Strategic Planning Advisory Committee
Fundraising in Times of Uncertainty

Where We Have Been

At the height of the economic crisis in 2008, there was significant rhetoric reassuring charitable organizations that American philanthropy is resilient, charitable giving is a high priority for many donors and not the first thing that they cut during times of economic slowdown. As long as people remain employed, they will continue to give. Some may even increase their giving if they are untouched by the factors hurting others' ability to give.

- Charitable giving has not declined significantly in periods of recession over the past 40 years.
- Average rate of change in giving during a recession is a drop of 1%. During years without a recession, giving has increased an average of 4.3%.

Giving USA Spotlight-Issue 3, 2008

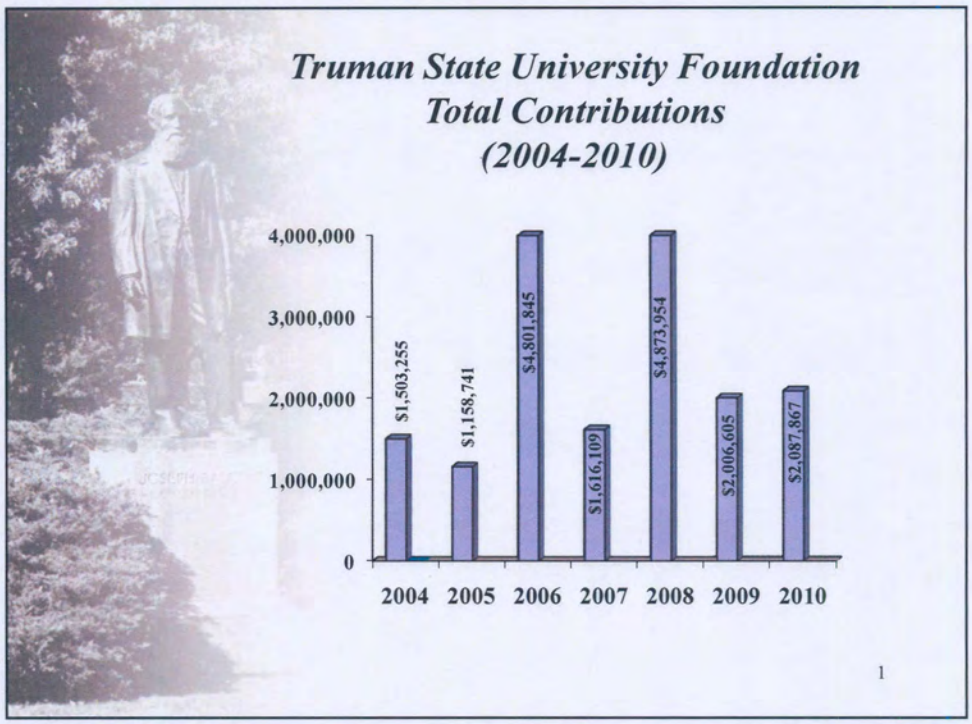
2009 is widely viewed as the worst year economically since the Great Depression. Following are the highlights of the impact that the conditions of 2009 made on contributions to colleges and universities nationally.

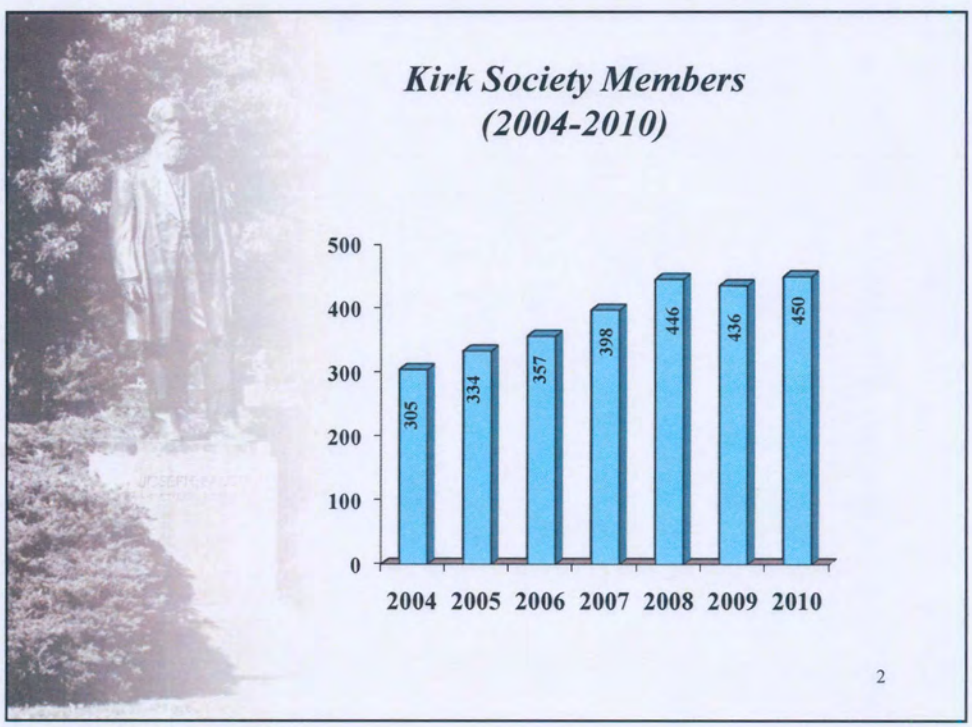
- Alumni giving and participation declined sharply
    1. Charitable gifts to colleges and universities declined by 11.9%. This is in contrast to a 10-year trend where contributions to higher education increased an average of 4.1% per year.
    2. Alumni participation rates fell from 11% to 10%, representing the lowest alumni participation rate since the record began in 1957. Rates have fallen nationally since 2002 when the alumni participation rate was 13.4%. Possible reasons for the decline include:
        a. Increased student debt loan resulting in reduced sentiment that alumni owe something back
        b. Greater number of nonprofits and greater competition for philanthropy

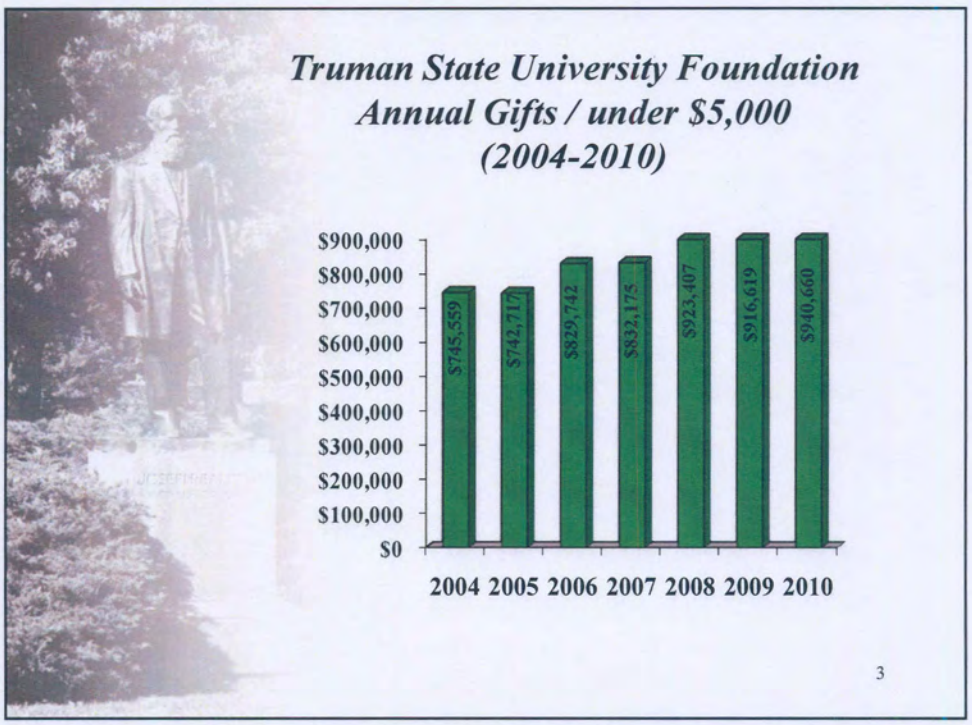
2000	2002	2004	2006	2008	**2009**
819,008	909,574	1,010,365	1,064,191	1,186,915	**1,238,201**

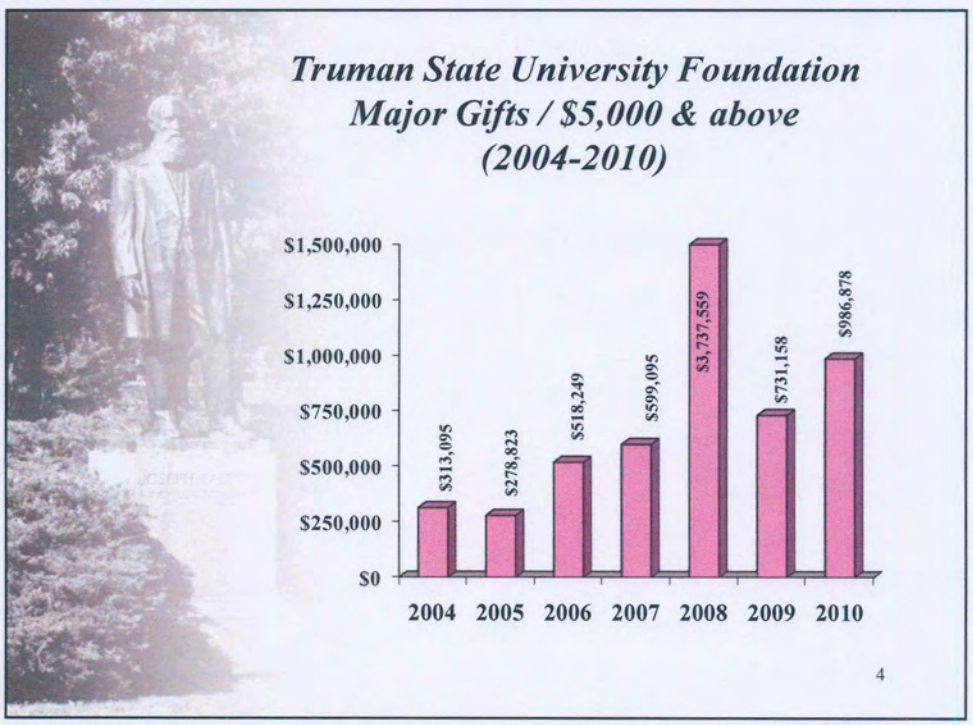
        c. Skepticism about the true need of many colleges and universities
- Giving to top 20 institutions drops 11.8%
    1. The top 20 institutions that raised the most in 2009 received $7.28 billion-$113 billion less than in 2008.
- Gifts for capital purposes including endowments, took the biggest hit. Gift to current operations were affected moderately.
    1. Gifts for capital purposes such as buildings and equipment fell 25%
    2. Giving decline for operations fell less than 1%
- Reported endowments down 22.3%
    1. Endowment value fell due to poor investment performance and a decline in new contributions

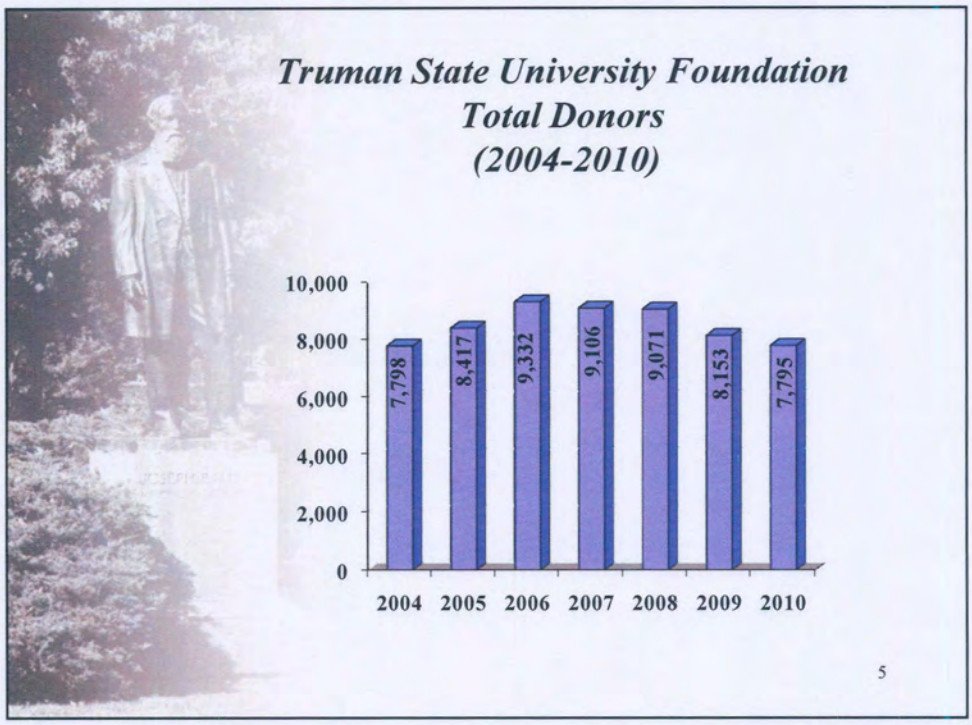
Impact on Truman

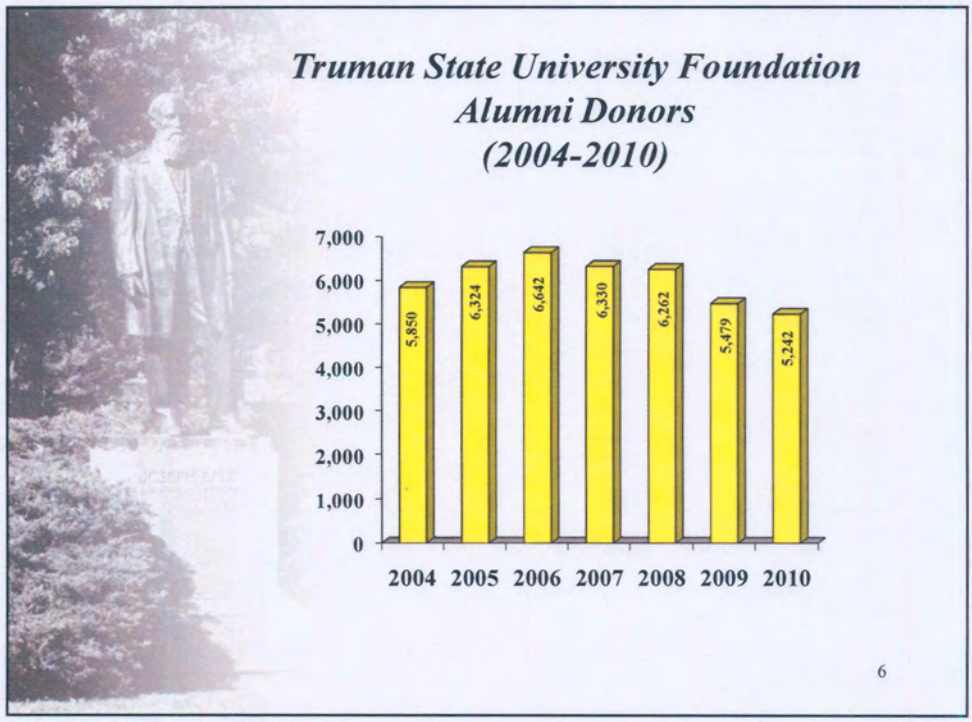

Truman State University Foundation
Total Contributions
(2004-2010)
4,000,000
3,000,000
2,000,000
1,000,000
0
$1,503,255
$1,158,741
$4,801,845
$1,616,109
$4,873,954
$2,006,605
$2,087,867
2004 2005 2006 2007 2008 2009 2010
1

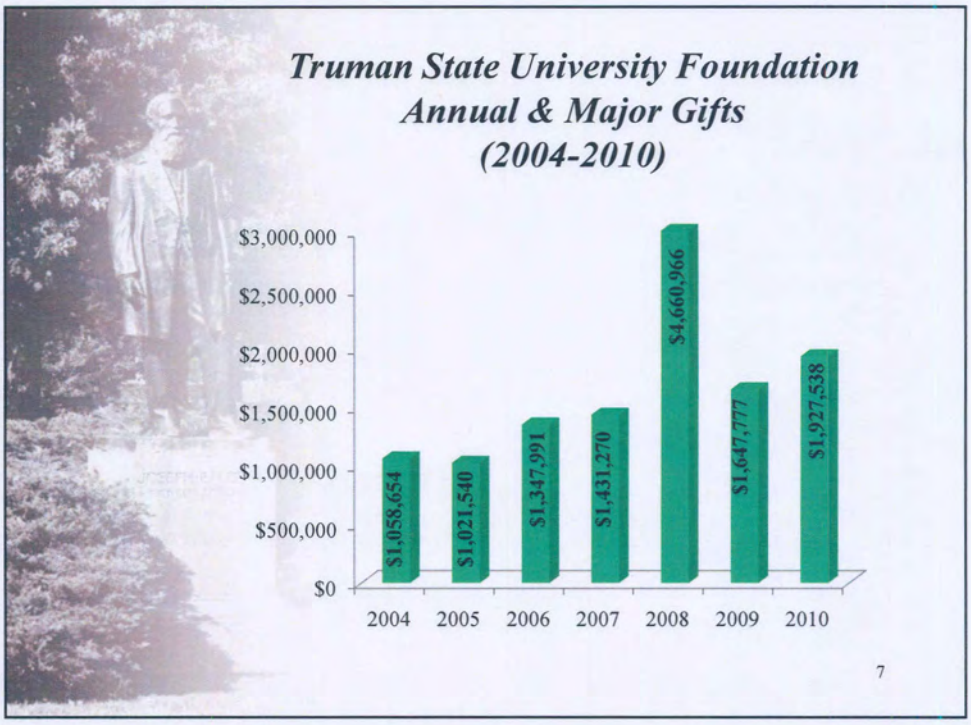

Kirk Society Members
(2004-2010)
500
400
300
200
100
0
305
334
357
398
446
436
450
2004 2005 2006 2007 2008 2009 2010
2

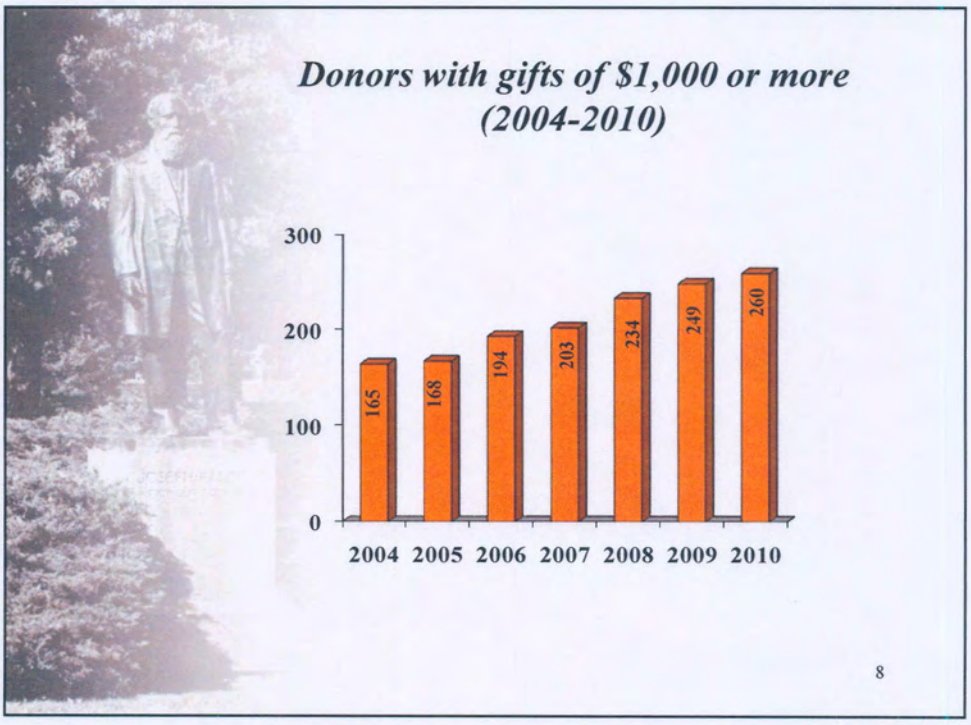

Truman State University Foundation
Annual Gifts / under $5,000
(2004-2010)
$900,000
$800,000
$700,000
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
$745,559
$742,717
$829,742
$832,175
$923,407
$916,619
$940,660
2004 2005 2006 2007 2008 2009 2010
3


Truman State University Foundation
Major Gifts / $5,000 & above
(2004-2010)
$1,500,000
$1,250,000
$1,000,000
$750,000
$500,000
$250,000
$0
$313,095
$278,823
$518,249
$599,095
$3,737,559
$731,158
$986,878
2004 2005 2006 2007 2008 2009 2010
4


Truman State University Foundation
Total Donors
(2004-2010)
10,000
8,000
6,000
4,000
2,000
0
7,798
8,417
9,332
9,106
9,071
8,153
7,795
2004 2005 2006 2007 2008 2009 2010
5


Truman State University Foundation
Alumni Donors
(2004-2010)
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
5,850
6,324
6,642
6,330
6,262
5,479
5,242
2004 2005 2006 2007 2008 2009 2010
6


Truman State University Foundation
Annual & Major Gifts
(2004-2010)
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
$1,058,654
$1,021,540
$1,347,991
$1,431,270
$4,660,966
$1,647,777
$1,927,538
2004
2005
2006
2007
2008
2009
2010
7


Donors with gifts of $1,000 or more
(2004-2010)
300
200
100
0
165
168
194
203
234
249
260
2004
2005
2006
2007
2008
2009
2010
8

- Alumni Giving and Participation:

Alumni Participation Rate: Truman currently has a 12-13% alumni participation rate (Alumni participation rates of 40% are not uncommon at private institutions while most public institutions are striving to achieve or exceed a 10% participation rate)

- Truman's Endowment

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
$16,591,997	$17,115,655	$19,825,788	$21,624,467	$18,258,315	$19,548,079	21,525,456

- Total Foundation Assets:

FY 2008	FY 2009	FY 2010	FY 2011
$22,840,393	$22,556,708	$22,495,014	$25,183,153

Influences on Future Fundraising Success

Institutions which are clear about their mission and their central purpose for existence are much more likely to reach ambitious fundraising goals.

Corporate giving is becoming increasingly connected to improving the image and visibility of the company, enhancing the pipeline of future employees or to provide them with added research or product development opportunities.

Fundraising success is dependent upon major gifts from individuals.

Leadership from the University president is essential to the success of all major fundraising efforts. Most successful fundraising efforts are a result, in part, of the presidents who embrace fundraising as a high priority. Major gifts typically require strong relationships between donors and institutional leaders shaped over several years. The success that an institution experiences with major gifts increases with the longevity of presidential leadership.

Four Obstacles to Increased Private Giving to Truman State University

- Perception that donations are not needed since Truman is a public university
- Lack of history/culture of giving
- Change of mission and name of the University not accepted by all alumni
- Location of University away from large population centers making it difficult for large numbers of alumni to retain an ongoing connection with the university and for corporations to be familiar with the University and willing to support its mission.

Seven Powerful Reasons to Expect Increased Private Giving to Truman State University

- Truman has a tremendous product and case for support
- Truman's president demonstrates exceptional skill at relationship building and places fundraising as a top priority
- Constituency is warming up to the idea of charitable support
    - The "30 somethings" are making 5 figure gifts.. which is unusual
    - Truman faculty and staff have committed $850,000 to the campaign

- Advancement is more intentional in their communication and promoting Truman's case for support
- Advancement has seen significant growth in the course of the "Bright Minds Bright Futures Campaign"
    - Have secured 6 seven figure commitments in the course of the campaign
    - 30 percent of Foundation funds have been created in the campaign
- Advancement operations will continue to mature and grow in the coming 5-10 years
- Earning power of the alumni Truman produces increased with the mission change. These individuals are now entering the years where their capacity to give is at its peak.

Foundation 5-Year Plan 2011-2015

- In draft stage
- Fundraising Goal is scheduled to be determined by the Foundation Board in April 2011.
- Emphasis will be on Planetarium completion, growing scholarship funds, and renovations to the football stadium
- Preparation for, and the launch of, the quiet phase of Truman's next comprehensive fundraising campaign will occur within the next five years.
- Mark Gambaiana believes that a goal of growing the endowment to $100 million by 2020 is ambitious but realistic.