



Fall 1998

DEVELOPMENTS

Michigan State University

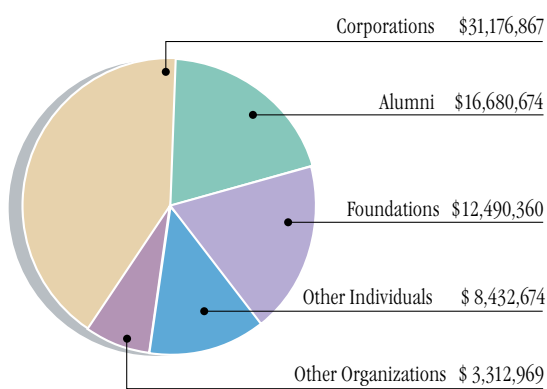
1997-98 ANNUAL REPORT SUMMARY

MSU DEVELOPMENT SETS FUNDRAISING RECORD FOR THIRD STRAIGHT YEAR

Cash and Planned Gifts up \$4.6 Million

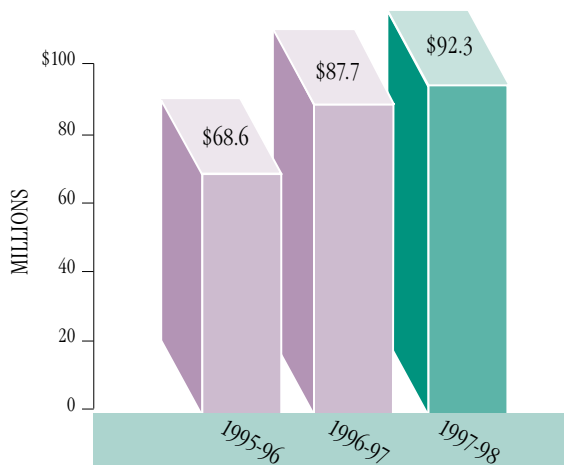
With over \$72 million being raised, the 1997-98 fiscal year marked the third straight year of growth in private giving at Michigan State University, even surpassing last year's record of over \$71 million.

SOURCES OF PRIVATE SUPPORT: 1997-98
TOTAL CASH GIFTS



"We set the bar high last year" remarked Charles Webb, Vice President for University Development, when Michigan State raised \$71.6 million, a 36% increase over the 1995-96 fiscal year. "Needless to say, we are all extremely pleased to be able to repeat last year's outstanding performance."

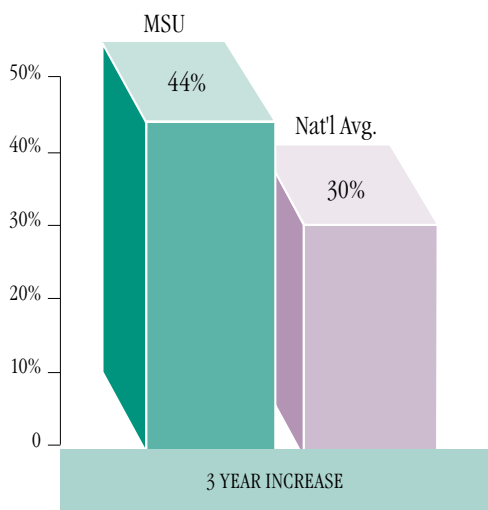
TOTAL GIVING SUMMARY
CASH AND PLANNED GIFTS



After adding \$20.2 million in planned gifts, the total 1997-98 giving rose to an unprecedented \$92.3 million.

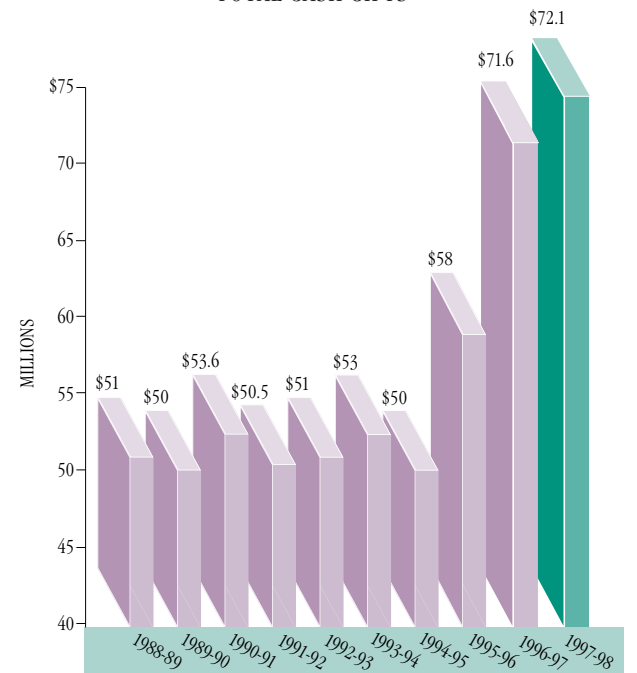
"With the very successful conclusion to our endowment campaign last year, we were somewhat concerned that we might lose momentum," said Marti Heil, Associate Vice President for University Development, "but with an outstanding effort from all of the Deans and College Development Officers, we didn't miss a beat."

3 YEAR % INCREASE: MSU VS. NATIONAL AVERAGE-
TOTAL CASH GIFTS



"What makes this even more exciting," continued Heil, "is that we have been able to grow our level of private support here at MSU by 44% in the last three years."

10 YEAR HISTORY OF PRIVATE SUPPORT
TOTAL CASH GIFTS



When this is compared to a national average increase in educational giving of only 30% over the same three-year period, *continued on page 6*

1997-98 Highlights

- Total cash giving was up 44% over last three years, outpacing the national average increase of only 30%
- Total giving, including cash and planned gifts, was up 35% over last three years
- Planned Gifts were up 100% over the last three years
- Endowed Chairs/Professorships grew to \$74.8 million
- University Development was nationally recognized for its fundraising improvement
- Faculty and Staff giving increased to \$4.9 million in cash and pledges
- Eight gifts of \$1 million or more were received

President's Letter



October marked a milestone for me; my fifth year as president of our great university. The past five years have seen many significant accomplishments, made possible only with the hard work and support of our Spartan community. That includes you. One thing I have learned as your president is how truly important private giving is to MSU. Private giving helps us build on those accomplishments. Private gifts to MSU are now at record levels - up 44 percent over the past three years.

What has this meant for us? Your gifts have allowed the university to provide additional scholarship support, to

build programs such as the Honors College and Study Abroad, to attract some of the world's finest faculty members, and enhance the resources and facilities of one of the nation's premier learning and research environments.

We have been able to do all this while still keeping college affordable for our students. Michigan State again extended the innovative Tuition Guarantee to this year's incoming freshman class, promising to keep tuition increases at or below inflation.

Speaking of quality, I am pleased to announce a 30 percent participation increase in the MSU Study Abroad program this year, already one of the best known in the nation. Last year more than 1,450 MSU students studied in another country, in programs ranging from a few weeks to an entire semester. I believe a Study Abroad experience will prove vital in the 21st century; an experience that encourages students to be culturally sensitive and globally aware.

We are breaking major new ground in other areas, too. We dedicated the new facility for the Detroit College of Law at Michigan State University, heralding the next chapter for the century old law school and adding distinction to our campus. In September, we celebrated the opening of the Clara Bell Smith Student-Athlete Academic Center, a tremendously successful, \$8 million project

launched with a \$2.5 million gift from the NBA's Steve Smith - the largest gift ever made to a college by an active professional athlete. And this February we look forward to breaking ground on a state-of-the-art bio-medical and physical sciences building for teaching and ground-breaking research, that will become the jewel of MSU's science and research facilities.

Now we need to look to the new millennium, and our celebration of MSU's 150th anniversary in 2005. As we march toward those milestones, we want to strengthen our position as one of the nation's finest universities. We must and will support our faculty and graduate students in the world-class research they are doing in areas such as the environment, plant sciences, materials science, biomedicine, food safety and nuclear sciences. Finally, we must continue our commitment to providing one of the best undergraduate opportunities anywhere.

Thanks to your continued support, the future will be even greater. I am convinced that for Michigan State University, the best is yet to come.

Peter McPherson
President

Record year

continued from page 5

the amount of increase becomes even more apparent.

The improvement at MSU has not gone unnoticed. The Council for Advancement and Support of Education (CASE), which is recognized as the national association for all



Success has its rewards – Ragan Royal, Director of Development for James Madison College, accepts the CASE award given to MSU for Overall Fund-Raising Improvement.

higher education fundraising, recently awarded MSU the 'Circle of Excellence' award for 'Overall Fund-Raising Improvement' at a Public Research/Doctoral Institution.

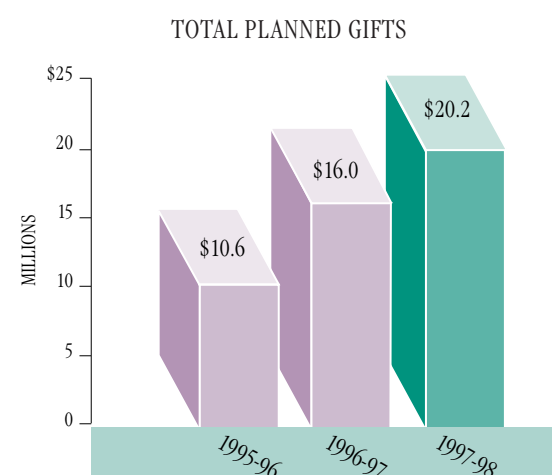
The winner is selected by a panel of judges and is given to the educational fundraising institution that shows significant growth over the last three years in several key areas including: pattern of growth in total support, evaluation of what is contributed to the total support figure, overall breadth in program areas and impact of the largest gifts on the total support.

Similar to cash gifts, the \$20.2 million raised in planned gifts marks the third straight year of increases. Since the 1995-96

fiscal year, planned gifts have increased a stunning 100%.

"Planned gifts are critical to the growth and long-term success of the development program," said Dan Chegwiddden, Director of Planned Giving. "They also provide a foundation of support the University may expect to receive and use in the future. When one has the genuine desire to establish a future gift, life income plans such as the charitable remainder trust or charitable gift annuity can provide significant income and/or tax benefits to the donor when properly incorporated into their estate plans. In addition, simply remembering Michigan State in one's will or trust is an easy and effective way to provide the University a future gift."

"With a new century almost upon us," said Webb, "we are perfectly positioned to embark on our next capital campaign, now being planned to commemorate the university's sesquicentennial. With the continued cooperation and commitment of all members of the Development team, we are prepared to take the program to even greater heights."



PROGRAMS IN THE COLLEGES

MSU's sixteen colleges and units each have their own fundraising programs and priorities. Development officers report both to the dean of the college and to the director of University Development. The college directors use the administrative services and resources of the central office of University Development to further their college programs. Income from private sources is reported by college as well as combined for an all-university total.

College of Agriculture and Natural Resources

The College of Agriculture and Natural Resources realized nearly \$8 million in gifts during 1997-98. A total of over \$7.7 million was pledged from alumni, friends, corporations, foundations, associations and other groups.

Over \$65,000 was raised during the All-University campaign. All together, the college faculty and staff contributed \$741,000 to MSU during the 1997-98 year. The number of gifts was up over 20% from the previous year.

New donor club members included: MSU Benefactors, two; John A. Hannah Society, four; Beaumont Tower Society, ten; Presidents Club, ten; and Presidents Club Associates, six. This reflects a 250% increase in Beaumont Tower Society members.

College of Arts and Letters

The College of Arts and Letters saw an increase in donations from alumni, faculty, friends, corporations, and foundations again in 1997-98. Total giving for the year was \$2,045,847 from 2,489 donors - surpassing the \$2,000,000 mark for the first time.

There were nine new scholarships endowed in the college. Other highlights included a testamentary gift of over \$900,000 for the Kresge Art Museum, a \$250,000 leadership pledge to the Jewish Studies Program, and a gift of over \$100,000 to the Department of Art. A painting, Japanese folding screen, and a symphony commission were among other gifts to the college.

The college welcomed nineteen new members to the university's donor recognition societies: Frank S. Kedzie Society, one; MSU Benefactors, five; John A. Hannah Society, four; Beaumont Tower Society, five; Presidents Club, three; and Presidents Club Associates, one.

The college's endowment grew to \$6,725,233. It now has seventy-five established endowed funds.

1998 marked the 10th anniversary of the newly named "John W. Eadie Celebrity Lecture Series." Revenue reached nearly \$83,000 for the three-lecture series.

Eli Broad College of Business

Private gifts and pledges to the Broad College totaled more than \$9.8 million for the 1997-98 fiscal year. The college received 33 major gifts (i.e., contributions of \$50,000

or more), representing an increase in that category of 74%. Included among the major gifts were two commitments of \$1 million or more, fifteen above \$100,000, and fourteen more above \$50,000.

Cash gifts to the Broad College Annual Fund totaled \$4,636,000. Annual Fund totals also include gifts and pledges from the College Campaign. During 1997-98, College Campaign totals were \$228,063 - an increase of 5.9% over 1996-97.

Detroit College of Law at Michigan State University

The Detroit College of Law at MSU announced the successful completion of its \$5 million "Building for the Twenty-First Century Capital Campaign" at the dedication of the new law college building in April 1998. In addition, DCL/MSU saw an increase of 18.3% in alumni giving. In 1997-98, 485 people made contributions to the college, an increase of 72 individuals

1997-98 COLLEGE/PROGRAM DEVELOPMENT INCOME

COLLEGES		PROGRAMS	
Agriculture and Natural Resources	\$7,214,912	Financial Aid	\$4,140,966
Arts and Letters	\$2,045,846	Honors College	\$3,052,744
Business	\$4,661,795	Human Med-Community Campus	\$49,509
Communication Arts and Sciences	\$2,377,673	Instr. Develop. & Tele. Comm. Services	\$3,155,656
DCL/MSU	\$654,888	International Studies and Programs	\$316,083
Education	\$1,025,503	Libraries	\$87,084
Engineering	\$4,794,908	Lifelong Education	\$50
Human Ecology	\$397,413	MSU Museum	\$570,309
Human Medicine	\$1,339,292	Programs & Research	\$17,262,502
James Madison College	\$91,176	Ralph Young Fund	\$4,696,652
Natural Science	\$3,368,067	Urban Affairs Programs	\$34,561
Nursing	\$180,907	Wharton Center	\$1,681,166
Osteopathic Medicine	\$457,974	4-H Foundation	\$950,185
Social Science	\$2,388,247	Miscellaneous	\$487,691
Veterinary Medicine	\$2,396,889	TOTAL	\$72,093,695
Split Departments	\$1,091,639		
General University	\$1,121,392		

The college welcomed 139 new donor club members, including: Frank S. Kedzie Society, one; MSU Benefactors, eight; John A. Hannah Society, eleven; Beaumont Tower Society, forty-six; Presidents Club, fifty-seven; and Presidents Club Associates, sixteen.

College of Communication Arts and Sciences

Gifts and pledges to the College of Communication Arts and Sciences from alumni, friends, corporations, foundations, associations and other groups totaled over \$2.3 million. The major fund development project underway is raising \$5 million to endow the James H. and Mary B. Quello Center for Telecommunication Management and Law. To date, more than \$2.75 million has been raised in gifts and pledges.

There were several new donor club members, including one MSU Benefactor, two John A. Hannah Society members, six Beaumont Tower Society members, and two Presidents Club members.

over 1996-97. The annual giving program raised more dollars than in any of the previous five years, for a total of over \$51,000. Gifts and pledges to the college from alumni, friends, corporations, foundations, associations and other groups totaled \$896,010.

New donor club members included: Danhof Society (gifts of \$1,000,000 and more), one; King Society (\$500,000-\$999,999), one; Heritage Club (gifts of \$100,000-\$249,000), three; Founder's Club (gifts of \$50,000-\$99,999), two; MSU Benefactors, two; and Presidents Club, two.

College of Education

For the fourth consecutive year, the 1998 *U.S. News and World Report* ranking of 191 graduate schools in education rated the elementary and secondary education programs of the College of Education of Michigan State University as the best in the United States.

Six new estate gifts were documented with an estimated value of more than \$1,400,000. Recently, the Pew Foundation awarded a grant of \$328,000 for research on

PROGRAMS IN THE COLLEGES

the power of standards to guide teaching. As of December 31, 1997 the market value of the scholarships and fellowship endowments in the College of Education totaled \$2,175,161.57.

The annual year end campaign and tele-marketing pledges and gifts were up 12% over last year. We were encouraged by the fact that two separate \$10,000 discretionary gifts were received, a first for the College of Education. Five new scholarship and fellowship endowments were initiated or planned.

High interest was shown in the giving societies in 1997-98. Joining were five new legacy society members, four new Benefactor Society members, five new Hannah Society members, sixteen new Beaumont Tower Society members and sixteen new Presidents Club members.

College of Engineering

The College of Engineering realized total gift income of over \$4.7 million during the 1997-98 year, a 114% increase over the last year. Highlights of the year's successes include the emergence of three \$1 million plus donors, and the final \$1 million payment toward the Dow Foundation's \$6 million pledge to the Materials and Composites Center.

A concerted effort was put forth toward the end of the 1997-98 fiscal year to expand fund-raising activities to the departmental level. Toward this end, chairs of the engineering departments have taken the lead and are working closely with the development office to devise effective cultivation and solicitation strategies for their key alumni. This has been coupled with larger events and activities designed to extend outreach to



Recipients of the John D. and Dortha J. Withrow Endowed Teacher/Scholar Awards posed together at a luncheon held in their honor at the University Club.

alumni in the state of Michigan and across the country. The end result was a variety of opportunities for faculty and alumni to interact and reestablish relationships.

New donor club members included: Frank S. Kedzie Society, one; MSU Benefactors, five; John A. Hannah Society, three; Beaumont Tower Society, nine; Presidents Club, nineteen; and Presidents Club Associates, seven.

Honors College

The Honors College received over \$3 million from 128 alumni, friends,

corporations, foundations and other groups during the 1997-98 year. Alumni giving increased nearly 20%, and the number of corporations giving to the college rose 12%. The highlight was a gift of \$3 million, allowing the renovation of Eustace Hall and providing \$1.5 million for scholarships.

College of Human Ecology

The College of Human Ecology raised \$397,493 from alumni, friends, corporations and other groups during the 1997-98 fiscal year. The number of alumni and corporations supporting the college increased by over 9%.

Highlights include a gift of over \$14,500 to provide seed money to an endowment which will benefit the College of Human Ecology Historic Costume Collection, and a \$15,000 corporate gift to the Merchandising Management Program for the development of an international retailing web site which will serve as a repository for information critical to the success of U.S. businesses, and as a platform for practitioners and academicians to exchange information and ideas.

College of Human Medicine

During the 1997-98 fiscal year, the College of Human Medicine raised over \$1.3 million with an additional \$300,183 generated from the six college community campuses for a combined total of over \$1.6 million. This represents an increase of 44%, marking the fifth consecutive year the college has surpassed the million-dollar mark.

The college is especially proud of the support it has received from individuals, who are responsible for 68% of the total dollars raised. Alumni now represent 58% of the overall donor population. Perhaps most significant, nearly 25% of all donors gave or pledged \$1,000 or more. Until just two years ago, gifts of \$1,000 or more represented only 6% of all gifts received. The college received several non-recurring estate gifts during 1997-98, supporting research and curriculum development in gerontology, oncology/hematology research, and the Department of Anatomy. There were twelve new scholarships initiated and/or awarded during the year.

New donor club members included: MSU Benefactors, three; John A. Hannah Society, one; Beaumont Tower Society, eleven; Presidents Club, fifteen.

James Madison College

During the 1997-98 year, James Madison College raised a total of \$91,176 from alumni, corporations, foundations, friends, and other groups.

James Madison College has established its own donor society, which includes the Founders Circle (\$1,000 to \$2500 annually),

Beaumont Tower Society (\$2500 to \$5000 annually), and the Hannah Society (\$5,000 or more annually). Currently there are 30 Founders Circle members.

College of Natural Science

During the 1997-98 year, the College of Natural Science raised a total of over \$3.2 million from alumni, friends, corporations, foundations, associations and other groups. Highlights of the major gifts include a W.W. Kellogg Foundation commitment of \$3.5 million over three years for renovations to the Manor House and Carriage House at the Kellogg Biological Station, a \$1.365 million planned gift commitment for an endowed faculty position in accelerator physics, and \$264,000 in additional funding for an endowed professorship in zoo and aquarium science. The college completed eleven new endowments for fellowships, scholarships and research awards.

New donor club members included: MSU Benefactors, six; John A. Hannah Society, two; Beaumont Tower Society, nine; Presidents Club, six; and Presidents Club Associates, one.

College of Nursing

With the new millennium on our doorstep, the College of Nursing stands at the threshold of unparalleled opportunity. Charged with preparing BSN and MSN nurses to provide quality, efficient health care in an uncertain health care environment, the college has redesigned its MSN curriculum, continued its role as the leader on campus for interactive web site courses, distinguished itself in research, and is preparing a Ph.D. program that builds on the university's emphasis on primary care with a focus on community-based health care. To lead this exciting new venture, the college welcomed the addition of an Associate Dean for Research and the Ph.D. program.

Along with these successful new initiatives, the college has also reenergized its development efforts. The 1997-98 fiscal year established new standards of giving for alumni and friends, with the college receiving the highest amount ever in its history. Total giving for the year was \$180,908, with \$117,248 coming from 444 alumni and friends, who donated the highest amount



Board of Visitor members Jan and Alton Granger present the Beaumont award to College of Nursing Dean Marilyn Rothert (center) in recognition of her contributions to MSU.

PROGRAMS IN THE COLLEGES

ever in the college's history. The staff and faculty also set a new standard with 42% of faculty and staff participating, raising \$45,118 for MSU during the All-University Campaign.

Endowments increased to \$385,000, adding five new endowed scholarships, bringing the total number of scholarships to eighteen. The college also welcomed ten new club members, including one to John A. Hannah Society; two to the Beaumont Tower Society; four Presidents Club members; and three Presidents Club Associates.

College of Osteopathic Medicine

The College of Osteopathic Medicine raised \$457,974 in 1997-98. Gifts from alumni increased by 55 percent and overall individual gifts to the college increased by 18 percent. The total number of donors to MSUCOM rose from 442 in 1996-97 to 509 in 1997-98, reflecting an increase of 18 percent.

MSUCOM 1997 All-University Faculty and Staff Campaign was highly successful, raising more than \$131,000 in gifts, planned gifts and pledges from COM faculty, staff and retired faculty in support of the college and the university.

The college established the Philip E. Greenman, D.O. Endowed Fellowship in

Osteopathic Manipulative Medicine, the Blue Care Network of Michigan Endowed Scholarship in honor of Pedro Rivera, the Edgar L. Harden Endowed Memorial Fund, the Edgar L. Harden Expendable Scholarship Fund, the Endowed Fund for Support of a Carcinogenesis Laboratory and the Kay E. White Scholarship Fund.

College of Social Science

The College of Social Science raised over \$1.3 million from alumni, friends, corporations, foundations and other groups during the 1997-98 fiscal year. In addition, a \$1 million gift was received.

New donor club members included: Frank S. Kedzie Society, one; MSU Benefactors Society, two; John A. Hannah Society, one; Beaumont Tower Society, one; Presidents Club, eight; and Presidents Club Associates, three.

College of Veterinary Medicine

The College of Veterinary Medicine is internationally renowned for academic excellence, outstanding faculty, scientific research, and unequalled diagnostic and clinical treatment facilities. Each of the college's attributes was bolstered by generous private sector contributions over the course



(L to R) Wendy Wilkins, Dean of the College of Arts and Letters; Jay Rodman (Wendy's husband); and Amelia Musser (owner of the Grand Hotel) enjoy themselves at the annual

Arts and Letters weekend at Mackinac Island.

of the last year. The college continued to build its base of voluntary contributors to more than 2,200 foundations, corporations, alumni, and friends who combined to raise over \$2.4 million. The planned giving arena enjoyed tremendous growth, with more than \$6.1 million in future or estate gifts documented, more than 400% growth over 1996-97. Endowments have grown to nearly \$10,000,000.

The college welcomed twenty new members to the university's donor recognition societies: Frank S. Kedzie Society, two; MSU Benefactors, six; John A. Hannah Society, one; Beaumont Tower Society, five; Presidents Club and Presidents Club Associates, six.

SPECIAL ALL-UNIVERSITY PROGRAMS

MSU Libraries

More than \$87,000 was raised for the MSU Libraries from foundations, corporations, alumni, and friends in 1997-98. This is a 101 percent increase in contributions.

Endowments remain a stabilizing force for the continued growth of the Libraries. There currently are eighteen endowed funds established to benefit the Libraries, supporting a wide variety of collection dissemination and preservation efforts. These gifts represent not just the purchase of materials, but the recognition by donors that the Libraries are a haven for students, faculty, staff and community members, for whom knowledge is important.

MSU Museum

The Museum Development Council and the Museum Associates both had an active year. With their support, the Michigan State University Museum marked a banner year in 1997-98, raising \$570,309, an increase of 156 percent over the 1996-97 year.

Among the annual fund-raising events held with continued success were the Chocolate Party; the Wine Tasting Party, which included a silent auction; Dinosaur Dash; and the Missing Link Golf Outing. Another significant fund-raising project during the year was the development of the highly acclaimed Native American quilt exhibition *To Honor & Comfort: Native Quilting Traditions*. The exhibit was widely popular in its New York debut and during its stay at the MSU Museum.

Ralph Young Fund

Fiscal year 1997-98 saw a record number of donors contribute to the Ralph Young Fund, as well as an all-time high number of club members. Total gift income for the year was over \$4.6 million. The Victory for MSU campaign for the Clara Bell Smith Student-Athlete Academic Center raised over \$8.2 million, well over the \$6 million goal.

The Ralph Young Fund realized over \$694,000 in deferred gifts in 1997-98, including a \$250,000 commitment of an irrevocable trust from an estate. The total dollar value of expectancies for athletics now stands at over \$10 million.



L to R: Robert Doerr, Nancy Doerr, Adrian Doerr (scholarship recipient), John Leslie (donor), Daniel Hesse (scholarship recipient), Kurt Hesse and Jane Hesse pose together in recognition of the College of Arts and Letters Audrey and John Leslie Endowed Scholarship.

Wharton Center for Performing Arts

Wharton Center celebrated its fifteenth anniversary season with its Crystal Gala, in conjunction with *Miss Saigon's* opening weekend. Over 300 people joined honorary guests Dr. and Mrs. Clifton Wharton at the MSU Auditorium for a pre-performance dinner, then returned after the performance for dessert and more.

In 1997-98, private gifts to Wharton Center surpassed the \$1 million mark for the first time in the center's history, totaling more than \$1.68 million. Gifts to the annual fund totaled \$467,182 from 1,183 individuals. There were 226 first-time donors contributing, with 44 making first-time gifts of \$500 or more. An additional 183 donors increased their support to higher giving levels.

Corporate sponsorships of performances included commitments from 52 Michigan businesses, totaling \$203,888. Corporate sponsorship gifts included nearly \$40,000 to sponsor Wharton Center's arts education programs, allowing the center to continue ACT ONE Performing Arts School and Family Series, Wharton Partners, and the Young Playwrights Festival.

Wharton Center received a \$1 million gift to its endowment fund, the first gift of such magnitude received since the campaign to fund its construction in the late 1970s. Three deferred commitments totaling \$125,000 were also received.

UNIVERSITY-WIDE FUNDRAISING ACTIVITIES

Many of the university's fundraising programs are most effectively carried out within the individual colleges. Others are most effective when staffed and coordinated university wide. One example of a centralized program is the telemarketing campaign conducted on behalf of the individual colleges by members of the

central staff of Special and Annual Giving. Another example is the centralized administration of donor recognition groups. Donors usually achieve recognition through gifts to an individual college or program, but their generosity is recognized through university-wide recognition groups.

Corporate and Foundation Relations

Corporate Relations

During the 1997-98 year the University raised \$31,176,867 from corporations and corporate foundations, representing a 7% decrease over the previous year. This decrease is due in part to a gift of equipment received in 1996-97 and not repeated in 97-98.

During 1997-98 our primary focus has been the cultivation and solicitation of prospects for the Study Abroad Initiative. To date, with the help of our Corporate and Foundation Gifts Committee, we have received commitments totaling \$465,000 from eight companies: Amoco, The Coca-Cola Foundation, Kellogg Company, Lear Corporation, New Venture Gear, Inc., Pulte Corporation, Ford Motor Company, and the Chrysler Fund. Proposals are pending at six additional companies.

We continue the process of planning and development of materials in support of the campaign for the Biomedical and Physical Sciences building. In addition, ongoing attention continues to be given to the cultivation and maintenance of relationships with the top 40 corporate prospects. This has involved visits to campus by executives to improve our relationships and discuss mutual interests. Working with the Vice President for Research and Graduate Studies and other campus offices we have provided greater exposure for companies such as Kellogg Company, Dow Chemical, Ford, 3M, and General Electric to MSU's research capabilities and opportunities for partnerships as well as opportunities to discuss future employment needs.

The department introduced its first issue of *MSU Partners*, a publication designed for the corporate, foundation, and association audience to inform them of MSU's accomplishments.

In-house campaigns continue to grow through targeting of special gift prospects resulting in ten new Beaumont Tower

memberships, twenty-one new Presidents Club memberships, and nine new Presidents Club Associates memberships for the year.

Significant gift commitments received from corporations during 1997-98 included:

- \$450,000 from the GE Fund for Engineering
- \$300,000 from the Ameritech Foundation for Telecommunications
- \$80,000 from the Gerber Foundation for Food Science and Human Nutrition

Foundation Relations

During 1997-98 the University experienced an exceptional year in foundation giving raising a total of \$12,190,360 which represents a 95% increase over 1996-97.

Significant gifts received this year include:

- \$3,500,000 from the W. K. Kellogg Foundation for renovation of the Manor House and Carriage House at the Kellogg Biological Station.
- \$2,000,000 from the Herbert H. and Grace A. Dow Foundation in completion of their gift supporting the Herbert H. and Grace A. Dow Materials Institute in the College of Engineering.
- \$330,000 from the Alfred P. Sloan Foundation for minority engineering education.
- \$250,000 from the Robert Wood Johnson Foundation for the College of Human Medicine.

Other Highlights of 1997-98

- The Corporate and Foundation Gifts Committee of the University Development Board of Directors completed an exceptional year raising \$465,000 from corporations for the Study Abroad Program.
- Working closely with the Director of Major Gifts and the four directors of development of the Colleges of Human Medicine, Osteopathic Medicine, Veterinary Medicine, and Natural Science, a funding plan for the Biomedical and Physical Sciences facility was developed.
- A new Assistant Director of Corporate and Foundation Relations was hired to

conduct our in-house campaign programs.

The Director and Associate Director provided considerable support to colleges and to unstaffed areas to assist with the corporate and foundation objectives.

Major Priorities for the Coming Year

During 1998-99, we will continue our focus on Study Abroad and will shift into active campaign mode to raise the private support needed for the Biomedical and Physical Sciences Building project. Our immediate plans include production of a brochure, the formation of a central campaign committee to assist with fund raising and the beginning of the leadership phase of the campaign in the Fall of 1998. Other departmental priorities include:

- publishing two issues of *MSU Partners*,
- implementing two new in-house campaigns in companies that have strategic interest in MSU programs, and
- preparing for and launching the constituency campaigns for the Biomedical and Physical Sciences facility by the end of the fiscal year.



College of Human Medicine scholarship recipients stand together.

Michigan State University received eight gifts and pledges valued at more than \$1 million each in 1997-98.

THOSE DONORS ARE: Anonymous • Eli H. and Edythe L. Broad • Jeffery N. Cole and Kathryn A. Clark-Cole • Emma G. Holmes •

Herbert H. and Grace A. Dow Foundation • W.K. Kellogg Foundation • Drs. Samuel J. and Ethel LeFrak • Mrs. Shirley K. Pasant

UNIVERSITY-WIDE FUNDRAISING ACTIVITIES

Major and Planned Gifts

The 1997-1998 cash figures reflected a major gift team, comprised of central and college fundraisers, that was staffed and working well after a full year together. Faced with a post-campaign period when traditionally there is a lull in gift-giving, the major gift staff held its own by working to consolidate its expanded donor base. Total dollars given by individuals as first-time major gifts of \$50,000 and above, and by recognized individual major donors making new gifts of any size, reached \$31,295,497, a 4.5% increase over last year's total of \$29,892,725.

The statistics for planned gifts, celebrated elsewhere in this issue of *Developments*, showed no post-campaign lull. The planned giving staff likely is beginning to tap the billions of dollars in assets the experts say are transferring from the WWII generation to their baby-boomer offspring over the next several decades. By the close of the year, \$20,251,798 in new and documented commitments had been received from 154 donors, comparing very favorably – with 20% in growth – to the year-end total of \$16,800,000 last year. Through June 30, 1998, MSU had 1,097 documented planned gifts valued at \$162,843,275 in future support; that total was \$146,674,000 in 1996-97 and \$133,828,000 in 1995-96.

Reflecting this growth, all major gift clubs added members, with the Benefactors Society, honoring cumulative cash gifts of \$100,000 and more, growing the most with

DONOR GROUP MEMBER TOTALS	
Frank S. Kedzie Society <i>(gifts of \$1 million or more)</i>	81
MSU Benefactors <i>(gifts of \$100,000 or more)</i>	705
John A. Hannah Society <i>(gifts of \$50,000 or more)</i>	386

65 new members for a total of 705, an 8.5% increase over last year. The Kedzie Society, for cash gift totals of \$1,000,000 and more, now has 81 members, and the Hannah Society, for donors of \$50,000 or more in cumulative cash gifts, has 386 members. The Legacy Society, established to recognize those with documented planned gift commitments to MSU, added 85 members.

This past year was the first during which fundraisers worked to meet the President's new minimums for "dollars in." In a major gift fundraiser's first year, for example, he or she is to bring in gifts equaling at least \$250,000; this figure increases in the fundraiser's second year, with the bottom-line set at \$500,000, and so on. Modified only slightly for the smaller colleges, these figures were met during the year by the central and college staffs.

Many volunteers helped staff members meet the President's major gift goals. In addition to the volunteer-staffed councils, committees, and boards in the Colleges, several groups worked to raise major gifts for the University as a whole. Members of

the Major and Planned Gift Committee of the national University Development Board hosted brunches, held two highly successful events in the Detroit area for potential donors, and brokered meetings between potential donors and University representatives. In 1997 the Detroit Area Development Council held its First Annual Spartan Celebrity Golf Classic, using its \$25,000 in earnings to begin a scholarship endowment for Detroit-area students. The Chicago Area Development Council continued its highly successful MSU faculty lectures – the Hannah Forum Series – bringing Chicago-area alumni into contact with the University, especially when colleges also held satellite events for their alumni before or after the lectures. The West Coast Regional Development Council was planning its charter meeting as the year came to a close.

Finally, much time and effort was focused during the year on beginning to make the major and planned gift team "campaign ready." At a mundane level, this meant continuing to hammer out ways to work smoothly together through improvements to various management systems. At a more dynamic level, this meant working hard to build the base of major and planned gift donors - known and new - who will be key to the success of the next campaign.

ENDOWED CHAIRS/PROFESSORSHIPS

CHAIRS

Frederick S. Addy, Finance
 Ameritech, Telecommunication
 Wade Brinker, Veterinary Medicine
 Pat Carrigan, Feline Medicine
 Telecommunication Management
 Richard M. Hong, Electrical Engineering
 Knight Foundation, Environmental Journalism
 John McConnell, Business Administration
 Mary Anne McPhail, Equine Sports Medicine
 Homer Nowlin, Agriculture
 A.J. (Tony) Pasant, Insurance
 Walter Patenge, Osteopathic Medicine
 Barnett Rosenberg, Biological Science
 Elton R. Smith, Agricultural Engineering

ENRICHMENT PROGRAMS

Chemistry
 Pharmacology and Toxicology

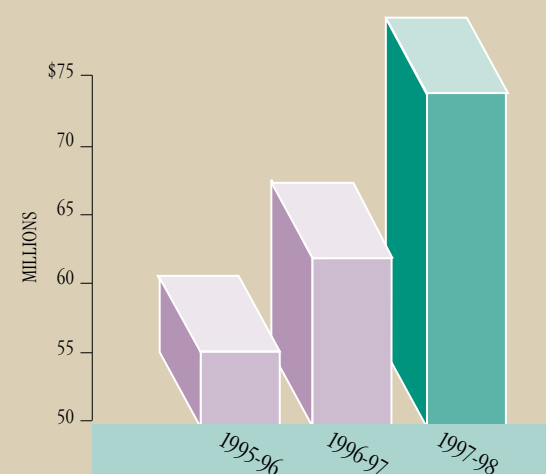
PROFESSORSHIPS

Fred Arnold Wood Products Sales, Marketing and Manufacturing
 Ellis N. Brandt, Public Relations
 Jack Breslin, Oncology
 David Ellis, Large Animal Clinical Science
 Ernst & Whinney, Accounting
 John A. Hannah
 Hilton Hotels, Hospitality Management
 Johansen Crosby, Chemical Engineering
 Philip J. May, Finance
 Charles Stewart Mott
 Russell E. Palmer, Accounting
 Elsa D. and Carl F. Rehberg, Research
 Rotating Packaging Industry
 Jean P. Schultz, Oncology Research

GRAND TOTAL \$74,816,546

3-YEAR HISTORY

95-96	\$55,860,764
96-97	\$62,407,578
97-98	\$74,816,546



SPECIAL AND ANNUAL GIVING PROGRAMS

Special Giving Societies

MSU's Special Giving Societies continue to attract donors at an accelerated rate. This past year, 275 individuals joined one of MSU's Special Giving Societies by making a commitment to the university at the Beaumont Tower Society, the Presidents Club and Presidents Club Associates levels.

DONOR GROUP MEMBERS	
Beaumont Tower Society <i>(gifts of \$25,000 or more)</i>	808
Presidents Club <i>(gifts of \$10,000 or more)</i>	3,369
Presidents Club Associates <i>(gifts of \$2,500 or more & graduated in the last 15 years)</i>	170

Beaumont Tower Society (gifts/pledges of \$25,000-\$49,999)

The Beaumont Tower Society was initiated in 1989 during MSU's comprehensive capital campaign and has become the fastest growing segment of the special gift donor population. This past year, 94 individuals made a new commitment to MSU at this level – an 18% increase over the number of new donors the previous year. At the close of fiscal year 1997-98, the number of Beaumont Tower Society donors totaled 808.

Presidents Club (gifts/pledges of \$10,000-\$24,999)

The Presidents Club is MSU's oldest and largest donor society. Founded in 1963, the Presidents Club honors the presidents of Michigan State University and has grown to nearly 3,400 donors. This past year, 135 individuals made a new commitment to MSU at the Presidents Club level.

Presidents Club Associates (gifts/pledges of \$2,500 over five years)

This past year, 46 individuals made a Presidents Club Associates pledge. This donor group was added in 1994, and is directed toward individuals who received their undergraduate degree within the past fifteen years. Presidents Club Associates provides a recognition opportunity for alumni and friends who are relatively new in their careers but want to make a significant contribution to MSU. At the end of fiscal year 1997-98, there were a total of 170 individuals recognized at this giving level.

Annual Giving Programs

Annual Giving Programs provide alumni, friends, parents, faculty/staff, and senior students the opportunity to financially support the university each year. Nearly \$2.6 million in new gifts and pledges was secured through annual giving programs during the 1997-98 fiscal year. While annual campaigns primarily focus on the use of direct mail and telemarketing appeals, there is an increasing role for volunteers in reaching students and faculty/staff in a more personal manner.

All University Campaign (faculty/staff giving)

Faculty and staff of MSU continue to bring truth to the philosophy that giving begins at home. In total, faculty and staff have pledged more than \$4.9 million to MSU, with nearly \$460,000 in new gifts and pledges given through the 1998 All University Campaign. An initiative to increase the number of special gift level donors resulted in twenty-six new special gift club members and two new major gift donors. In total, more than 4,500 current and retired employees contribute to Michigan State University.

Parents' Fund Campaign

Gifts from parents of MSU students are increasing and this is a growing area of support for MSU's colleges and programs. Dollars pledged by MSU parents increased by 56% compared to the previous year, and the number of parent donors increased by 42%.

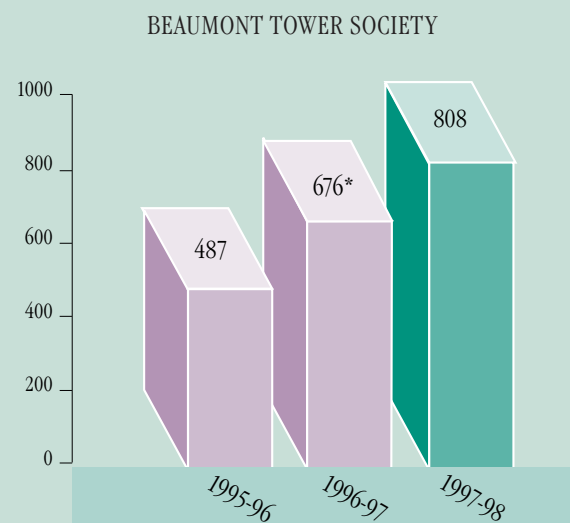
Alumni Campaigns

MSU alumni are asked for a gift to MSU twice during the year – once for a gift to their college and once for a gift to MSU's unrestricted fund, the Essential Edge. This past year, \$2,058,201 was donated from nearly 25,500 alumni through MSU's annual alumni campaigns. The number of alumni who made their first time gift to MSU through the annual campaign totaled more than 5,200 in fiscal 1997-98.

Senior Class Campaign

A total restructuring of the 1998 Senior Class Campaign helped to secure \$37,180 in new pledges from MSU's Senior Class. This represents more than twice the dollar amount pledged by Seniors the previous year. The new Senior Class Campaign includes volunteer representation from virtually every college on campus, and allows seniors to designate their gift to their college, or any program on campus of their choice.

MEMBERSHIPS COMPARISON



* First year of autoqualifying Presidents Club members to Beaumont Tower Society. Of the 135 autoqualified members, 127 (94%) were previously Presidents Club members.

