



**Commonwealth Campus Chairs Meeting**  
***For the Future: The Campaign for Penn State Students***  
**The Penn Stater Conference Center**  
**Friday, September 24, 2010**  
**2:00p.m. – 4:20p.m.**

**MEETING MINUTES**

E. Lee Beard, Vice Chair of *For the Future: The Campaign for Penn State Students* and Chair of the campus committees welcomed and thanked the chairs and participants for their time, support and dedication to Penn State and to the campaign.

**Participants - Campus Chairs**

Altoona	Kevin Crownover
Beaver	John Hertneky
Berks	Gene Curry
Berks	Steve Weidman
Brandywine	Ernie Repice
DuBois	Dan Kohlhepp
Great Valley	Joe Henry (chair substitute)
Greater Allegheny	Nancy Traina
Harrisburg	Jim Mead (honorary chair)
Hazleton	Pasco Schiavo
Lehigh Valley	Howard Kulp
Mont Alto	Jim Ingram
Schuylkill	Bill Heckman
Schuylkill	Katy Heckman
Shenango	Sam Bernstine
Wilkes-Barre	James Reino
Worthington Scranton	Mary McNichols (chair substitute)
York	Tim Debes (chair substitute)

**Participants (Other than Chairs)**

E. Lee Beard, Vice Chair, *For the Future: The Campaign for Penn State Students*  
 Mike Degenhart, Director, Office of Gift Planning  
 Dale DiSanto, Executive Director of Development, Commonwealth Campuses  
 Dorothy Greer, Development Assistant, Development Office, Commonwealth Campuses  
 Madlyn Hanes, Vice President for Commonwealth Campuses  
 Rod Kirsch, Senior Vice President, Development and Alumni Relations  
 Peter Tombros, Chair, *For the Future Campaign: The Campaign for Penn State Students*

## **Chairs Reports and Highlights of Discussion**

Each of the campus campaign chairs provided a brief update of their campaign activities and progress toward their campus' campaign goals. Most chairs highlighted significant gifts made to their campus since the last chairs' meeting, held in March, 2010. The chairs also shared information about advisory board and campaign committee activities, including campus campaign kickoff events, alumni events and scholarship dinners.

The following are key points and discussion highlights:

- Altoona - Keith Crowover reported that the campus had a successful kick-off weekend, where activities occurred over a three day period. He also mentioned the campus had received a \$2.5 million gift from Steve and Nancy Sheetz.
- Beaver - John Hertneky said the campus had a good kick-off event. While the weather did not cooperate (they had high winds and the event was conducted in an outdoor tent) however the event went well.
- Berks - Steve Weidman reported on their kick-off event as a very nice affair. Their campaign results are ahead of schedule.
- Brandywine - Ernie Repice reported that their kick-off was held at the Please Touch Museum in Philadelphia and it was a successful event. The campus is currently conducting a search to hire a new director of development that they will share with Great Valley.
- DuBois - Dan Kohlhepp discussed the recent visit by the University Board of Trustees to the campus. Dan reported that as the board had its summer meeting at DuBois, the campus received some „spruce up funds.“ He reported that they announced five \$50,000 gifts at the dinner meeting with the board.
- Great Valley - Joe Henry said the campus is primarily a graduate campus, not an undergraduate campus. A lot of their student's tuition is paid for by the student's employer. The Great Valley Advisory Board has provided 90% of the cost to renovate a new student center. Lee Beard mentioned some of the recent staffing changes at Brandywine and Great Valley campuses. A new director of development will oversee fundraising efforts for both campuses.
- Greater Allegheny - Nancy Traina discussed how a group of alumni formed a committee to establish a scholarship to honor a faculty member on campus. The campus sees this as a way to reach out to other alums.
- Harrisburg- Jim Mead said he was a co-chair of the Grand Destiny campaign and started his career as a teacher at the campus. Jim said the campus had agreed to increase their goal and they are off to a very good start.
- Hazleton - Pasco Schiavo said he recently hosted a campaign / alumni event at his house. He said engaging major prospects in a personal way leaves a lasting and good

impression and he encouraged the other campaign chairs to consider doing the same. He also mentioned that their new nursing program has been well received.

- Lehigh Valley - Howard Kulp reviewed that the campus recently moved from the Fogelsville to Center Valley this year. Accordingly the campus has added significant space including a new library. A “Blue Carpet” event will be held on October 15th that will be an open house and also a dedication of the new Lehigh Valley campus. President Spanier will be at the campus and community leaders are invited. Next year will be Lehigh Valley campus’ 100<sup>th</sup> anniversary.
- Mont Alto - Jim Ingram reported the campus has two donors who will each commit \$50K. The campus has secured five major gifts this past year. An additional major gift has established the Jack Good Scholarship fund. The campus is looking to the community and faculty to provide support in order to establish another new tree grove on the campus and they plan to do this in Jack Good’s name. Jim said their students and the staff are very loyal and he feels this is a significant part of the reason they will achieve or exceed their campaign goal.
- Schuylkill - Bill and Katy Heckman reported that Schuylkill celebrated its 75<sup>th</sup> anniversary in June. It was a great weekend of events that were well received. The campus is following up with those that were invited to this event concerning their potential to make major gifts. In August, the campus completed construction of a new dormitory that is owned by the campus’ advisory board. The campus is also looking to build a new ethnic heritage center building which they estimate will cost \$4million. A potential donor has been asked to consider providing the lead gift for this facility. The Schuylkill campus has an overall goal of \$4M goal and they have raised \$2.8 million, or 70% towards their goal. One of their committee members recently committed \$50K to get the campus’ campaign over the 70% mark and they expect to receive another \$50K from a local bank.
- Shenango - Sam Bernstine reported that over 54% of their \$3M goal has been achieved. Sam thanked Lee for agreeing to be the guest speaker at their upcoming October 12<sup>th</sup> scholarship / donor event. Recently the campus was able to solidify a significant charitable lead trust with one of their key donors. The campus is working on a project to reach out to the community in order to fund a Trustee Matching Scholarship. The campus holds an annual alumni dinner every February. Last year Coach Jay Paterno provided a terrific speech. Their next alumni dinner is scheduled for Feb 2, 2011 and Football Coach Tom Bradley has agreed to be their guest speaker.
- Wilkes-Barre - Jim Reino said their new development director has become more active and engaged this past year. He is working with the Campus Advisory Board to plan events and stewardship activities, such as such the Hayfield Society Dinner, that recognizes the campus’ major donors. Student enrollment is up significantly this year which they are very pleased with.
- Worthington Scranton - Mary McNichols attended representing Co-Chairs David and Ann Hawk. Mary mentioned the Hawk’s recent \$1M commitment to support a new Student Success Center. An open house/dedication is planned for October 6 and students are already gravitating towards the new center. There are a lot of activities to bring alumni back to campus. Their annual scholarship dinner will be conducted in a few weeks.

- York - Tim Debes attended the meeting, representing the York campus. He reported that Dave Freeman has accepted another position in Quakertown, PA and he recently resigned as York's campaign chair. They have identified two strong candidates to replace Dave and the campus is confident that a new chair will be in place very soon. The York campus has achieved 58% of their \$6M campaign goal. Nearly 80% of their advisory board has made financial commitments. In addition, 73% of the faculty / staff and 66% of the front line staff have made contributions. The Swenson family made a significant gift to name the engineering wing at the campus this past year. Also, another major donor and other board members made generous gifts in support of this initiative. A scholarship dinner is coming up soon.

Lee thanked everyone for their input and introduced Dale DiSanto, Executive Director of Development for the Commonwealth Campuses.

### **Comments from Dale DiSanto, Executive Director of Development Commonwealth Campuses**

Dale DiSanto thanked the chairs for attending the meeting and said their efforts and leadership is sincerely appreciated. Dale provided a campaign progress report. Highlights are as follows:

- In spite of the economy, we are doing extremely well. The University's fund raising receipts went over \$200 million for the last fiscal year that ended on June 30, which is the highest annual receipts Penn State has ever achieved for any one year.
- Fund raising results for the campuses continue (in the aggregate) to remain ahead of the timeline. To-date, over \$93 million has been raised (toward the collective \$165M goal). Collectively the campuses are doing well. The campaign timeline is at 49.7 % and the campuses have collectively achieved 57% of their goals to-date.
- Biographical summaries for each of the chairs were included as a handout. Dale indicated that if we missed something important in the bios, to please let him know.
- Of the 20 campuses, 13 have held a campaign kickoff event. Harrisburg will be having their kick-off event on October 16. During Penn State's last major campaign, only one or two campuses conducted their own kick-off. Lee and Dale have attended all of the campuses kick-off events and all were well done. Dale thanked Lee for attending, speaking at, and participating in so many kick-off events at the campuses.
- Lee and Dale are trying to be more strategic in how they spend their time. They are focusing more of their attention on assisting and supporting the chairs, staff and campaign committees.
- Dale explained that being in the public phase of the campaign is a little different than the initial quiet phase. He outlined a few differences, as follows:
  - By now, there should have been a news release to local communities announcing each campus's goal, the attainment to-date and publicity concerning the volunteers that are associated with the campaign.

- When a major gift is completed and announced, the campus should mention the gift as a „campaign gift“ and there should be 1-2 sentences in a news release about the campaign.
- Use of the *For the Future* logo should be more prevalent and used for campaign events, on mailings, letterhead, etc.
- Dale discussed the annual goal-setting process, where annual goals for commitments (pledges) and receipts (cash) are established. He reported that 19 of these meetings with each campus director of development occur every summer. In addition, every year each development director is instructed to write an annual plan. Dale suggested that the chairs may wish to ask their director of development to share their annual plan with them.
- Dale discussed the expectations and solicitation requirements for the directors of development. Directors and associate/assistant directors have a goal of making 12 major gift solicitations a year, with at least three being a planned gift.
- Dale acknowledged and thanked the following chairs for their special efforts in the campaign:
  - Joe Henry for his nice job in supporting the Great Valley campus even though he is not the committee chair.
  - Jim Mead for representing the Harrisburg campus and the Harrisburg co-chairs.
  - Howard Kulp for his extraordinary work in assisting and supporting the Lehigh Valley campus. Howard did this with both his own philanthropic support and also the in-kind support from his architectural firm that greatly assisted with the development of the new Lehigh Valley campus.
  - Bill Heckman for soliciting one of his clients for a major \$50,000 gift.

Dale then asked if there were any questions.

- Steve Weidman inquired about the recent article in the *Wall Street Journal* regarding Penn State’s ranking number one in the nation for corporate recruiting. He asked if the article could be used for cultivating prospects. Dale said the article is being reprinted for distribution. Lee Beard suggested to Steve that he also forward or email the article to friends who have children or grandchildren who are thinking about college.

Lee Beard introduced Mike Degenhart, Director of Gift Planning

### **Comments from Mike Degenhart, Director of Gift Planning**

Mike provided an overview of the Office of Gift Planning. Currently, the office has two staff members dedicated to the 20 campuses. Every newsletter from the Office of Gift Planning features a campus gift. The office reaches out and touches many areas and it also works with other related financial and investment issues. On a professional level, the office concentrates its work with lawyers, accountants, and financial planners. Mike said that his office places the campuses out in front of their marketing efforts e.g., solicitations, mailings, etc. and his office is in regular and constant communication with the campuses.

- Bill Heckman questioned Mike regarding the fact pattern and inquired as to what percent of the Penn State's gifts are coming from planned gifts?

Mike responded that 28% of planned gifts are deferred. The fact pattern is basically a way for donors and prospective donors to be engaged with the development officer; to get people passionate about a gift and for donors and prospects to go back to the chair and ask, what is the best way to make a gift? Mike said it is important that we market the benefits of making planned gifts.

Mike discussed the current state of the alternative minimum tax situation. Some donors have been informed that they cannot make a gift, but this is not true. It is important that we be strategic concerning how we educate people. We need to raise the level of knowledge.

- Sam Bernstine asked if there is a window of opportunity in the next 90 days for a potential tax ramification change.

Mike responded that there is a 3% payout on itemized deductions. Mike related that he was not 100% sure of what the estate tax and tax rates will be in 2011. Mike has proposed that we review our records of donors that have outstanding pledges and see which ones can receive a full deduction. He said that this will be an initiative similar to the Katrina Bill. Further discussion on this topic needs to occur. The planned giving staff and development officers should be proactive over the next 90 days concerning how we react and what's going to happen with estates and income taxes.

- Gene Curry indicated that his campus currently has a group of five families funding a Trustee Matching Scholarship and asked if this was acceptable. They currently have secured \$40K towards the \$50K needed from these donors to establish an endowment and for their Advisory Board to fund a Trustee Matching Scholarship (TMS).

Mike responded that central development would treat this as a volunteer group effort. Exceptions are made case by case. Language is included in the scholarship guidelines that if the endowment money (minimum of \$50,000) is not raised in a five-year period, the funds will be transferred to another scholarship at the campus.

Rod Kirsch, Senior Vice President of Development and Alumni Relations, agreed to accept the Berks initiative as a Trustee Matching Scholarship. Rod further explained to Gene Curry the process and language necessary to facilitate a group TMS. Mike suggested that Gene work with his office and with Kris Otto, who is the Berks campus' assigned gift planning officer. Gene said that Kris was planning to visit their campus next week and he would further discuss this subject with her.

- Keith Crowover inquired about planned giving / parlor sessions and who could benefit from these.

Mike responded that Kirby Upright, an attorney and financial planner presents on planned giving options and reviews smart ways to make a gift e.g., early activation, irrevocable giving, etc. Mike said he plans to further discuss a parlor session for the Altoona campus with their director of development, Sue Woodring and Chancellor Lori Bechtel-Wherry.

- Jim Ingram asked Mike about his thoughts regarding The Conservation Trust. Mike said he would discuss this at a later date with Jim, as Mike had to depart the chairs meeting for another appointment.

Lee Beard thanked Mike Degenhart for his time.

### **Comments from Lee Beard, Campaign Vice Chair**

Lee introduced *The Guide to Best Practices at Penn State*. She noted that this manual should provide the chairs with some good ideas and if they have anything to add, to please let us know. Dale mentioned the directors of development have received copies of the manual and pointed out that no particular campus is doing all of the initiatives included in the best practices manual.

Lee also discussed the *Summary of Kick-off Events* document that was included in the handout materials and said that should the chairs wish to have more details concerning these events, to let her know.

Lee reminded the chairs that their gift planning staff, Kris Otto and Tom Parrish, are available to assist and support them. Lee expressed the importance of gift planning and encouraged and the chairs to think about planned gifts for their own personal giving. She also said the chairs should encourage their committee members to consider making planned gifts as well.

Lee asked the chairs for their feedback regarding the chairs meetings held in March. She explained the difference between the fall and spring meetings – spring more of an informational meeting held as a conference call and the fall more of an educational and networking meeting held at University Park. It was agreed to have the spring meeting conducted as a conference call.

- Jim Ingram suggested that we should communicate a giving story about once a month to keep people engaged.
- Sam Bernstine suggested including a link to President Spanier's State of the University address: <http://www.psu.edu> or <http://president.psu.edu/sou/articles/sou2010.html>. He said this is a powerful statement and we should take advantage of this message.

Peter Tombros, Campaign Chair, thanked everyone for all they have done to help the campaign. Peter said the chairs should feel very proud of their accomplishments.

Lee suggested that everyone should visit the new Tombros Varsity Golf Club House at the Penn State Golf Courses.

- Jim Reino started discussion regarding the Marcellus Shale as an opportunity for thousands of people in the Wilkes-Barre / PA area. Sam said people are signing leases and walking away with millions of dollars. Wilkes-Barre is a Penn State proud area and we need to be reaching out to the people in this area with a simple handout or mailing piece. Jim mentioned there is an online database that shows the people who have land holdings in the Marcellus Shale areas. Jim said this is a huge opportunity for Penn State.

Rod Kirsch, Senior Vice President for Development and Alumni Relations, discussed the significant wealth that is being created in Pennsylvania as a result of the Marcellus Shale. To

Rod's knowledge, there are two different Marcellus Shale databases: one state and one privately held. Penn State's Development Research Office is now looking into these databases. Rod indicated that 50,000 people have attended various outreach and cooperative extension sponsored talks / meetings to discuss such items as; how to sign a lease, how to consult with an attorney, and how to invest their Marcellus Shale money. Penn State University is being proactive and visible concerning this issue and recently established a new center to be focused on pertinent Marcellus Shale issues.

Lee mentioned that other people (not just land owners) in communities are benefiting from the Marcellus Shale, and she mentioned companies and businesses such as; car dealerships, auto part stores, hotels, home builders, etc.

- Jim Reino said we are just touching the surface of the Marcellus Shale ventures and that Wilkes-Barre is geographically located in the center of the Marcellus Shale.

Lee singled out Terry Pegula, who recently contributed \$88 million to Penn State Athletics, and mentioned he attended the Worthington Scranton campus for part of his Penn State education.

Rod Kirsch thanked everyone for their time and efforts and said we need the chairs help and leadership now more than ever.

Lee informed the chairs that they should make sure all of their committee members have made a financial commitment to the campaign. Lee said it's hard to ask for money if you haven't already given yourself.

Lee Beard then introduced Madlyn Hanes, Vice President for Commonwealth Campuses.

### **Comments from Dr. Madlyn Hanes, Vice President for Commonwealth Campuses**

Madlyn Hanes thanked the chairs for their generosity and wonderful spirit of volunteerism. She said that the campuses are more successful by having the support of the chairs. Madlyn mentioned that many of the chairs also serve on local advisory boards and alumni boards. In addition to their financial support, their providing internships and employment opportunities is really important to the future of our students. She expressed her appreciation to the chairs for sharing their expertise.

Madlyn said that she is attending various meetings and events at the Commonwealth Campuses and she is looking forward to meeting everyone at all of the campuses.

Madlyn said she is a University of Florida graduate and she is the first in her family to receive a Ph.D.

Madlyn provided an overview of the Commonwealth Campuses enrollment picture and shared recent statistics. The enrollment numbers are steadily growing and are up more than 300 students this year, for a total enrollment of 35,000 students overall. Out-of-state enrollment is up by over 3,000 students and international student enrollment is up over 400 students. Adult students at the campuses make up 30-50% of the campuses' enrollment. Madlyn noted that every fall 3,500 students transition from a campus to University Park and as many as 1,000 students will transition from campus to campus.



The Commonwealth Campuses are a large enterprise with approximately 1,500 faculty members that teach and advise 35,000 students. There is also 3,700 staff that support student life and physical plant, etc. Madlyn said she is pleased that ensuring student opportunity and fostering a student centered university is the top priority of the For the Future Campaign. Accordingly, the priority and focus is on securing scholarships for students. Madlyn said everyone should feel very proud of their accomplishments.

- Joe Henry commented that Penn State isn't quite viewed in a positive vein as it should be in the southeastern region of Pennsylvania. There is an identity crisis in this area and he feels this puts Great Valley at a disadvantage in dealing with the business community. He related that much of the business community does not consider Penn State as a resource to the region. Joe asked Madlyn what the University can do to create better ways for the three campuses in the southeastern portion of Pennsylvania (Philadelphia geographic area) to raise the level of awareness.

Madlyn responded that as far as marketing plans go, the University is working to have the Brandywine and Abington campuses collaborate to work with and feed students to the Great Valley graduate campus and also to expand the two undergraduate campuses by bringing in programs to Great Valley during the day. The University's marketing and public relations offices are working to keep the identity of the three campuses working together.

- Sam Bernstine asked Madlyn about her philosophy concerning the western campuses.

Madlyn said that innovative programming has begun and it is being implemented this year. Technology is now at a state where we can collaborate online. For example, the criminal justice program is being shared online between the campuses. We are now competing with other universities in this realm. She noted that other universities are being aggressive and innovative. Private institutions are depending on the regional draw of students. Ohio universities are reaching out into Pennsylvania. Accordingly, there is aggressive competition for higher education programs and services.

- Lee Beard asked Madlyn if there are internal incentives for the campuses to increase enrollment.

Madlyn responded that we are in an enrollment growth pattern and we must manage that growth. The tuition dollars a campus receives are based on a campus' growth, so there is an expectation of good management which should lead to positive tuition income for the campuses. Madlyn explained that the budget situation is going to be a challenge next year as we will have to make up the difference for when the stimulus money goes away.

The chairs appreciated having Madlyn attend the chairs meeting and encouraged her to attend future campaign chair meetings.

In closing, Lee Beard thanked everyone for their comments and for participating in the Chairs' meeting. Lee briefly reviewed the logistics for the weekend activities and reminded everyone that the next chairs' meeting will be a conference call. More detailed information regarding the conference call will be forthcoming. (*See below confirmed meeting date*)

The meeting was adjourned at 4:20pm.

**“Save the Date”**

**College and Campus Chairs’ Meeting/Conference Call**  
Thursday, April 14, 2011

**Blue/White Football Game**  
Saturday, April 16, 2011

**College and Campus Chairs’ Meeting @ University Park**  
Friday, September 23, 2011

*Respectfully Submitted, October 26, 2010*  
*Office of University Development, Commonwealth Campuses*

