Notes from the Field

Fundraising during an economic downturn within the Historically Black College and University environment

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ABSTRACT During tough economic times, fundraising can become increasingly difficult. At the nation's Historically Black College and Universities (HBCUs), the situation is exacerbated by a legacy of underfunding by various public and private entities as well as a commitment to educating mainly low-income, first generation students who need considerable financial aid. This article focuses on fundraising within the HBCU context during dire economic times. From the perspective of an informed practitioner, I discuss the various approaches used by HBCUs to weather the economic storm, including increased alumni engagement, outcomes fundraising (instead of crisis fundraising), faculty involvement, and pro-active public relations. I juxtapose my practitioner perspective with the literature on fundraising to illuminate concrete strategies for moving HBCUs from mere survival to success. In terms of data sources, I use the strategies employed by Prairie View A & M University, an HBCU, in the areas of alumni relations, all campus fundraising, and public relations as well as donor letters and other solicitations. I analyze these strategies and provide recommendations for other HBCUs and minority serving institutions. Given that many HBCUs are having life-threatening financial problems right now (for example Morris Brown and

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Paul Quinn Colleges), uncovering successful fundraising strategies that can be replicated by others is absolutely essential.

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When I was first approached about writing this essay, I thought that I did not have anything to write about or offer in terms of advice because my University had been experiencing great growth in the area of fundraising – meeting our campaign goals – despite a failing economy. Moreover, I personally had just been promoted to Director of Development in December 2008, which was both rewarding and exciting. During the first quarter of 2009, my University secured the third largest planned gift in the institution's history. All of these positive events made me wonder what I had to share about fundraising during an economic downturn. However, because I chose to wait a few months to write this essay, I witnessed a fall in donations – a roughly 23 per cent decline – at my institution, including alumni support and corporate and foundation giving. As quickly as we had garnered success, an economic downturn could cause us to fall and fall quickly if we did not act in a well-thought-out way. I began to think about the many strategies that we had implemented over the course of the campaign and realized that these approaches could be easily adapted to fundraising during a financial crisis. It is with these thoughts in mind that I wrote this essay.

Prairie View A&M University (PVAMU), a Historically Black University, is the second oldest public institution of higher education in

Texas. Founded in 1876, the institution is a top producer of African American bachelor degree recipients. PVAMU is one of 103 Historically Black Colleges and Universities (HBCUs) that were created during the Civil War era to educate former slaves (Anderson, 1988). Although today these institutions educate students of all racial and ethnic backgrounds, they have a special mission to support and uplift African Americans and have been doing so for over 100 years. HBCUs tend to have lower endowments compared to their historically White counterparts due to a legacy of racial discrimination in funding that has existed in both the public and private arenas (Gasman, 2007; Gasman and Drezner, 2009). These venerable institutions also have tighter operating budgets because they are highly tuition-driven. In addition, HBCUs tend to serve low-income students, 90 per cent of which qualify for Pell Grants (National Center for Educational Statistics, 2008). All of these factors combine to form a unique educational environment and distinctive challenges.

This essay focuses on fundraising within an HBCU environment during a time when conditions are less than ideal for soliciting support – a time when the future of many of our institutions hangs in the balance of survival versus extinction. Waiting on a financial climate change before taking action is not an option. The

examples and strategies highlighted below are ones that were implemented at Prairie View A&M University; however, the application of such techniques is possible regardless of the cultural makeup of one's institution.

Well before the official term 'recession' was being used to describe our nation's current economic condition, PVAMU began to see a slowdown in terms of donations. The institution's capital campaign, which had been enjoying tremendous momentum during the first four years, was suddenly showing signs of deceleration. Realizing it was not going to meet its pre-determined five-year goal, the leadership of PVAMU made a courageous decision; to extend the campaign timeframe. From the leadership's perspective, achieving the fundraising goal was a greater milestone than finishing the campaign on time. The fundraising arm of any college or university needs to be flexible enough and willing to change course in order to remain sustainable (Walton and Gasman, 2008). Too often, variables like the economy sidetrack institutional plans and require that adjustments be made quickly in order to avoid certain failure. Of note, the PVAMU leadership's decision was subject to some criticism from various constituents, including staff and alumni. Some people said, 'the campaign has gone on long enough'. or 'this is the most we've ever done and we should be proud of it'. Fortunately, the PVAMU leadership understood that this specific fundraising initiative would set the tone for all future attempts at generating support for the University.

FROM 'CRISIS' FUNDRAISING TO 'OUTCOMES' FUNDRAISING

As has been widely noted, fundraising at public HBCUs is still in its infancy and continues to be an evolving area (Gasman and Anderson-Thompkins, 2003). In the past, HBCUs have been labeled as only initiating 'crisis fundraising plans', also known as '*Give us money or we will have to drop the program, go out of business or fail to provide for people who need us – and it's going to be your fault*'. One might recall the recent media coverage of Morris Brown College in Atlanta, Georgia and its plea to alumni and anyone else to 'save the institution' (White and Stirgus, 2009). While to various degrees there is some truth in terms of the important role that HBCUs play, many of our advancement offices at the nation's 47 public HBCUs are attempting to change the 'crisis fundraising' dynamic by creating and implementing strategic plans that include measurable outcomes in areas such as communication, strategy and alumni programs (Kresge HBCU Initiative, 2005). Within our decision to extend our campaign, we included several benchmarks that allowed us to constantly gauge our progress and stay on track. One of these benchmarks involved making a passionate plea to our alumni and alumni organizations, noting exactly what was needed and providing them a realistic donation goal. Consider these examples below:

It is essential for the University to join forces with the National Alumni Association (NAA) to

ensure that we reach our US\$30 million goal. With only \$8 million to complete this goal, we are confident that our alumni will contribute the necessary funds to meet or exceed the goal by the beginning of 2008. To this end, we are requesting that alumni make a thoughtful and proportionate gift to support the campaign. If 8000 alumni contribute \$200 annually for five years, we would realize our \$8 million goal. (George Wright, personal communication, 18 January 2007)

With more than \$23 million raised in cash, gifts and pledges, we find ourselves at a pivotal point in the campaign and we need your help. Last year we asked 8000 alums to contribute \$200 annually for five years, which would complete our \$30 million goal. The request has been well received. This year we are asking each alumni chapter and or organization to commit to a five-year pledge based on previous years giving history. For example, the average chapter currently gives \$6300 annually to the university; assuming gift amounts remain constant, that will equate to \$252 000 annually, multiplied by five-years yields the university \$1.25 million. Also, consider that the university will match gifts that support endowed scholarships and endowed faculty chairs, which could potentially raise your gift total to \$2.5 million. (George Wright, personal communication, 2 April 2008)

Giving details on how easy it was to get involved and make a difference eliminated a lot of confusion in the minds of alumni, encouraged many to re-connect with the institution and resulted in a great deal of financial support for the University. As mentioned earlier, asking for private funding is still relatively new for public Black colleges and universities and presents an even stranger challenge for the one constituent group that seemingly benefited the most, our former students. Students have rarely been asked to give, and from their vantage point, when they were in school, fundraising was not part of the learning process – funding came from the state. Many Universities to this day does not fully realize that students are the future stakeholders of the institution – students have the most intrinsic connection with the institution. Because students were not taught to give back and support the institution, they now see solicitations as a strange request (Drenzer, 2008).

ALUMNI AMBASSADORS

Another strategy PVAMU instituted to assist in achieving their fundraising goal was to identify alumni who had demonstrated a commitment to the University in the past and engage them as 'Fundraising Ambassadors'. These representatives agreed to extend the Office of Development's reach by contacting fellow classmates as well as unknown PVAMU graduates who resided in their area code and zip code or who were included in their professional contact list to request support for this first-ever capital campaign. Consider the example below:

On behalf of the Capital
Campaign Cabinet, we invite

you to become a Fundraising Ambassador of the Alumni/Special Gifts Committee. As such, you will be one of the approximately 100 volunteers responsible for identify, contacting, and soliciting fellow alumni to make a financial contribution to the capital campaign. (Alumni/Special Gifts Committee, June 2007)

As we concluded this historic endeavor, alumni giving not only led in terms of all private source contributions, but it also exceeded our institutional goal by more than \$2 million. Twenty-five per cent of those who were first time donors admitted that they decided to give only because they were finally asked; an admission that is consistent with the fundraising literature (Gasman and Anderson-Thompkins, 2003). While the effort speaks volumes to the gratitude former students still hold for PVAMU, a more important implication is that the most basic rules of any funding request always apply; communicate your case for support such that all understand the need and never assume donors will or should lend their support without being asked to participate.

FACULTY INVOLVEMENT

One trend that is slowly beginning to change at many public HBCUs is the faculty's involvement as it relates to fundraising. At some institutions, fundraising responsibilities are strongly encouraged at the individual school level, but are not obligatory. At other institutions, the lines are clearly drawn; fundraising is an institutional advancement activity and teaching and instruction are academic

responsibilities – the two shall remain separate. The latter belief is not new, but based on tradition and years of solely relying on federal- and state-funded revenue streams that have been the life-line of public institutions throughout their histories. Unfortunately, the reality is that we cannot continue to sustain our institutions or grow to new heights without our faculty members taking on a more crucial role in the fundraising process. Faculty members have the closest relationships with students – future alumni – and as such form bonds that can be built upon in the fundraising area (Gasman, 2005). At PVAMU, we have an, 'All Campus' fundraising approach in which all academic units are involved and are required to bring in a certain level of unrestricted dollars for the University annually.

When this approach started in 2005, each one of our eight colleges, one school and one academy would send a representative on its behalf to a monthly round table discussion with members of the development office. Labeled as PVAMU's Development Council, this group boasted a goal of assisting one another in achieving fundraising goals. To support the council, the development office hosted training sessions focused on various aspects of fundraising, such as creating a case statement for support and prospect identification and cultivation. These sessions were taught by PVAMU staff, external consultants and affiliate organizations such as the Association of Fundraising Professionals (AFP) and the Council for Advancement and Support of Education (CASE). It was through a very basic approach that an understanding of the importance of fundraising was instilled in the school

deans and faculty members. I should note that although most faculty members can see the benefits fundraising and their involvement in it – it brings in additional resources, it increases the institution's reputation, and it helps to attract top students and faculty – some academics view this work as that of the development staff only. There are some potential drawbacks to engaging faculty in the fundraising process. Faculty could potentially misrepresent the institution's financial and programmatic needs as they are not trained development professionals. Furthermore, faculty members could become more interested in raising money for their individual ideas or research instead of the overall institution.

In 2008, the PVAMU administration began to recognize the potential benefits to be gained from faculty participation in fundraising. They implemented accountability measures for each academic unit, which required the creation of strategic fundraising plans with benchmarks to be met. These plans specified annual fundraising targets, identification of alumni as well as corporations and foundation that possesses the capacity to make a major gift, and bi-annual reporting. To achieve their fundraising goals, the school deans or their designees were required to meet with the development staff for guidance, attend development training sessions, and bring key faculty and staff into the fundraising process, thereby creating a sense of ownership in the process.

Well into the fourth year of this overall effort, we are witnessing progress and results that affirm our decision to make fundraising at

PVAMU all inclusive. Of the 10 academic units at PVAMU, nine participated this year and the annual totals from all units have increased by more than 15 per cent. Creating and implementing this model during a calm fundraising cycle has proven to be very beneficial in these tough economic times. Our forward thinking has allowed us to continue to do 'business as usual' and not enter into crisis fundraising mode. So often the calamity starts before the preparation begins, which typically spells disaster or at the very least, an ineffective solution. Like any well-orchestrated plan, fundraising models are most valuable when put into practice during normal conditions.

COMMUNICATIONS

HBCUs are also beginning to approach public relations and communications efforts in a pro-active way. This means aggressively bringing University accomplishments to the outside world rather than waiting for news organizations to approach the institution. A pro-active approach to highlighting the accomplishments of the institution increases interest from potential students and financial partners. Typically, individuals and organizations are drawn to success stories. Moreover, positive publicity increases the value of the degrees of those graduates who may have long left the physical campus but love their alma-mater and are now in a position to make a difference.

While the idea of promoting oneself to generate acclaim is not new, many HBCUs forgo the practice because the expense required to sustain even a small public relations department is

not always seen as having an immediate benefit. The inability to measure the effectiveness of Public Service Announcements, press releases and media advertisements tempts many HBCUs to save financial resources and wait on a sure thing. The problem with this line of thinking is that there is no such thing as a 'sure thing' as we have witnessed with our current economy. Like entrepreneurs, HBCU leaders must be willing to put aside conventional thinking and become risk takers, making the tough choices such as eliminating traditional programs that have long since become unpopular and unproductive (Williams, 2009).

In 2004, PVAMU broadened the institutional advancement department to encompass brand management, media relations and graphic standards as well as the traditional fundraising functions. The institution's goal was to standardize the promotion of the University and its accomplishments, making sure that the public relations division would be the only driver of the publicity process. In previous years, messages originating from multiple areas of the University were not consistent and many recipients responded with confusion. During difficult financial times such as these, messages we send should contain a certain level of confidence, clarity and purpose. The audience (potential donors perhaps) needs to hear and believe that the institution is safe and completely prepared to weather the economic ripple.

FINAL THOUGHT

These 'notes from the field' are certainly not the end all answer to the

question of how to fundraise in an economic downturn. However, all of the strategies I have presented have been applied at PVAMU. Some strategies garnered more success than others, but all moved the institution in positive directions. One thing that should be noted – change is constant and being prepared is the best offense during difficult transitions.

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