

University Advancement

URPC Division Planning Update

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Advancement



➤ University Advancement

- **Secures private support, develops and manages entrepreneurial activities, oversees philanthropic activities, and manages endowed and other assets**
- **Supports grant funded research and programs**
- **Delivers marketing and communication support for recruitment and brand awareness**
- **Engages with 81,000+ alumni & other friends**

ATTRACTING STUDENTS AND THE FINANCIAL RESOURCES TO SUPPORT THEM

➤ University Advancement Units

- **Advancement (MBU)**
 - **Development**
 - **Alumni Relations**
 - **Initiatives & Government Relations**
- **Marketing & Communications (MBU)**
 - **News & Information**
 - **Print Services**
 - **Creative Services**
- **Cal Poly Humboldt Foundation (Aux)**
- **Sponsored Programs Foundation (Aux)**



➤ **Advancement Facts: HM500**

- **2024-25 Division Budget: \$5,007,686 Base HM500 Budget**
- **Percent of Total University Budget: 2.81%**
- **Staff and Administrators: 35 FTE**
 - **30 Staff / 5 Admin**
 - **\$4,715,038 Total Position Costs**
 - **Position Costs = 94.16% of Total Budget**
- **Operating Expense Total Budget: \$292,648**

➤ Advancement Facts: Non-Base

- **Staff and Administrators non-base funded: 16 FTE**
 - **9 Staff / 7 Admin**
 - **\$2,214,318 Total Position Costs ***
 - **Cal Poly Foundation funded positions 4 FTE**
 - **Sponsored Programs funded positions 12 FTE**
- **Key positions non-base funded include:**
 - **Executive Director, Sponsored Programs**
 - **Director of Special Projects**
 - **Gift Officers x3 (Fundraisers)**
 - **Director of Initiatives**
 - **Asst. Director of Alumni Relations**
 - **SPF Grant Analyst Positions x7**

*** 30 percent of overall Advancement budget**

➤ Return on Investment (ROI)

- **Advancement MBU supports:**
 - **\$13.3 million in gift commitments annually**
 - **\$6.5 million in gift receipts (cash in door)**
 - **\$1.8 million endowment distributions annually**
 - **\$820,000 annual Foundation operational support**
- **Marcom MBU: Major driver of record student applications**

**\$1 IN BASE FUNDING FOR ADVANCEMENT POSITIONS RETURNS \$5.4 IN FUNDRAISING
CSU PEER AVERAGE = \$4.1**

› Endowments

278 Unique Endowment Funds:

Use of each fund is restricted to original donor intent/specific purpose; intended to last in perpetuity; only earned interest can be spent

Current Market Value: \$45.5 Million

Distribution Rate Set by Foundation Board Annually

Endowment Distribution FY 24-25: \$1.86 Million = 4.5%

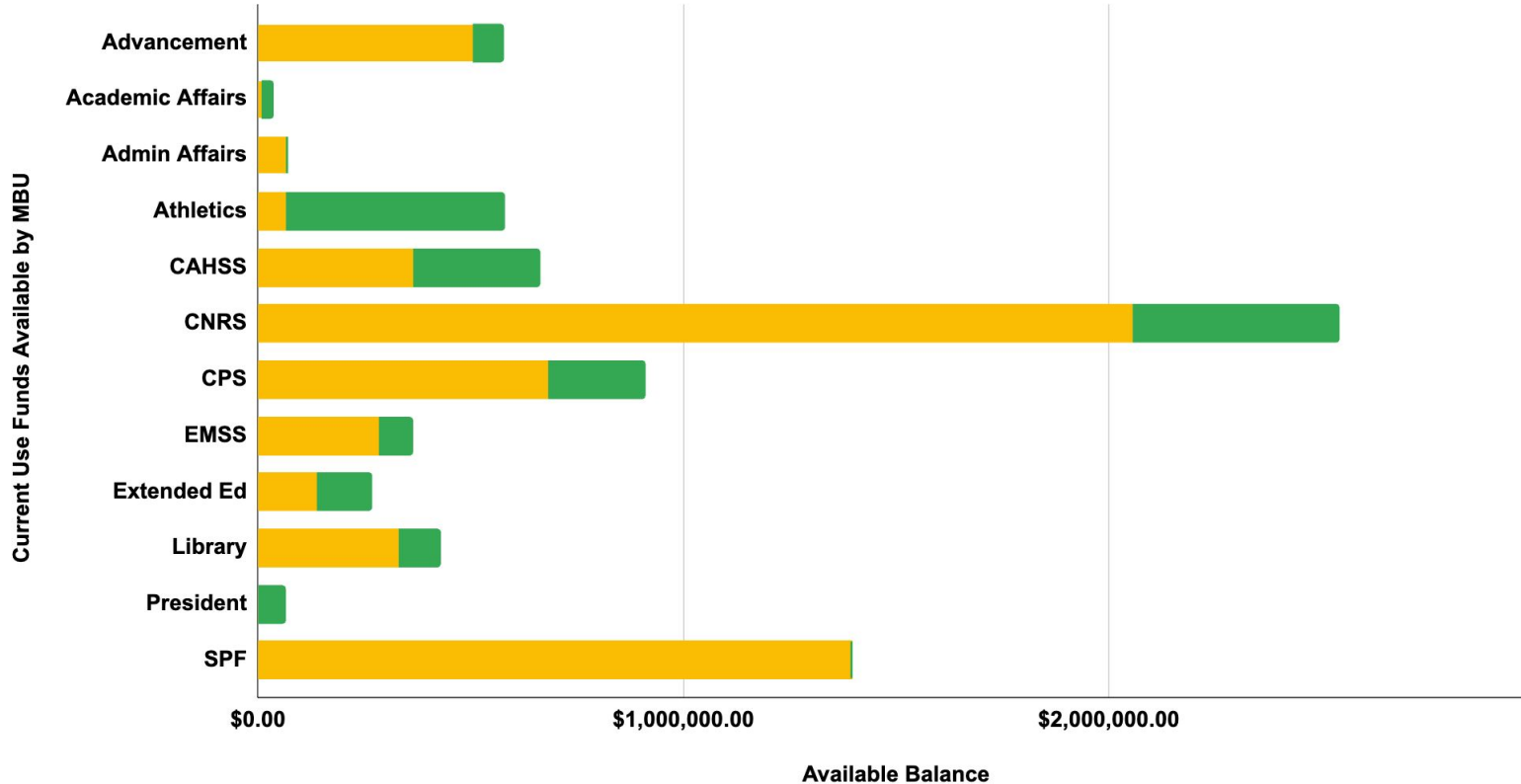
- **Unrestricted Distributions: \$35K**
- **Financial Aid: \$726K**
- **Academic Programs: \$1.1 Million**
 - Schatz related endowments make up more than half of total endowment distribution in support of Academic Programs (~\$600K)

➤ 2024-25 Reductions

- **Total Reductions: \$117K**
- **URPC Recommended: 3%**
- **Division Strategy: Prioritize existing positions & leverage non-HM500 funding where possible; examined operating expense reductions to supplies & services, printing, postage and student assistants**
 - **Implemented new investment strategy to increase Foundation Operations revenue**
 - **Foundation Board approved increase in operational support from \$661K to \$820K in part to help offset HM500 reductions**
- **Ongoing Challenges: Leveraged most of projected total annual revenue available in Foundation Operations; cannot continue to absorb additional HM500 reductions with this strategy**

Current Use Funds Available by MBU (Restricted Vs. Unrestricted / Dept Restricted)

■ Restricted ■ Unrestricted / Dept Restricted



➤ Reflections & Impacts

- Sustained HM500 budget reduction of 3% with minimal impact to personnel or operations by reducing to a minimum the reserves in the operating fund to account for market fluctuations and unforeseen needs
- There was, and there is, no room for cuts to O&E without significant disruption of operations
- Possible 5-7-9% strategies going forward:
 - Increase gift fees (currently 5%)
 - Increase endowment fee (currently 1.5%)
 - Reduce staffing and ROI

Both require Board approval and present risks to fundraising and purposeful distributions