



OAKLAND UNIVERSITY SENATE

OAKLAND UNIVERSITY SENATE

Thursday, 17 October 1985
Second Meeting
Gold Rooms B and C, Oakland Center

MINUTES

Senators Present: Appleton, Barclay, Bertocci, Blankenship, Blatt, Boganey, Cardimen, Cass, Chatterjee, Copenhaver, Diltz, Downing, J. Eberwein, R. Eberwein, Feingold, Frankie, Garcia, Grossman, Hamilton, Hart-Gonzalez, Hartman, Herman, Hough, Ketchum, Khapoya, Kleckner, Liboff, McCabe, Metzner, Rozek, Russell, Schimmelman, Straughen, Strauss, Swartz, Terry, Tripp, Wilson **Senators Absent:** Barnard, Barthel, Bingham, Burke, Carbone, Champagne, Chapman-Moore, Chipman, Edgerton, Evarts, Hightower, Hildebrand, Horwitz, Lindell, Moore, Pettengill, Pine, Reddy, Righter, Srodawa, Willoughby, Witt.

Summary of Actions:

1. Minutes of 26 September 1985 (Tripp; Hart-Gonzalez). Approved.
2. Election of replacement members on standing committees (Hough; Bertocci). Approved.
3. Report on plans for capital development campaign.

Discerning what he took to be a quorum, Mr. Kleckner called the meeting to order at 3:21. He began by welcoming new members: the SHES delegation consisting of Senators Bingham, Blatt, Righter, and Swartz along with Senators Chatterjee from Arts and Sciences and Straughen from the University Congress. He then directed attention to the minutes of the September meeting (Moved, Ms. Tripp; seconded, Ms. Hart-Gonzalez), which were approved without additions or corrections.

The only item of formal business was a procedural motion from the Steering Committee to elect faculty replacements for those who had resigned from Senate standing committees (Moved, Mr. Hough; seconded, Mr. Bertocci). Obliging, the Senate confirmed all nominees. Jerry Marsh therefore succeeds Stephen Wright on the Academic and Career Advising Committee for this academic year, and Daniel Braunstein replaces Oded Izraeli for the full 1985-87 term on the General Education Committee. The Academic Policy and Planning Committee gains two new members: William Jones, who will replace George Coon for this year, and Linda Hildebrand, who takes Daniel Ring's place in the fall.

When no private resolutions were offered for the good of the order, Mr. Kleckner took occasion to inform his colleagues about the purpose of the Good and Welfare portion of the agenda that gives any Senator the opportunity to introduce concerns to the body either for immediate action in the form of a resolution or for referral to the Steering Committee. Thus encouraged, Mr. Liboff inquired whether there is any formal procedure for naming professors emeriti and

whether, if not, the matter would fall within the province of the Senate. Mr. Kleckner recalled that the 1981 Senate had passed such a policy and volunteered to send a copy to any interested person.

With business thus accomplished, Mr. Kleckner then yielded the floor to Messrs. David Rodwell (Vice President for External Affairs) and John Leslie (consultant for the capital campaign) to report on progress, plans, and prospects for the upcoming development campaign, explaining that "as a new enterprise for Oakland University it has necessitated extensive groundwork over several years. Mr. Rodwell expressed thanks for the opportunity to address the group and indicated his hopes for an open dialogue with discussion and questioning encouraged at all points. He introduced other visitors connected with the campaign: Messrs. Swanson (Vice President for Developmental Affairs), Osterhout (Director of Constituent Research), Lias (Director of Planned Giving), and Leslie before inviting Mr. Leslie to make his presentation.

Stressing how important it is for faculty members and academic administrators to know what is happening and why, Mr. Leslie identified three key ingredients in university fund-raising: a compelling purpose perceived as "bigger than the institution;" sources of support; and leadership. People, he maintained, are the most important forces in such endeavors. He explained that campaigns for educational institutions differ from those supporting other kinds of institutions in their reliance on the "special gifts approach by which a university identifies potential donors (persons, corporations, or foundations) able to give whatever its special needs may be. Over the past quarter-century, colleges have developed a sequential process of fund-raising by which they secure the largest donors first before carrying their campaigns to middling and lower levels of likely contributors. On the basis of experience elsewhere, he predicted that between fifty and seventy-five donors will make the difference in the Oakland University campaign. The general rule these days is that ten percent of the contributors donate ninety percent of the funds. As relatively few donor prospects control the key to success, this campaign is being organized to identify such persons and enlist their support. Citing experiences at Michigan State University and the University of Georgia, Mr. Leslie emphasized the extent to which enthusiastic and knowledgeable faculty can influence the destiny of such a campaign. By authenticating and validating the appeal, an informed and active faculty can be of many and various uses to campaign leadership.

By means of a flow chart in draft form visually displayed on a screen for the information of the Senate, Mr. Leslie then explained the projected administrative organization of this campaign leadership. At its head stands a seven-person Campaign Committee with Gene Miller, President of Comerica, Inc., as its chair and a yet-unidentified vice-chair to assist in administration. Below this level come four soliciting committees, two reporting to Mr. Miller and two to his vice-chair. First among these is the Nucleus Fund, chaired by Marvin Katke, President of the Oakland University Foundation. This group, which must succeed in a way that builds motivation in the other three, will have six members and responsibility for approaching seventy prospects for major gifts. When Ms. Garcia inquired what amount committee members would be asking of these prospects, Mr. Leslie preferred suggesting that it would be "large" without naming a sum. The second committee (this one having fifteen members, three co-chairs, and seventy-five prospects already connected in some fashion with Oakland University) is to be known as Leadership Gifts; its members are responsible for approaching and convincing potential donors with an estimated ability to contribute \$100,000 or more over a five-year period. Next comes the Major Gifts Committee, whose two co-chairs and thirty-five members will approach some 175 prospects with the ability to give between \$25,000 and

\$50,000. Finally comes the Special Gifts Committee, with three co-chairs and a large flock of volunteers. These folk will be exercising their persuasive powers on a vast number of prospective donors (alumni, faculty, staff, and friends) who are likely to offer contributions of under \$10,000. In response to Ms. Hart-Gonzalez's question about why the committees are arranged in this way with varied proportions of co-chairs to volunteers, Mr. Leslie explained that efforts are being made to protect any one person from having to enlist more than five persons.

While the administrative structure of the campaign was under discussion, Mr. Swanson thought to identify the leadership. In addition to Mr. Miller, the Campaign Committee has six members with impressive credentials and extensive ties to the major local business and professional communities. The big-three auto companies are represented by Donald Peterson, Chairman of the Board, Ford Motor Company; F. James MacDonald, President of General Motors; and Gerald Greenwald, Vice Chairman, Chrysler Corporation. David Handleman, chairman of The Handleman Company, and Marvin Katke, retired Vice President of Ford Motor Company, are familiar to Oakland University people as trustees and long-term valued friends; while Alan Schwartz is a prominent attorney and partner in the firm of Honigman, Miller, Schwartz, and Cohn. This is so prestigious a group, in fact, that it proves hard to get them together.

With this informal presentation concluded, Ms. Feingold launched the questioning process by asking how one identifies what any prospect is likely to give. Experience has taught Mr. Leslie the general rule of thumb that one must approach three or four prospects for every gift needed. The basis for planning of this sort is the feasibility study conducted several years ago specifically for Oakland University; this study established a "gift-range table" for future planning. Reasoning that O.U.'s lacks may prove its strengths, Mr. Leslie thought that the youth and vitality of our institution and its alumni would probably compensate for shortages of students from wealthy families and older alumni with substantial earned wealth.

Mention of wealth directed Mr. Swanson's thoughts to this university's major benefactors and benefactresses, especially to Mrs. Wilson whose memory still exerts influence. He regretted that she had died without specifically setting up an endowment for Oakland University. This comment prompted Mr. Leslie to point out that, in recent years, public universities nationally have just started involving themselves in major campaigns to build endowment as the base for strong academic programs. He observed that it is difficult in any campaign to raise money for a library, since libraries award no degrees, have no alumni, and (in some cases) have never been visited by the graduates to whom an appeal may be directed. Ms. Hart-Gonzalez wondered whether endowment would be the main goal of this campaign and learned from Mr. Leslie that, although an important goal, it is not the major one. The library extension holds top priority, with programs and equipment also highlighted. This response led Mr. Liboff to inquire how much money would be targeted for scientific equipment. Mr. Leslie thought something on the order of five-and-a-half million dollars but cautioned that donor choices will strongly influence the allocation of money among goals. About seventy percent of identified goals are usually met in such campaigns. Mr. Kleckner later recurred to the endowment issue by pointing out that the feasibility study had identified the problem a young institution like this faces in raising endowment money. It is normally alumni who invest in the long-term interest of a university; yet our alumni are not yet, for the most part, in a position to contribute substantially. The corporations and foundations to whom we must look for major donations at this stage of our growth are likely to look with most favor on present value received. Some do contribute to endowment funds, but this is not their typical policy. The Kresge Foundation, for example,

gives exclusively for construction?never for program support. He hoped that Oakland University would be able to devote a certain amount of gift support to the endowment but thought that development from that modest base would be work for those who carry on after this first campaign officially ends.

In response to a query from Mr. Ketchum concerning the projected impact of tax-reform measures on charitable giving, Mr. Leslie speculated that the size of a gift might be diminished somewhat, though the fact of the gift would be unaffected. Philanthropy has been growing in recent years, and persons who have been in the habit of giving will still be inclined to do so. Mr. Lias is responsible for helping donors make the best use, for themselves, of substantial benefactions.

Thinking back to Mr. Leslie's three keys to campaign success, Mr. Ketchum inquired what "compelling case for support, bigger than the Institution" Oakland University now advances. Where, he wondered, did library expansion fit into such a pattern of persuasion? Mr. Leslie acknowledged that it is hard to sell the public on the value of research, although tie-ins with the Technology Park would promote interest in instructional and research equipment. Our campaign will emphasize Oakland University's contributions to Oakland County and southeastern Michigan, stressing cooperative partnerships with the local economy. We shall appeal to the enlightened self interest of corporate leaders. When Mr. Liboff asked whether this partnership would be the primary theme, Mr. Leslie identified it as one among several to be used; no one theme can be expected to motivate every prospect.

With no further questions emerging, Mr. Leslie reminded Senators of the eagerness of all members of the Development Office staff to cooperate with faculty on this campaign. Mr. Kleckner noted that the developmental superstructure now nears completion and expressed hope that the actual initiation of the campaign might soon occur. Observing that "everyone perceives someone else as wealthy," he anticipated that current behind-the-scenes efforts would soon result in substantial donors emerging as yardsticks of suitable support. Thus encouraged, the Senate adjourned (upon motion of Ms. Blankenship) at 4:14 p.m.

Respectfully submitted:
Jane D. Eberwein
Secretary to the University Senate

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