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University of South Carolina
BOARD OF TRUSTEES

Ad Hoc Committee on Development

August 7, 2009

The University of South Carolina Board of Trustees Ad Hoc Committee on Development met on Friday, August 7, 2009, at 11:00 a. m. in the 1600 Hampton Street Board Room.

Members present were: Dr. C. Edward Floyd, Chairman; Mr. Herbert C. Adams; Mr. Chuck Allen; Mr. J. Edgerton Burroughs; Mr. William C. Hubbard; Mr. William W. Jones, Jr.; Mrs. Amy E. Stone; and Mr. Miles Loadholt, Board Chairman. Mr. Mack I. Whittle, Jr. was absent.

Other Trustees present were: Mr. Eugene P. Warr, Jr.

Others present were: President Harris Pastides; Secretary Thomas L. Stepp; Interim Executive Vice President for Academic Affairs and Provost and Vice President for Planning William T. Moore; Vice President for Student Affairs and Vice Provost for Academic Support Dennis A. Pruitt; Vice President for Human Resources Jane M. Jameson; Interim Vice President for Advancement Michelle Dodenhoff; Vice President for Information Technology and Chief Information Officer William F. Hogue; Vice Provost and Executive Dean for System Affairs and Extended University Chris P. Plyler; General Counsel Walter (Terry) H. Parham; University Treasurer Susan D. Hanna; Special Assistant to the President J. Cantey Heath, Jr.; Vice Provost for Faculty Development Christine W. Curtis; Associate Vice Provost for Academic Resources Edward L. Walton; Assistant Provost for Academic Programs Kristia H. Finnigan; Dean of College of Engineering and Computing Michael D. Amiridis; Dean of USC Sumter C. Leslie Carpenter; Dean of USC Union Hugh C. Rowland; Executive Director of University Foundations Jerome D. Odom; Director of the Alumni Association Marsha D. Cole; Director of Athletics Eric C. Hyman; Director of the Office of Internal Audit Alton McCoy; Associate Director of Governmental Affairs and Legislative Liaison Casey Martin; Deputy Athletics Director Marcy Girton; Director of Ticketing Sales, Department of Athletics, Lance Grantham; Chief Financial Officer, Department of Athletics, Jeff Tallant; Student Government Association President Meredith Ross; Chief Financial Officer, University Foundations, Russell H. Meekins; Associate Vice President of University Marketing and Communications Gary Snyder; Director of Web Development and Productions, University Marketing and Communications, Jeff Salter; Development Communications Director, University Marketing and Communications, Larry DiGiovanni; SunGard Higher Education representatives Lynn Derrick, Jim Brigadier and Bruce Bleiman; Director of the Office of Media Relations, Division of University

Advancement, Margaret Lamb; University Technology Services Production Manager, Justin Johnson; Board staff members Terri Saxon, Vera Stone, and Karen Tweedy; and members of the media.

Chairman Floyd called the meeting to order and invited those present to introduce themselves. Ms. Lamb stated that no members of the press were present.

Chairman Floyd stated that notice of the meeting had been posted and the press notified as required by the Freedom of Information Act; the agenda and supporting materials had been circulated; and a quorum was present to conduct business.

I. Development Report for FY 2009: Chairman Floyd called on Michelle Dodenhoff who gave an overview of fundraising and development activities.

Ms. Dodenhoff stated that when she reported to the committee in the fall of last year, there was a tremendous amount of uncertainty in the economy, but nonetheless, private giving for this year totaled \$107.5 million which was a slight increase over last year's total of \$106.2 million, and an all time annual record.

Fundraising from July 1, 2008 to June 30, 2009 was as follows: \$37.7 million in pledges; \$33.4 million in cash; \$8 million in planned giving; \$13.7 million Gifts-in-Kind; and \$14.7 million in research grants.

The following is a breakdown of the type of donors and the amount of the gifts: Companies (\$50,956,380), Alumni (\$23,821,288), Foundations (\$15,244,103), Non-Alumni (\$11,971,364) Organizations (\$2,519,658), Parents (\$1,338,496), Faculty and Staff (\$1,578,172) and Students (\$47,282).

Funds were designated as follows: program enhancements \$74.4 million, student support \$22.9 million, capital \$5.8 million, unrestricted \$5.1 million and faculty support \$0.3 million.

There were a record number of million dollar donors. However, there was a decline in the number of donors who gave gifts in the range of \$500,000 to \$1 million. One percent of donors gave 70 percent of the gifts.

Ms. Dodenhoff said more focus was needed on building the base of first time donors and on-line giving. Development had worked diligently in steering people to give online. This had resulted in an increase from \$13,000 to \$1 million over the past six years. Also, she said that online giving was a national trend.

Ms. Dodenhoff showed two videos, one of which was a "Thank You" video to donors and the other was a solicitation video. Approximately 48 percent of the gifts received as a result of the solicitation video went to the Carolina Fund which was unrestricted; and the average gift received was approximately \$102; nearly 28 percent of the donors who responded to the video had contributed in the past but had not sent a gift this current year; some 37 percent were first time donors who saw the video and responded. The video went "viral" which meant that it hit all the social networks on the internet and was being passed across the globe.

Ms. Dodenhoff expressed enthusiasm that the University had met the opportunity to match the Darla Moore challenge gift. August 3rd was the last day for the match and the University had raised \$44.7 million, and 7,600 donors contributed gifts of various sizes.

Five years prior to the Darla Moore match period, the business school had raised \$12.7 million; and the average gift to the business school was approximately \$2,000. However, during the match period, the average gift was approximately \$5,800 and the match tripled the number of \$250,000 donors. Ms. Dodenhoff said it was because of the Darla Moore challenge that the school had raised \$44.7 million in pledges, cash, planned gifts, and in-kind gifts. One of the most important things the match had done was to raise the bar for philanthropy to the business school.

Ms. Dodenhoff stated that it took a team effort to meet Darla Moore's challenge. She thanked Dean Hildy Teegen, the Advancement and Development staff, the President, the Deans from other schools and everyone who made this goal possible.

The Board thanked and congratulated Ms. Dodenhoff for this accomplishment.

Mr. Hubbard made an inquiry regarding the difference between deferred and pledged gifts as it related to the Darla Moore \$45 million match. He asked for a description of some of the in-kind gifts. Ms. Dodenhoff responded that a pledge was a cash gift payable over a five year period. A deferred gift or planned gift was one that would be paid upon the death of the donor. Some in-kind gifts included computer software from Sybase, Inc. and IAVO Research and Scientific. IAVO software would be used in the College of Arts and Science and in the Darla Moore School of Business and eventually expand to various other colleges and schools.

Sybase had agreed to donate software licenses valued at \$1.66 million to the Moore School of Business that would expose faculty and students to current technologies that had broad applications in the business environment. The software would initially be used this academic year in accounting courses that would train students to provide the sophisticated level of data analysis that would be expected in the future.

Ms. Dodenhoff stated that Mr. Matt Heric, CEO of IAVO Research and Scientific in Durham, NC, had donated full copies of the GeoGenesis software suite to the University for use in the College of Arts and Science and in the Darla Moore School of Business. Mr. Heric is an alumnus who lives in Raleigh, NC. The corporation valued the gift at \$12.2 million.

Dr. Pastides stated that there were three points that he wanted to underscore. First, all this happened during a year when philanthropy to higher education seemed to be down about six percent. Secondly, without Darla Moore and her matching gift and pledge, the University would not have broken a fundraising record this year. Third, the University needed to keep this momentum going, even after the fulfillment of Ms.

Darla Moore's match. Therefore, the University would sustain our fundraising efforts by working with our deans and development.

Finally, he thanked Ms. Dodenhoff for her efforts and willingness to take on the extra responsibilities in serving as Interim Vice President for Advancement.

Chairman Floyd stated that the report was received for information.

Since there were no other matters to come before the Committee, Chairman Floyd declared the meeting adjourned at 11:30 a.m.

Respectfully submitted,

Thomas L. Stepp
Secretary