Montana Tech: Annual Program Review

Department: Foundation


Assessment Committee Review: Summer 2016
Montana Tech Foundation Review

2014-2015

Mission
The mission of the Montana Tech Foundation is to advance the teaching, research and public service endeavors of Montana Tech by generating private contributions to supplement the institution's state and federal revenues for capital, operating and student assistance funds. The Foundation is the catalyst and channel through which gifts and donation income flow to provide instantaneous and long-term support for Montana Tech and all of its programs.

The Montana Tech Foundation will:
1. Champion the mission and vision of Tech
2. Build and foster relationships with constituents that the college serves
3. Encourage and enable philanthropy
4. Represent the donor by ensuring their wishes are followed
5. Provide private financial support for student scholarships, departmental, faculty support and capital projects in order to enhance the quality of the educational experience
6. Manage resources entrusted to the Foundation

1. Champion the mission and vision of Tech
Performance Criteria A: Continue preparation for a comprehensive campaign

Evaluation: In 2014-2015, the Foundation worked with the campus, our board and other constituents to develop a plan for a set of initiatives that will form our comprehensive campaign. We will provide support for students in the form of scholarship, focusing on a general scholarship fund to aid in recruiting students. Faculty will be supported through professorships and through funds to provide start-up packages and to stimulate research. The main capital project will be a Student Success Center, designed to provide a space to stimulate the recruitment of new students, aid in the retention of current students, and ensure student success by providing a home for tutoring and advising, as well as collaborative and social areas for students to congregate, study and form community bonds.

Action: These initiatives were tested in a series of personal conversations with potential supporters, as well as tested with a broader audience through surveys. Testing will continue through personal donor conversations into early 2016, with the goal of having a final set of initiatives we can communicate in our campaign case and associated marketing collateral in 2016-2017 and beyond.

2. Build and foster relationships with constituents that the college serves
Performance Criteria A: Provide opportunities throughout the year for Tech alumni and friends to connect in a relaxed social setting while learning about what is happening on campus.

Evaluation: Nearly every Foundation trip includes a general alumni event. Our primary evaluation is the number of events and event attendees. Events are often the only opportunity
alumni and friends have to interface directly with campus personnel and we see them as a prime messaging opportunity. 778 alumni attended events in their communities in 2014-2015. Alumni chapters also provide opportunities for alumni to connect with other alumni in their area throughout the year. In 2014-2015 Tech had 10 alumni chapters and they held 18 events. Secondarily, we evaluate the impact events have on participation in the form of giving, measured by percent of event attendees giving as well as the total given by event attendees as compared with prior years.

**Action:** Seek to ensure that the majority of our alumni have an opportunity to attend an event in their area in a given year, and that those events are fun and compelling, while being varied in nature with the goal of promoting initial and repeat attendance. Areas with high concentrations of alumni will see multiple events in a given year. In 14/15, we began using Raiser’s Edge to track individual event attendance. In 15/16, we will seek to increase the number of events and the number of event attendees. We seek to expand the number of alumni chapters and connect them with the messaging they need to better understand their role in developing the campus. Our goal is to have alumni chapters functioning independent of direct campus involvement, and to see those chapters begin identifying areas of the campaign they will support as a group.

**Performance Criteria B:** Move as many alumni as practical into active management with the portfolio of a gift officer.

**Evaluation:** Active management within a gift officer’s portfolio is the primary way that Montana Tech can build the meaningful relationships with alumni and friends that lead to major gifts. Individuals will move into a portfolio based on perceived capacity and interest in financially supporting the campus. Individuals may move out of portfolios if they are deemed to not be suitable major gift prospects and will be better managed in annual giving. This is a constant process of evaluation by management and the gift officers. Portfolios of donors were defined in 2014-2015 for gift officers and other Foundation personnel who manage a portfolio of donors. A full time gift officer will manage a portfolio of up to 150 constituents.

**Action:** Seek to grow the team through the addition of major gift officer(s).

**Performance Criteria C:** Develop relationships with partners in industry that are mutually beneficial and lead to greater opportunities for our students and the potential for financial support.

**Evaluation:** Continually look for opportunities to connect with industry, where possible leveraging alumni connections within companies. Each trip conducted by the Foundation includes visits with companies currently recruiting as well as companies who may be interested in coming to Montana Tech. For example, in 2014-2015, Foundation personnel visited with CH2M Hill in Alaska, a large engineering firm, and PCL, another civil engineering firm with operations around the Western U.S. and Western Canada, to encourage them to begin recruiting on campus.

**Action:** This is an ongoing process.
3. Encourage and enable philanthropy

Performance Criteria A: A philanthropic program depends on our ability to conduct outreach to our constituents. Therefore, we have established a process to ensure continual improvement of our database.

Evaluation: We evaluate progress by a grade given by our database software vendor that measures record completeness and quality. We measure how many records are updated throughout the year, and closely monitor address and email address updates. These are evaluated by pre-built queries to monitor updates and the fruits of the labor is realized by diminished quantities of returned mail, fewer email bounces, and higher contact percentages during our phonathon.

Action: Improvement comes through ongoing processes. Our database integrity is enhanced by in-house processes to conduct constituent research with the goal of providing a more complete picture of our alumni and friends. In addition, active outreach including direct contact, mail and event outreach enable us to gather new data and keep our current data updated. The best way to ensure a strong donor database is through strong donor and alumni contact regimes.

Performance Criteria B: Provide compelling annual giving messaging delivered through multiple channels to encourage participation.

Evaluation: The Foundation continues its partnership with Ruffalo Noel Levitz to extend our team’s reach by providing high-quality annual giving messaging through phone programs, direct mail and email. The impact of these programs is evaluated throughout the year by regular program review and evaluation. Previous year periods are compared with current periods to ensure efficient use of calling hours when measured by dollars per hour, contact rates, average gift size, credit card fulfillment percentages. Direct mail, typically a high-cost and low response rate solicitation mechanism, is tailored to be delivered to an audience most likely to respond by looking at prior year results.

Action: Seek to increase participation measured through giving in a cost-effective manner while providing constituents multiple opportunities to give throughout the year.

Performance Criteria C: Begin a comprehensive multi-channel marketing of planned giving opportunities to alumni and friends of the campus.

Evaluation: A program began in 2014-2015 to communicate planned giving opportunities with periodic direct mail and email programs, along with a purpose-built website devoted to planned giving. A planned giving website debuted in 2014-2015, as well as quarterly emails and printed newsletters that were delivered 3 times over the period. The printed newsletters feature the personal stories and photos of Montana Tech alumni and friends who have a planned gift with our campus.

Action: Continue to deliver compelling and informative planned giving messaging, while seeking to provide more personal content in the form of donor stories and testimonials.
4. Represent the donor by ensuring their wishes are followed
Performance Criteria A: All designated donations made through the Montana Tech Foundation are documented and managed appropriately.
Evaluation: Gift documentation and fund management is reviewed as part of the Foundation’s annual audit. Outside of the audit, internal processes and controls ensure gifts are documented and properly accounted. Management reviews gifts and gift reports daily to ensure accurate recording and donor intent is met.
Action: Annual audit and periodic staff and board review of policies, and staff review of procedures.

5. Provide private financial support for student scholarships, departmental, faculty support and capital projects in order to enhance the quality of the educational experience
Performance Criteria A: Seek annual investment, combined with income generated from endowed funds, to provide increasing levels of support to Montana Tech.
Evaluation: 2014-2015 was a record year for scholarship support provided. Program services expenditures varies based on the needs of campus and the amount of funds called for projects. Professorships are almost exclusively derived from endowed funds, the amount available varying year on year based on investment performance. Capital fund expenditures also vary based on campus needs. A portion of the $530,762 expended in 2014-2015 represents the NRRC project. This will increase in FY16 as the project moves closer to completion.

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<th></th>
<th>FY13</th>
<th>FY14</th>
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<td>Student Scholarships</td>
<td>1,466,849</td>
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<td>Program Services</td>
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<td>Professorships</td>
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<td>Equipment Distribution (Capital)</td>
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Action: Continue to engage with donors and prepare for comprehensive campaign.

Performance Criteria B: Leverage a matching opportunity to secure $5M in private support to construct the Natural Resource Research Center (NRRC)
Evaluation: The Foundation was able to secure $5M in commitments to match $5M in state funds for the NRRC
Action: No action needed. Pledges will be fulfilled into FY’17 and expended to the campus as needed to construct the facility.

6. Manage resources entrusted to the Foundation
**Performance Criteria A:** The Montana Tech Foundation is audited annually and appropriately communicates its financial performance and audit results to the campus, Montana University System and the public.

**Evaluation:** The Montana Tech Foundation is audited annually by Anderson ZurMuehlen & Co., P.C. The current and historic IRS 990s are published on the Foundation’s website: [http://foundation.mtech.edu/about-foundation/](http://foundation.mtech.edu/about-foundation/)

**Action:** Ongoing process. No action needed

**Performance Criteria B:** The Montana Tech Foundation’s endowment is professionally managed by CommonFund to an investment policy developed by the Finance Investment Committee of the full board.

**Evaluation:** The Montana Tech Foundation Finance Investment Committee meets regularly with CommonFund to evaluate investment performance between full board meetings. Endowment performance is compared against our investment policy benchmark, and other market comparators and indices. CommonFund makes investment recommendations to the Finance Investment Committee on an as needed basis.

**Action:** Ongoing process. No immediate action needed.

**Performance Criteria C:** The Montana Tech Foundation will supply informative and compelling statements to scholarship endowment holders twice per year.

**Evaluation:** In 2014-2015, we sent donor impact statements twice per year for the first time. This will be our new standard moving forward. Invididual fund performance is communicated, as are the scholarship's recipient(s), their hometown and major.

**Action:** Ongoing process. We will seek opportunities to provide greater donor stewardship and communicate stories of impact to the campus’ supporters through direct donor communication, on our website and through the campus magazine.

**Program Evaluation**

**Strengths:**
The Montana Tech Foundation has built a strong team that delivers a consistent, strong message that clearly communicates how alumni, friends and industry can invest in and impact the campus and its students. Montana Tech graduates are successful, earning higher than average incomes, with many having risen to prominent management and leadership positions within industry. Because of this, Montana Tech and the Montana Tech Foundation are in a stronger position that the average institution to generate private support, particularly when looking at the size of our alumni gifts compared with higher-education philanthropic averages. Alumni in leadership positions within industry aid in securing industry support. Overall, our unique set of natural resource curriculum position the campus and Foundation well to secure support from aligned industries.

**How will the program maintain the strengths?**
The Montana Tech Foundation will focus on retaining our core team, adding to the team where possible with individuals who are committed to the mission and vision for advancing Montana Tech and have a demonstrated track record in building meaningful relationships.

**Weaknesses:**
As Montana Tech adds over 500 new graduates per year, we find ourselves challenged to build relationships with the ever-increasing number of alumni. Remaining in contact with, and building relationships with young alumni that will lead to their involvement and support is a concern.

**How will the program address the weaknesses?**
The Montana Tech Foundation will add to our team where possible and look for smart, innovative and cost-effective ways to reach our alumni and friends, delivering high-quality messaging, and challenging them to invest in Montana Tech. We will begin looking for opportunities to build relationships with students before they graduate with the goal of developing in them a better understanding of the role of the Foundation and its impact on their education. We will deliver messaging and provide more opportunities for support through social media and utilize crowd funding platforms. We will seek to incorporate more opportunities for peer to peer asks in our solicitations, as well as including compelling peer donor testimonials.

**Other actions leading to program improvement:**
The Montana Tech Foundation will provide opportunities to build internal capacity through training and professional development among our team.