

# **Philanthropic Support and the MTSU Foundation**

Board of Trustees Meeting

August 15, 2017

## **Background**

- MT Scholarship and Loan Foundation established in 1961 – the first in Tennessee
- Only legal entity that can solicit, accept and manage gifts on behalf of the University – includes the Foundation, BRAA and Alumni Association and operates under an agreement with the University
- Primary responsibilities are to assist the University in securing private support for the institution and to manage and maintain the Foundation's Endowment

- Endowment is managed by Gerber Taylor Investments – the Foundation’s investment partner since 1991
- For many years, the Foundation and fund raising were modest enterprises with limited staff and resources
- In mid-90’s Tennessee Miller gift (\$22+ Million) provided impetus for enhanced fund raising – Miller Corporation established to manage the property
- In 2003, instituted a constituent based fund raising model with a plan for dedicated development staff allocated to the academic colleges

- In 2003, Foundation investment policy moved from an income driven model to a total return model, balancing the need for funds for current use with long-term growth and sustainability
- Current investment strategy calls for a 7-7.5% targeted annual return, with 4% of the 3-year average value provided for expenditure, 1% for Foundation expenses and 2-2.5% in asset appreciation
- In 2005 created Advancement Service Division to oversee all data and financial records
- Centennial Campaign (2009-2015) generated over \$105 million in gifts and commitments

## Current Operations

- Prior to 2002, professional staff was typically 2-3, with additional administrative and accounting staff
- Currently we have 11 dedicated professional staff (8 for academics and 3 for athletics) on our campus
- In addition to college based staff, central support is provided for annual giving, institutional scholarships and priorities, and research
- Gift planning is provided by outside vendors

- University provides basic operating and salary budget for staff, with the Foundation providing significant operating support
- College and departmental engagement is critical to success
- Office of Corporate Engagement was established in 2016 to help identify and foster relationships that will lead to enhanced recruitment, experiential and continuing education, contract research and philanthropic support
- Fundraising activities and priorities are developed by the University, with the Foundation providing counsel on the viability of projects

## **Assets and Funds Invested to Benefit the University (June 30, 2017)**

MTSU Foundation	\$60,592,805
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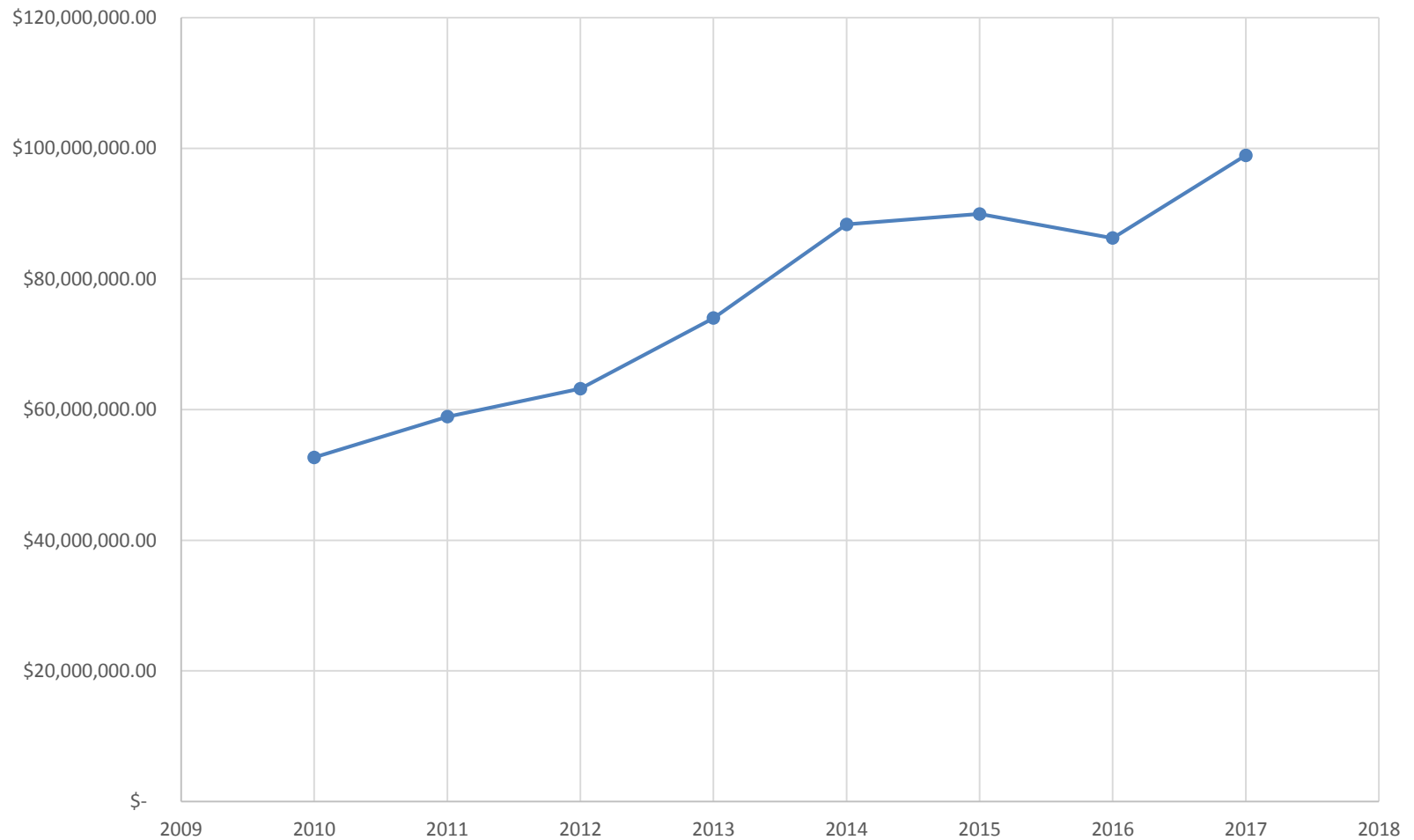
State Chairs of Excellence	\$35,260,762
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External Trusts and Accounts	<u>\$ 3,060,292</u>
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<b><i>Total Invested Funds</i></b>	<b><i>\$98,913,859</i></b>
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Miller Coliseum and Foundation House	\$21,421,160
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# Funds Invested to Benefit MTSU





## Giving History

<u>Fiscal Year</u>	<u>Total Gifts</u>	<u>Donors</u>
2006-07	\$ 6,198,919	7522
2007-08	\$ 5,015,342	8296
2008-09	\$ 4,160,425	9200
2009-10	\$ 6,445,962	8841
2010-11	\$ 8,516,967	8434
2011-12	\$ 8,194,412	8939
2012-13	\$14,049,767	9097
2013-14	\$10,107,374	8876
2014-15	\$11,059,986	7986
2015-16	\$ 7,628,058	6899
2016-17	\$ 8,555,144	7038

## Sources of Funds (\$000's)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Gifts from Individuals	6,812	5,076	4,976	2,965
Bequests and Trusts	5,766	230	1,585	880
Corporate & Foundation*	1,472	4,802	4,499	3,783

\* Includes family foundations, donor advised funds and privately held firms

## Impact of Major Gifts (\$000's)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Value of Top 10 Gifts	9,528	5,580	6,414	3,255
Total Contributions	14,050	10,107	11,060	7,628
% of Annual Total	69%	55%	57%	42%
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Number of Gifts \$10,000 +	101	100	109	92
Total Gifts	7,297	7,152	6,355	5,460

## Gift Designations (\$000's)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Athletics	2,058	2,503	2,527	1,950
Academic Colleges	3,675	2,145	1,651	2,128
Inst. Scholarships/Funds	1,133	2,173	1,756	959
Capital and Real Estate	1,009	1,286	1,011	1,002
Miscellaneous/Unrestricted	449	285	386	673

## Peer Comparisons (\$000's)

<u>Institution</u>	<u># of Alumni</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Memphis	119,869	21,600	30,835	21,384	23,958
MTSU	112,219	14,050	10,107	11,060	7,628
ETSU	88,814	10,153	12,018	11,107	10,551
Tenn Tech	71,416	3,314	4,512	4,065	8,497
TSU	46,872	2,707	3,168	2,592	2,805
Austin Peay	43,782	8,501	3,431	8,348	8,894
Univ of Tennessee	246,346	104,164	111,303	157,235	91,456
UT-Chattanooga	59,697	7,116	7,393	8,990	10,607
UT-Martin	42,045	3,360	2,736	3,430	3,549

## National/Aspirational Peers

<u>Institution</u>	# of <u>Alumni</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
North Texas (D)	223,865	----	24,596	22,789	25,112
Georgia State (D)	213,734	14,701	19,476	16,078	25,164
Kennesaw State (M)	97,954	4,199	4,844	7,043	9,392
Florida Intl (D)	204,781	24,706	21,459	23,312	27,820
Florida Atlantic (D)	144,383	11,851	10,662	15,844	12,918
UNC-Charlotte (D)	116,981	11,168	15,374	12,400	23,982
UNC Greensboro (D)	108,214	13,073	10,577	10,945	14,382
Western Kentucky (M)	124,487	18,057	15,199	----	20,631
MTSU	112,219	14,050	10,107	11,060	7,628

## Challenges and Opportunities

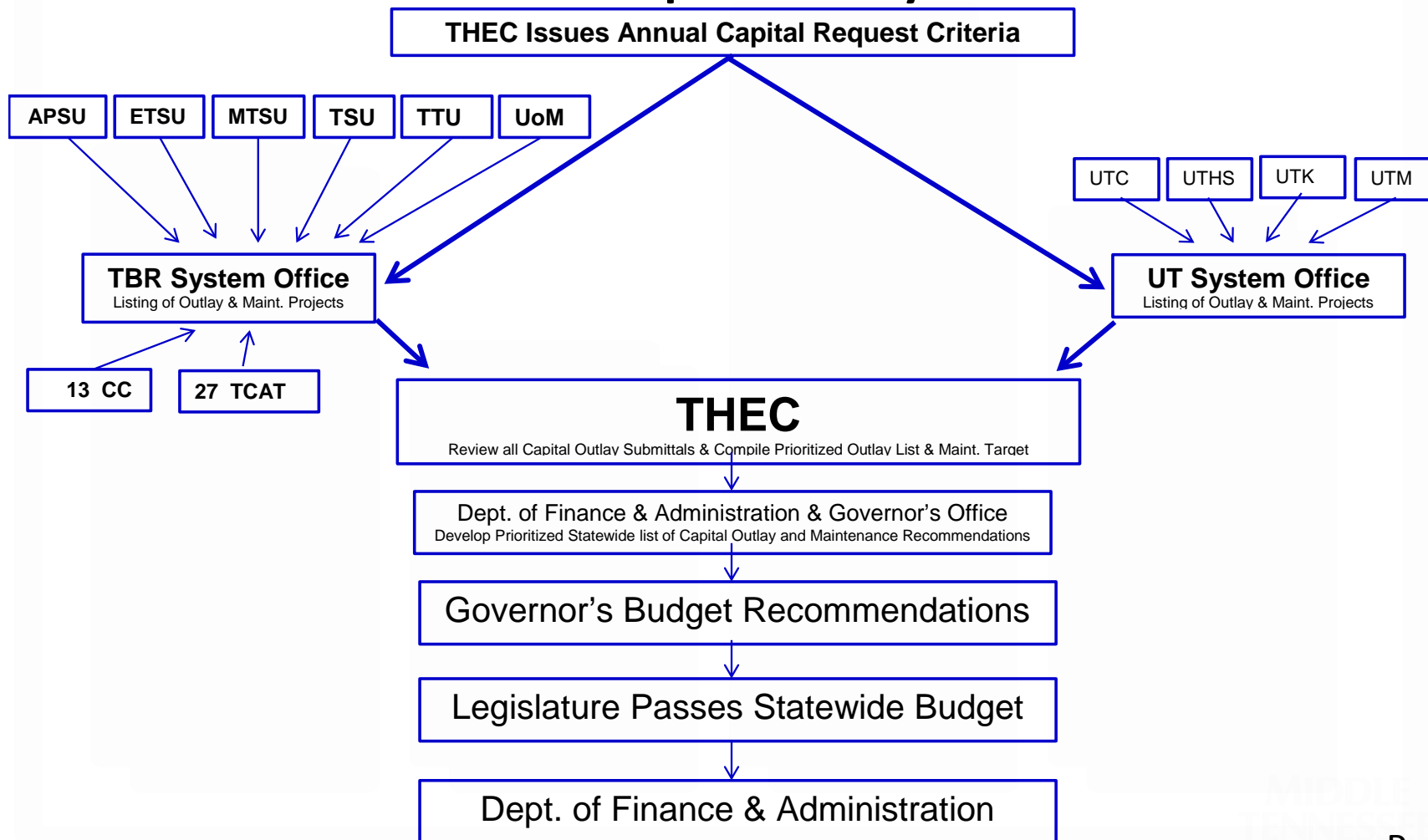
- Lack of matching state funds for capital and endowment
- Impact of *Drive to 55* – engaged vs. transactional relationships
- Continuing to develop a giving culture within the University community
- Building a long term sustainable pipeline of donors
- Costs associated with a rapidly growing, increasingly diverse alumni population
- Generational Shift – 50% of our alumni population has graduated in the past 15 years
- Niche programs provide attractive new fundraising opportunities

**Questions?**

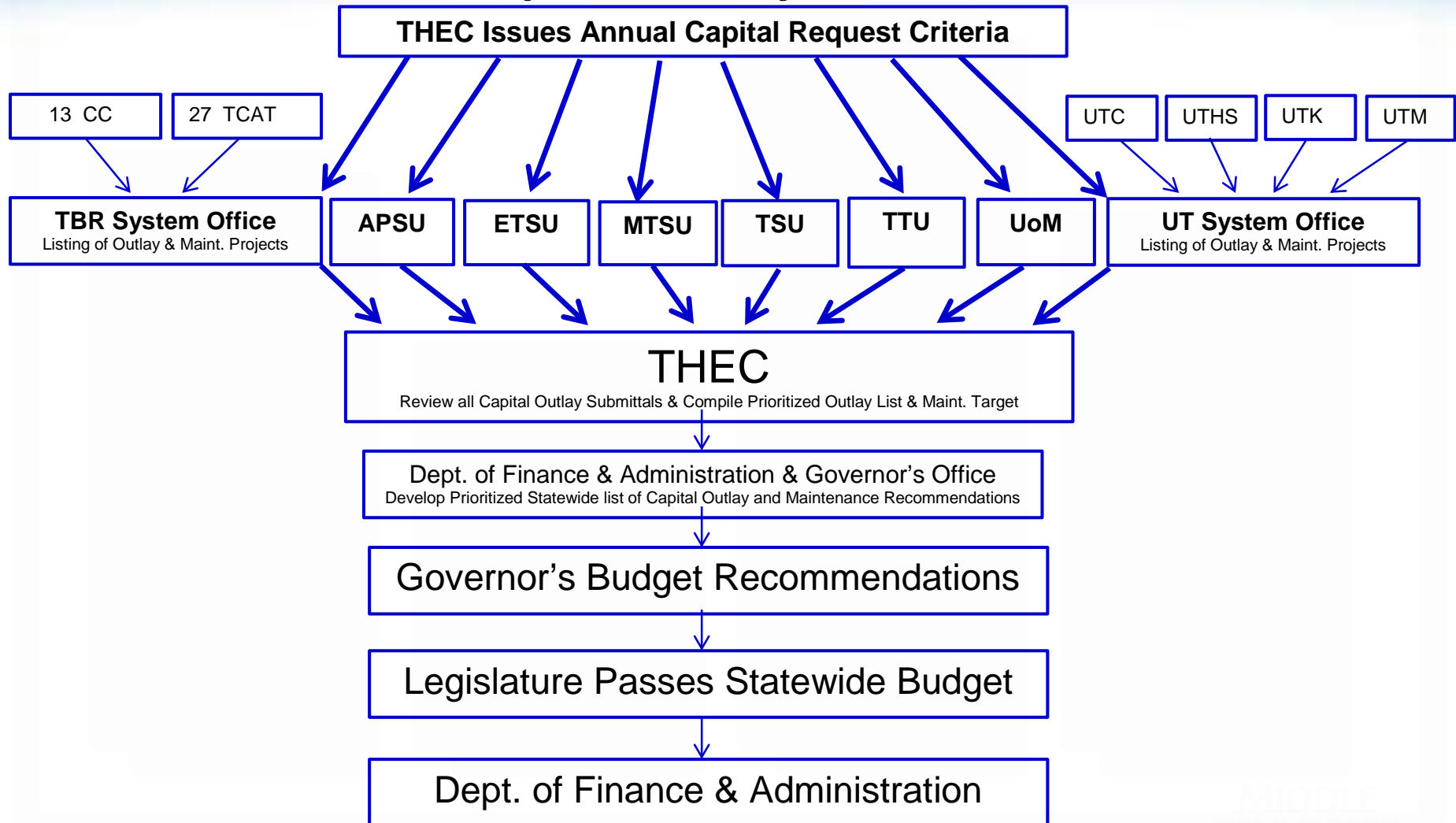


# **Submittal Process for Capital Outlay/Maintenance Funding**

# Previous Capital Outlay Process



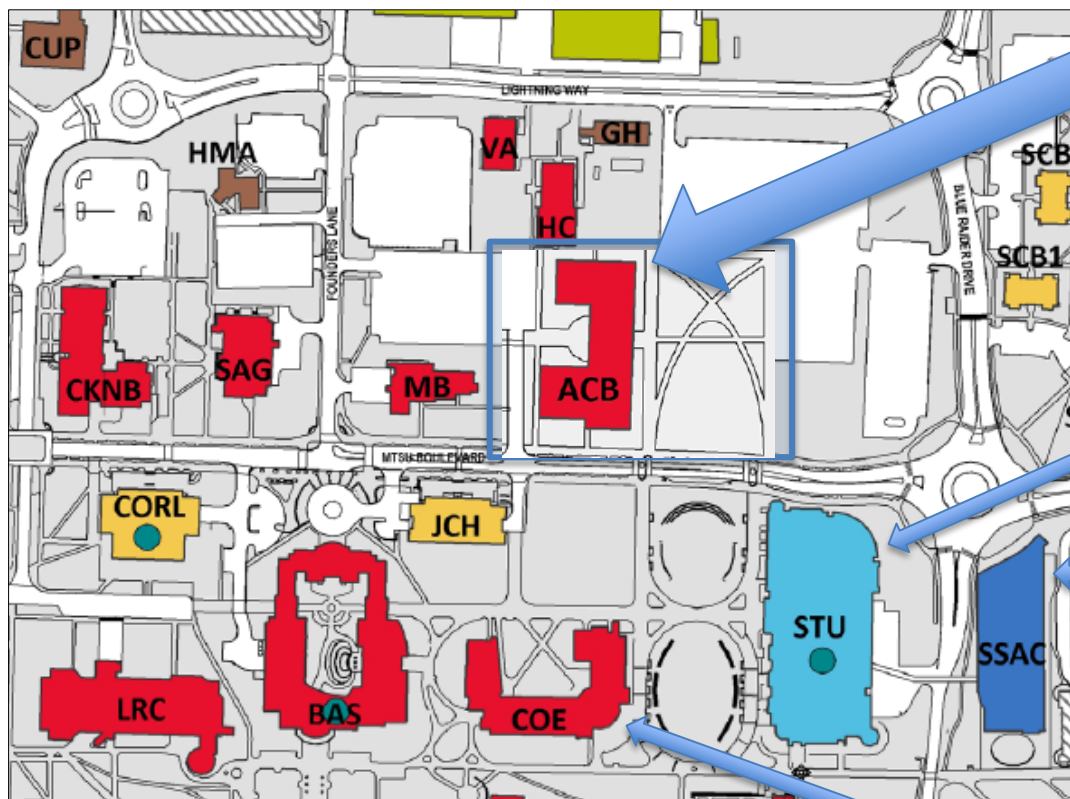
# Capital Outlay Process



# **Capital Outlay Project Submittal: Academic Classroom Building**

# Capital Outlay Project Submittal FY 2018-19

## Academic Classroom Building



**Academic Classroom Building**

**Student Union**

**Student Services and Admissions Center**

**College of Education**

# Capital Outlay Project Submittal FY 2018-19

## Academic Classroom Building

- Site



SITE | LANDSCAPE PLAN



# Capital Outlay Project Submittal FY 2018-19

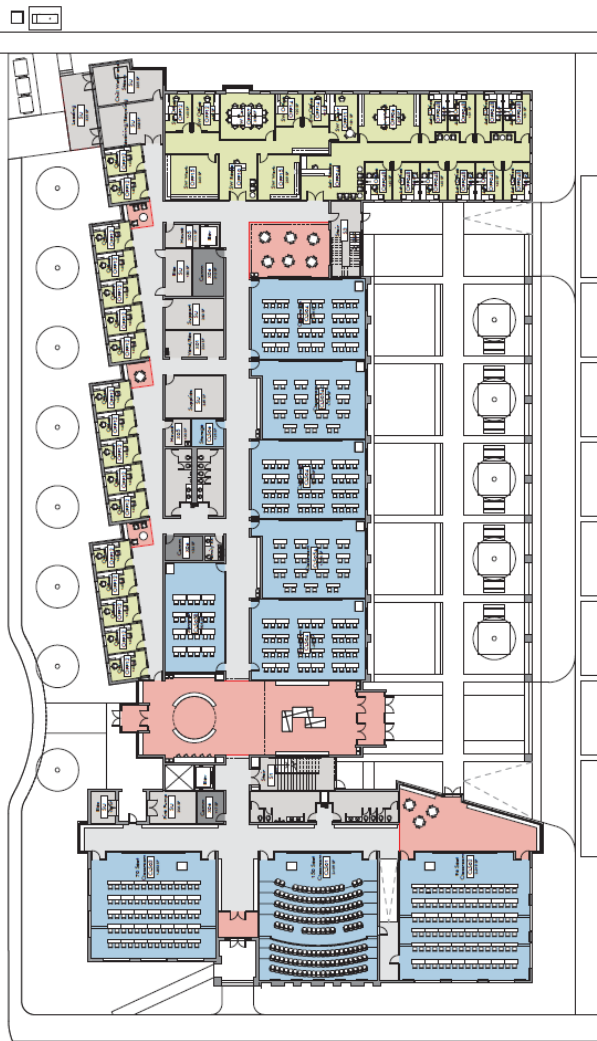
## Academic Classroom Building



BUILDING FORECOURT

# Capital Outlay Project Submittal FY 2018-19

## Academic Classroom Building



First Floor



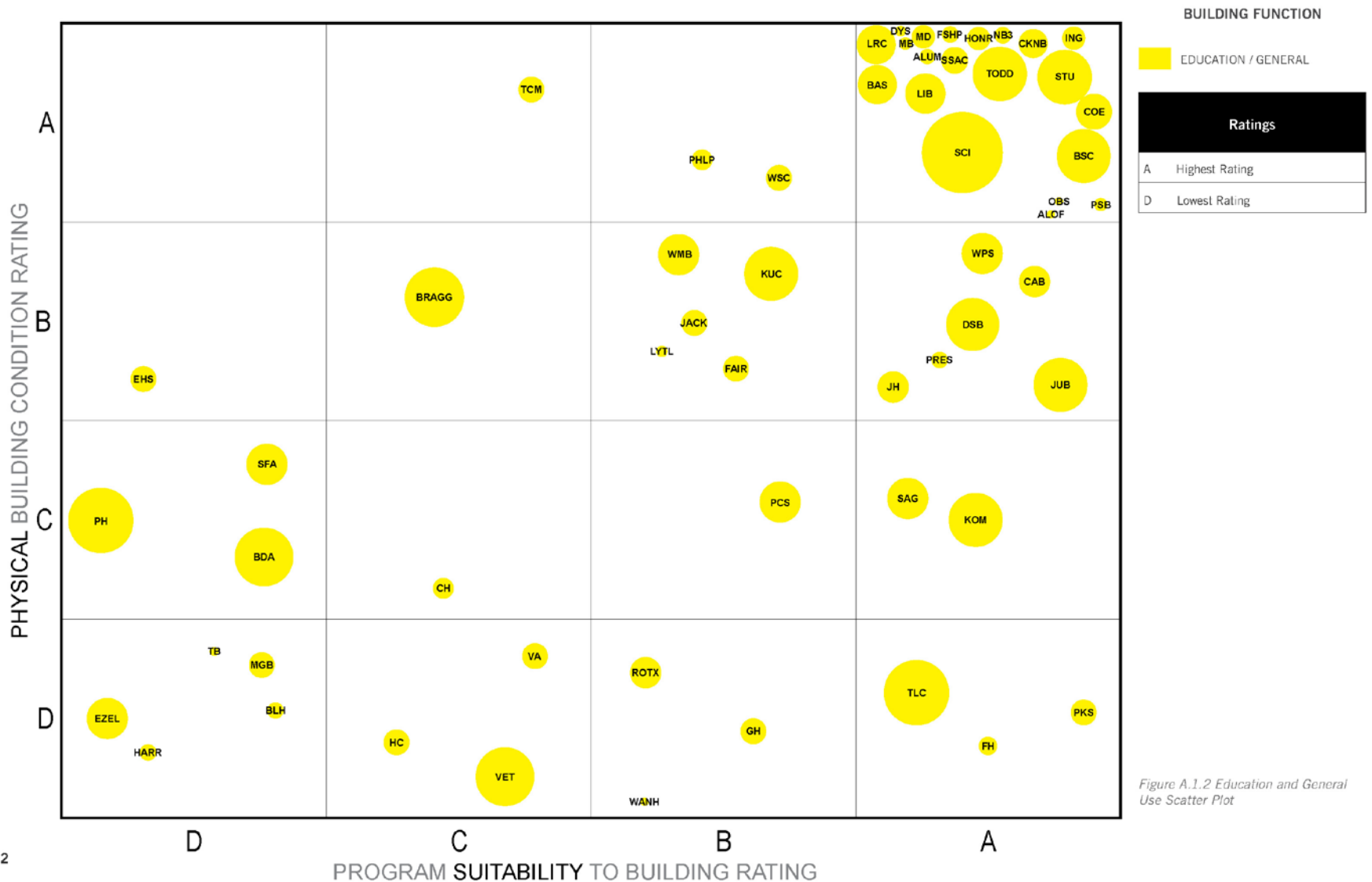
Second Floor



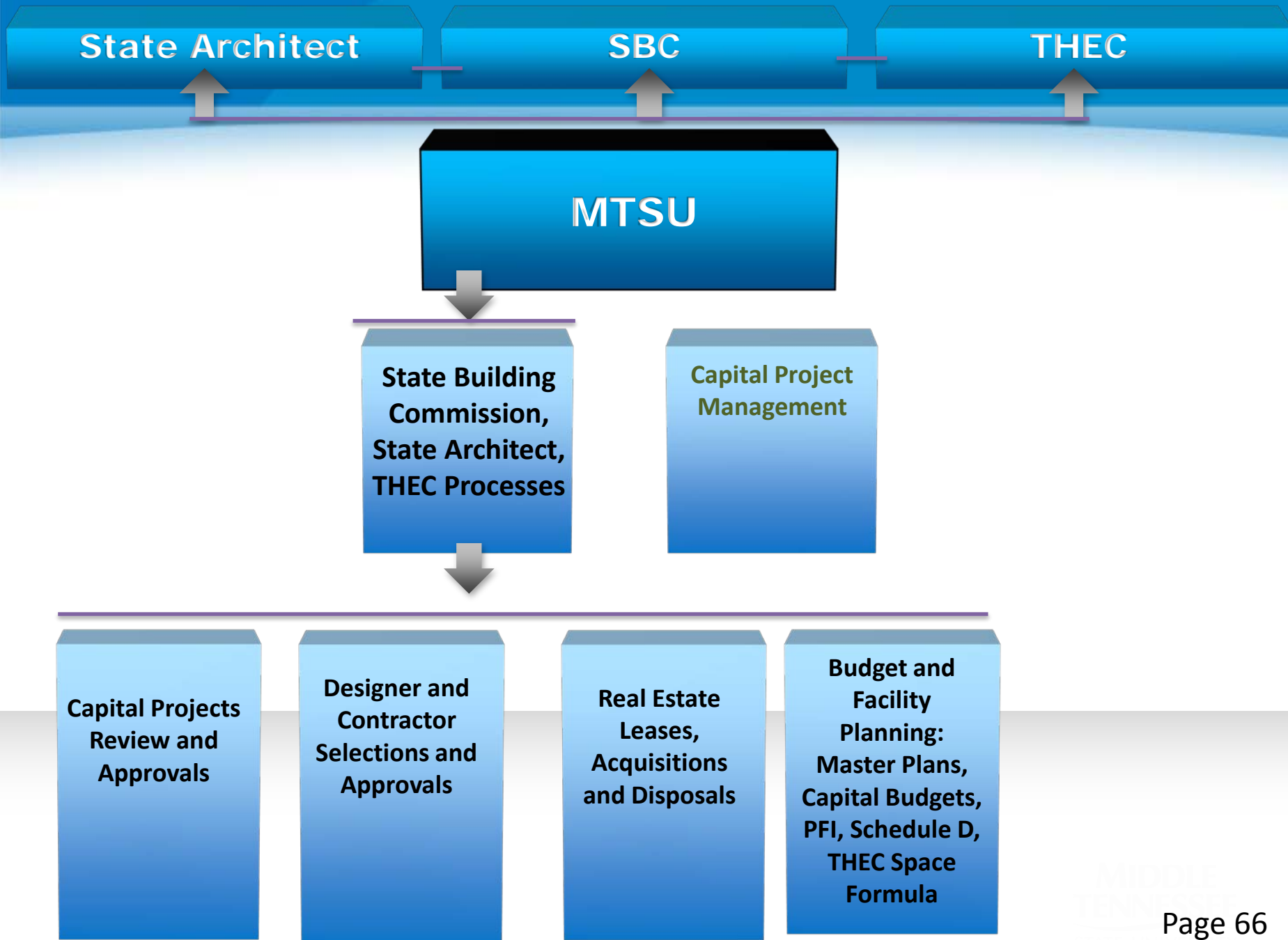
Third Floor



# **Capital Maintenance Projects Submittal**



# **Severance of Capital Project Management Services from TBR**



**MTSU**

**TBR OFD  
Services**

**Contract  
Services**

**State Building  
Commission,  
State Architect,  
THEC Processes**

**Capital Project  
Management**

**Designer  
Select and  
Award  
Processes –  
Write  
Contracts**

**Contractor  
Bidding or  
Award  
Processes –  
Write  
Contracts**

**Manage  
Design and  
Construction,  
Move-In,  
Project Close-  
Out**

**Furnishings  
and  
Equipment  
Development  
and  
Procurement**

**Accounting –  
Pay Bills,  
manage all  
accounting  
services  
related to  
capital  
projects**

**Project  
Information  
Tracking “PITS”:  
Track approvals,  
funding,  
contracts,  
schedules,  
budgets, project  
status**