Operational funds cover basic phones, computers, professional development, printing and mailing costs.

Everyone in our division had multiple opportunities to participate in meetings, surveys, email communications, and staff conversations which led to the budget development, and I am pleased to note, everyone did participate. Staff members had an option to contribute anonymously via on-line surveys. Our budget development process (attached in full) centered on the principles of: sustaining the quality of our operations, increasing revenue, moving our organization forward rather than holding steady or declining with fewer resources, and increasing our value to the university.

During our SWOT process (analysis attached in full), members of our division identified elements in each category clearly and unambiguously. Our strengths are, without a doubt, a committed staff and high quality relationships with our constituents. Our weaknesses are first, lack of communication both externally (lack of campus branding and marketing messages) and internally within our division and the rest of the university, and second, increased need for collaboration within our division. It comes as

no surprise that the economy is the number one threat to success in alumni and development work. And our greatest opportunities to achieve our bottom line goals are to increase outreach, better tell our story to our potential supporters, and create efficiencies within our operational units.

We considered all the information gathered through the budget process, the SWOT analysis, the survey feedback, the committee suggestions on efficiencies, the university SCOT, the president's mid-year report to the campus, and the campus cost reduction suggestions from the University website (attached in full.) This data, combined with our mission to communicate, engage and connect all constituents and raise private support, affirms our vision to increase involvement and giving to Western.

From our planning, mission, and vision, a four-pronged approach emerged:

- Embark on a 12-18 month planning process to develop a comprehensive fundraising campaign for Western;
- Fully integrate alumni, development, event and communications plans for the division; prioritize an increased focus on communications within our division, across the campus, and with our external constituents;
- Assess our approaches to communicating, engaging, and soliciting our constituents, ensuring there is a strategic focus on face-to-face interactions; and
- Examine support systems and internal processes determining areas where efficiencies can occur.

As we move forward with strategic implementation of this vision, we will improve processes and collaboration, not necessarily through budget reallocation but more by changing the way we do business. Examples could be: use of ad hoc cross-organizational teams, consideration of a matrix approach to our daily work plans, modifications to current e-communications plans that take a comprehensive approach, etc. All of these will make us more efficient, more collaborative, and will let our WWU colleagues know better how our organization supports the campus.

Our proposed budget cuts follow in line with this approach. Our first reduction is to eliminate one FTE major gift officer position, the director of Corporate and Foundation Relations, and reallocate the work to other gift staff. The second and third reductions are to eliminate funding for the Assistant Director of Annual Giving and 50% of the Research Assistant position. The two vacant positions are for budget reduction scenarios only and may be re-assessed at a later date.

We are using current staff resources to begin the planning of a comprehensive campaign. In the next 12 – 18 months we will present a detailed analysis of the possibilities, the challenges, and the resources needed to launch that campaign.

UNIVERSITY ADVANCEMENT

As of March 5, 2009

Guiding Principles

1. Protect and sustain the core quality of operations in the division
2. Increase revenue as well as decrease expenses
3. Develop bold ideas and robust proposals to move ahead strategically
4. Increase value of the university advancement division to the campus
5. Position our organization so that our relationships with our constituents are strong and our growth can be exponential when the economy turns around
6. Create a sustainable budget
7. Staff ideas and suggestions will be reviewed and ultimately all budget and strategic direction decisions will be made by the Vice President for University Advancement

Process

Fall 2008

- Leadership team met regularly to review reduction targets and to brainstorm ideas for budget reduction and ideas for budget process
- Leadership Team determined initial opportunities for transparency and participation
- Vice President informed division of decisions made and information shared in President's Cabinet
- Vice President solicited feedback from staff on university budget processes being proposed
- Leadership Team created survey to collect opinions; Leadership Team created survey monkey tool to collect feedback anonymously

January 2009

- Leadership and Finance Officer met to determine draft process for division-wide review
- Leadership team reviewed responses from survey
- Vice President shared overall themes of responses via division-wide staff meeting; asked for additional feedback
- Vice President asked for voluntary participation on task force to review and comment on reductions for UA suggested on university web tool
- Vice President asked for voluntary information sharing regarding willingness and/or interest in working a less-than 100% FTE position

February 2009

- SWOT session took place, inviting dialog with all staff; facilitated by alum and CBE faculty member
- Draft process and budget target reductions distributed to all staff on 2/9 with request for feedback by communicating to supervisor or at 2/12 staff meeting
- SWOT results to be distributed on 2/11
- Budget process finalized and distributed
- Senior Directors will conduct an analysis of functional tasks in each area
- Any staff-generated idea for quality improvements, collaboration, increased revenue and program enhancements are encouraged on an ongoing basis.
- Technology Group within our Division to create a process for technology related upgrades and purchases (cell phones, computers, printers, etc).
- Efficiencies Group created to make suggestions for added efficiencies within division.

Feb – March

- Leadership team meets to review:
 - guiding principles
 - budget reduction scenarios
 - SWOT outcomes
 - ideas generated and analyzed for efficiencies and cost-savings from university web and from division staff
 - functional analysis of all job tasks
 - new ideas and proposals
- Leadership team creates first draft of budget with Finance Officer
- Draft budget shared with Division staff prior to March 10th
- March 10, 2009 – Budget proposals due to University Planning & Budgeting to be posted on web
- March 18-19 – Budget Presentations

Strengths Weaknesses Opportunity Threats (SWOT)

University Advancement

WWU Foundation, Alumni Association & Special Events

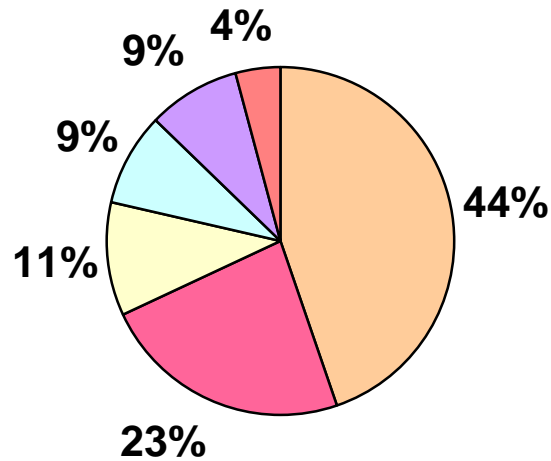
Date: February 12, 2009







This document presents the themes of comments from the SWOT workshop conducted on Tuesday, February 3rd by the University Advancement staff. The workshop listed the Strengths, Weaknesses, Opportunities and Threats of the division for use in identifying themes to assist in the leadership budgeting process. Dan Purdy, Assistant Professor and Director of the CBE MBA program, facilitated the workshop. The raw data from the workshop were coded, grouped and analyzed by Betsy Bierer, Special Assistant to the Vice President. This information will be presented to the University Advancement staff for additional feedback, and also used by the leadership team in the creation of the University Advancement 2009-2011 budget document.

The raw data were analyzed and similar comments were grouped by number. The grouped comments are illustrated, below, in graph form to show percentage of the total response. Major themes were identified by the grouped comments, and a paragraph of overall interpretation of the primary emergent thematic issues follows each pie graph.

Two major strengths emerged from the data; (1) a committed staff and (2) quality relationships with donors. Lack of communication and collaboration emerged as the division's major weakness. Three opportunities for the division were highlighted; (1) stewardship and outreach, (2) external communication and (3) internal streamlining. The poor economy was overwhelmingly listed as the major threat.

Strengths

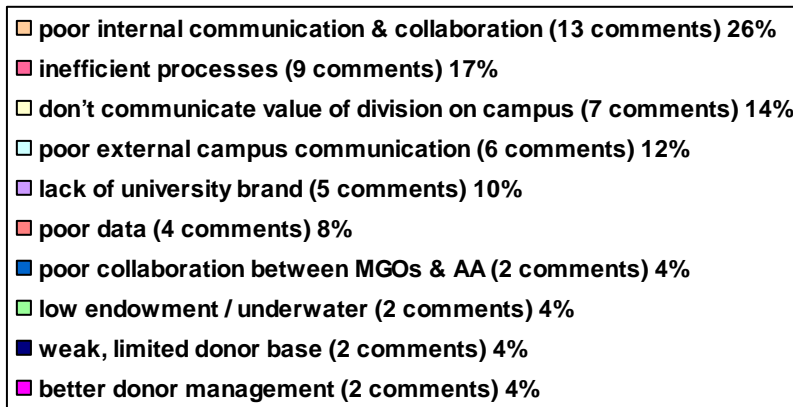
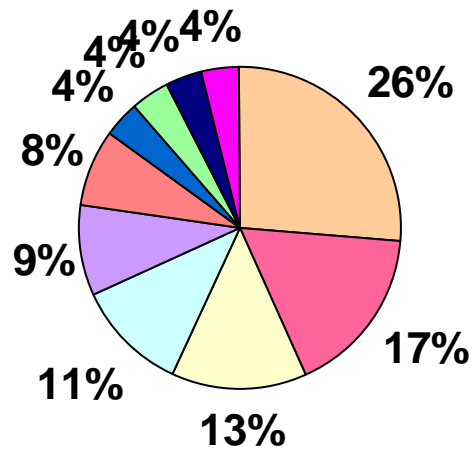


	talented and committed staff (21 comments) 44%
	quality, personal relationships with donors (11 comments) 23%
	strong data & research information (5 comments) 11%
	strong campus relationships (4 comments) 9%
	great events (4 comments) 9%
	active, involved boards (2 comments) 4%

The two most frequent strengths listed by the group were (1) a talented, committed staff and (2) high quality personal relationships with donors. 67% * of the answers aligned with one of these two major themes. Comments about a strong staff were mentioned almost twice as often.

* Percentages are approximate and include themes with two or more similar comments.

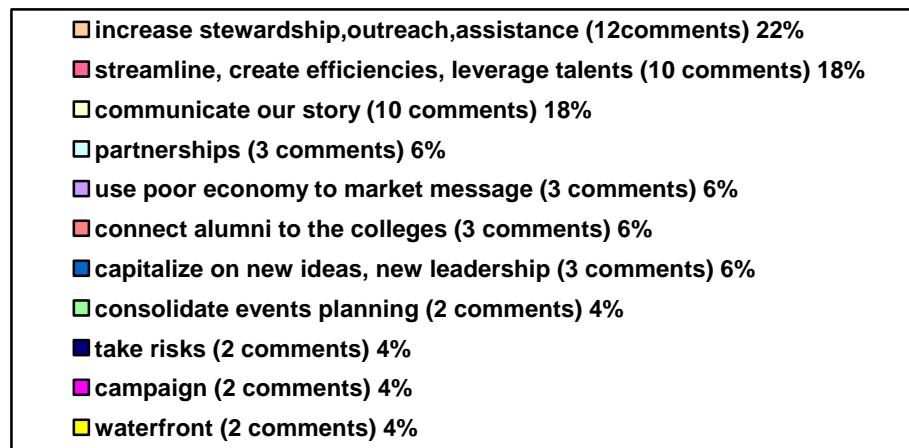
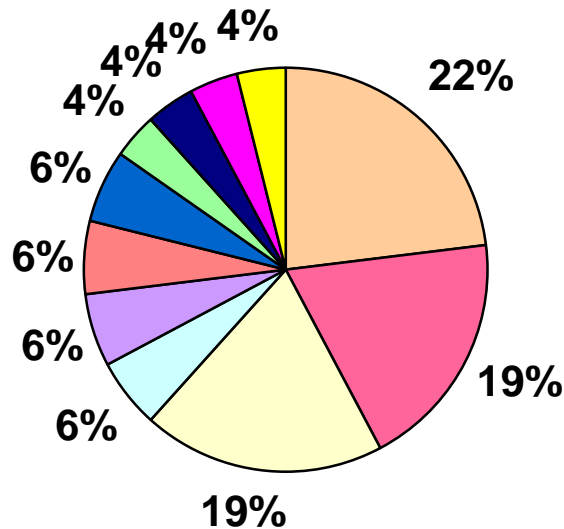
Weaknesses



A clear weakness emerges from the data: lack of communication and collaboration. Although illustrated by 5 separate colors, a total of 68% of the comments address the perception of poor communication, both externally and internally. Poor external communication (campus and branding messages) account for 36% of the comments. Poor internal division communication and collaboration weaknesses account for 32% of the comments.

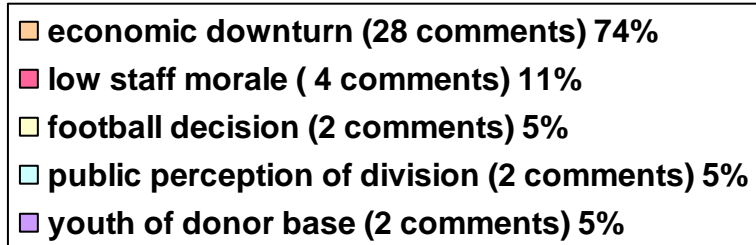
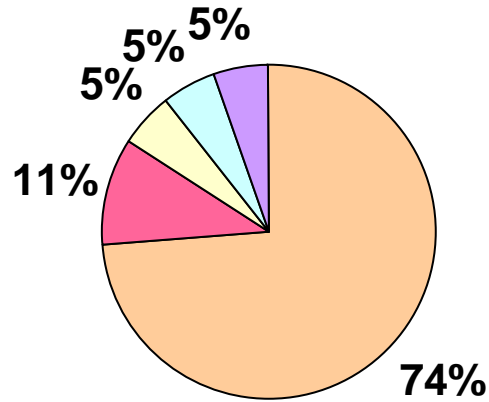
Second to poor communication were comments mentioning inefficient processes, accounting for 17% of the overall weakness comments.

Opportunities



Three main opportunity themes emerge from the comments, although there was not a majority of opinion on opportunity. The largest emergent theme was the opportunity to increase outreach; this includes stewardship, assisting supporters, partnerships, and connecting alumni to colleges. The concept of increased outreach was mentioned 34% of the time. The second largest theme at 24% was the opportunity for enhanced external communication – to communicate our story and market our message. Third, at 18%, was the opportunity for streamlining the division and creating efficiencies. The opportunity comments had the greatest diversity of theme.

Threats



The poor economy was listed in 74% of the comments, making it overwhelming the division's primary perceived threat.

Campus Community Suggestions							University Response		
ID #	Reduction Idea	Additional Information	Division Responsible to Research	Preliminary Potential Savings			Division(s) Response	Suggested by	
				FY09	FY10	Future			
This spreadsheet contains suggestions from the campus community. Some submittals included preliminary savings/cost estimates.									
Analysis will be done for each item submitted.									
39	Reduce number of University funded cell phone users and use.		All VPs				UA is using the minimum number of cell phones needed to conduct current business.		
123	Merge divisional budget functions into Budget Office	Reduction in staffing needs; large shift in how divisions work with budget; streamlined approach to budgeting	All VPs				In addition to the State Operating Budget, UA manages two separate 501c3 corporations, audited separately and cannot be merged into the University's budget office.		
159	Reduce travel for everyone including those in upper administrations.	May be happening, but seems like I hear others are still traveling (understanding that some just cannot be avoided).	All VPs				UA does not use State funds for travel.		
196	Cut funding for travel or research		All VPs				UA does not use State funds for travel.	Forum - joseym #1	
256	Additional effort should be made to reach those employees who have no ready access to the internet.	They should be provided with a hard copy of the posts on this forum as well as the latest draft of 'WWU Cost Reduction Suggestions'. They should be encouraged to give feedback with the same consideration for anonymity as the posters on this forum.	All VPs				n/a	Mary Ann Armstrong - Forum #87	
35	Increase production by reducing number of committees and meetings		All VPs				n/a		
36	Reduce or eliminate most, if not all, professional clubs and memberships.		All VPs				UA does not use State funds for memberships.		
37	Reduce printed copies of notices/newsletters, etc. from within FM and from campus in general. One notice posted in a prominent place should suffice; every staff person doesn't need their own copy.		All VPs				UA has created an Eteam (efficiencies team) which will look into various ways within the department to be greener, more efficient and more sustainable with its resources. The Eteam consists of seven staff members.		
117	Perhaps, the Foundation could include in their fund raising, donated equipment from industries. This could be computers, software, desks, furniture, etc. Some companies may happily donate equipment, but may be reluctant to donate money.		University Advancement				The WWU Foundation actively solicits companies for gifts in kind, including equipment, supplies and materials for use by faculty, students and staff. In 2005, the Foundation received \$1,750,066 of "in kind" donations; in 2006 - \$1,031,587; in 2007 - \$402,562 and in 2008 - \$522,935. Two of the largest donors to Western Washington University are Microsoft and the Boeing Company. Microsoft has contributed generously through the Foundation, much of it "in kind" software ensuring that labs and offices campus-wide are current with the latest software. Over the years, Boeing has contributed scholarship dollars, research equipment and surplus materials to the University. Many other companies and businesses contribute in-kind items on a regular basis. While the Foundation has received donated computers for research and student use, these donations are typically not on a large scale because (1) while companies donate specialized computers for research and specific programs, they generally will not donate new computers for general use and (2) used computers go out of date quickly (in 3 to 4 years).		
138	Sell bricks to students/alumni	Reduce replacement costs	University Advancement BFA				The Alumni Association is currently exploring selling bricks in one location, outside of Old Main, as an additional revenue source. The brick program was discontinued a few years ago, and the current research has shown that producing and replacing the bricks along with managing a placement grid may not be cost effective.		
148	Use Foundation funds to supplement needed operational expenses.		University Advancement				100% of Foundation gifts received are for the benefit of the University. How the dollars are used is often specifically designated by the individual donor and some of those designations are considered operational. Deans or department chairs generally decide how the college and department gifts are spent.		

This spreadsheet contains suggestions from the campus community. Some submittals included preliminary savings/cost estimates.								
Analysis will be done for each item submitted.								
Campus Community Suggestions			University Response					
ID #	Reduction Idea	Additional Information	Division Responsible to Research	Preliminary Potential Savings			Division(s) Response	Suggested by
				FY09	FY10	Future		
164	Can Foundation "discretionary" funds be used to help out? We get a lot of fancy mail invites and cards, when asked about this we here no state funds were used. Not sure if all of these were funded by the non state fund. Look at ways to reduce the postcards and cards.	We get a lot of fancy mail invites and cards, when asked about this we here no state funds were used. Not sure if all of these were funded by the non state fund. Look at ways to reduce the postcards and cards.	University Advancement				State funds are not used for event invitation printing or mailing. To reduce printing costs e-mail is used whenever possible for event marketing, invitations, confirmations, etc. Printed reply cards have been greatly reduced and reservations are taken via the web or phone.	
346	If we have such a large deficit how is it that the university still sees it appropriate to hold dinner events for alumni in the solarium that cost 1000s and 1000s of dollars??	See Forum #79 for additional comments.	University Advancement				There are two types of events managed by University Advancement – Alumni events and Foundation events. (1) Alumni events and programs are entirely self-supporting. They don't use University funds. (2) Presidential and Foundation dinners and receptions are funded entirely through non-State, non-tuition funds. Private foundation dollars are used. Dinners and receptions allow donors to meet and network with other people, spend quality time with faculty and administrators, meet students and enhance their bond and positive feelings about the University. These events play a key role in fostering the connection and desire that leads donors to contribute to the University. The special events staff takes particular care to present simple, elegant events while keeping an eye on expenses. Some techniques they employ are e-invitations, events at donated homes and venues, encouraging carpooling, utilizing campus catering services and selecting less expensive entrees.	Forum #79
140	Take a community garden approach to our landscaping by selling "garden plots" to community members and alumni	Decreased landscaping labor costs, increased community involvement	University Advancement BFA				The Alumni Association, with only five permanent staff do not have the resources to manage a gardening program. Gary Hodge, Outdoor Maintenance Supervisor also provided some information. Gary indicated that outdoor maintenance operates with a very small staff, and having others involved in landscaping would be an arduous task. Curb appeal of the campus is highly important to students and staff and Gary indicated that allowing non-skilled landscapers would likely diminish the beauty of the campus. The biology department had some area available for staff used community garden plots, but those plots will be eliminated to make room for an additional greenhouse funded by recent capitol money.	
150	Overuse of shuttles	The number of shuttles used with not so many utilizing them (President and other events).	University Advancement BFA				There is high ridership on the shuttles used for donor related events (e.g. moving donors from parking in 12-A to Old Main for annual scholarship lunches or moving guests from Lincoln Street Transportation Center to home in the community for events). With extremely limited parking in the campus core, we will need to continue shuttling external guests (donors, friends of the university, etc.) from remote parking sites.	
353	I heard that the president was making more than our average teachers in a housing bonus per year alone. Our university president can't find a house on a 600-900K yearly income...	Why the extra 60k a year for housing?	University Advancement BFA				UA defers to the BFA office to discuss the President's contract.	Forum #40
122	Merge divisions/departments (e.g. EA & UA)	Reduction in staffing needs/increase workload	University Advancement University Relations				UA defers to the President to consider this decision.	
226	Cut less vital expenses	Before asking staff to tighten their belts, a reduction in other, less vital, expenses should be considered. For example, is it really necessary to have a holiday party with tables loaded with cookies and other treats? Also, with the budget in such dire straits, is this really the time to create a full color magazine ("Window") for campus-wide distribution?	University Relations President's office				This item is not managed by UA. The holiday party is managed by the President's office and Windows is managed by University Relations.	Forum - kairkofk #21

2009-10 2010-11

LINE 5 **State Operating Budget -- Reduction Goal: \$ 118,924 \$ 118,924**

Item #	DESCRIPTION	Reduction Amount		FTE Reduction		Position Type	Fund-Org-Program Code	CONSEQUENCES Relationship to Unit's long term vision? University's? Will reduction be covered by other funding sources so that service continues?
		2009-10	2010-11	2009-10	2010-11			
1	Eliminate a 1.00 FTE major gift officer position in the Foundation office	78,101	78,101	1.000	1.000	Professional	10200-6310-085ZAC	Reduces number of direct donor contacts made in a year and may negatively impact non-state funds available to academic units
2	Reduce funding by 50% for Asst Dir Annual Giving position in the Foundation. The position should not be abolished.	19,465	19,465	0.500	0.500	Professional	10200-6310-085ZAC	Reduces number of direct donor contacts made in a year and may negatively impact non-state funds available to academic units
Corresponding Benefits from Pooled Benefits								
3	Benefits corresponding to reducing a full-time position to part-time to be deducted from the pooled benefits budget at 16%**	3,114	3,114					
4	Benefits corresponding to permanently budgeted full-time positions (50% or greater) that are eliminated to be deducted from the pooled benefits budget at 28%**	21,868	21,868					
5	Limited Term Faculty positions are a special case. Please contact Diana Cline xt 4762 for benefit amounts related to LTF.	-	-					
TOTAL		122,549	122,549	1.500	1.500			
Balance (Over)/Under Reduction Goal (Line 5)		(3,625)	(3,625)					

FORM A

PROPOSED 2009-2011 REDUCTIONS

Planning Unit:

UNIVERSITY ADVANCEMENT - 7% Reduction Scenario

2009-10 2010-11

LINE 5 **State Operating Budget -- Reduction Goal: \$ 166,494 \$ 166,494**

Item #	DESCRIPTION	Reduction Amount		FTE Reduction		Position Type	Fund-Org-Program Code	CONSEQUENCES
		2009-10	2010-11	2009-10	2010-11			Relationship to Unit's long term vision? University's? Will reduction be covered by other funding sources so that service continues?
1	Eliminate a 1.00 FTE major gift officer position in the Foundation office	78,101	78,101	1.000	1.000	Professional	10200-6310-085ZAC	Reduces number of direct donor contacts made in a year and may negatively impact non-state funds available to academic units
2	Eliminate funding for a 1.00 FTE Asst Dir Annual Giving position in the Foundation office. The position should not be abolished.	38,930	38,930	1.000	1.000	Professional	10200-6310-085ZAC	Reduces number of direct donor contacts made in a year and may negatively impact non-state funds available to academic units
3	Reduce a 1.00 FTE Research Analyst position in the Foundation to .50 FTE. The position should not be abolished.	16,732	16,732	0.500	0.500	Classified	10200-6310-085ZAC	Loss of research support identifying prospects resulting in reduced fundraising productivity and efficiency
Corresponding Benefits from Pooled Benefits								
4	Benefits corresponding to reducing a full-time position to part-time to be deducted from the pooled benefits budget at 16%**	2,677	2,677					
5	Benefits corresponding to permanently budgeted full-time positions (50% or greater) that are eliminated to be deducted from the pooled benefits budget at 28%**	32,769	32,769					
6	Limited Term Faculty positions are a special case. Please contact Diana Cline xt 4762 for benefit amounts related to LTF.	-	-					
TOTAL		169,209	169,209	2.500	2.500			
Balance (Over)/Under Reduction Goal (Line 5)		(2,715)	(2,715)					

FORM B

**OPPORTUNITIES or NECESSITY FOR
NEW INVESTMENT**

Planning Unit:

UNIVERSITY ADVANCEMENT

STATE OPERATING BUDGET (State Appropriations & Tuition)

Item #	DESCRIPTION	<u>Amount</u>		<u>New FTE</u>		Position Type	Fund-Org-Program Code	<u>IMPACT</u>
		2009-10	2010-11	2009-10	2010-11			Relationship to Unit's long term vision? University's?
1	WWU Foundation Phonathon (Student labor, telecom, hardware, software, misc)	82,000	84,900	-	-	NA	14192-6310-085ZAC	Maintains vital fundraising program at reduced level. This has been regularly funded by an allocation of temporary funds.
3								
4								
5								
Corresponding Benefits for all New Positions (to be paid into Pooled Benefits)								
6	Benefits corresponding to adding a part-time positions (less than 50%) at 16%							
7	Benefits corresponding to adding a full-time position (50% or greater) at 29%.							
8	Limited Term Faculty positions are a special case. Please contact Diana Cline xt 4762 for benefit amounts related to LTF.							
TOTAL		82,000	84,900	-	-			