

# Jeremy Farris, Rhodes Scholar



“The purpose of an education isn’t to get a job. The purpose of an education is to change you – to make you sufficiently human.”

Jeremy Farris  
Stamps Family President’s Scholar



# Planning the next campaign

Wayne Clough

Georgia Tech Foundation  
December 2, 2004

# Competitors are on the move

- **Berkeley:** building \$162 million Stanley Biosciences and Bioengineering Facility.
- **Purdue:** building \$100 million Discovery Park that includes \$51 million Birck Nanotechnology Center.
- **UCLA:** \$200 million unrestricted gift for medical school.
- **MIT:** \$50 million gift for brain research.
- **Michigan:** \$44 million gift for diabetes research.
- **Stanford:** \$20 million to develop physics-based simulations of biological structures.

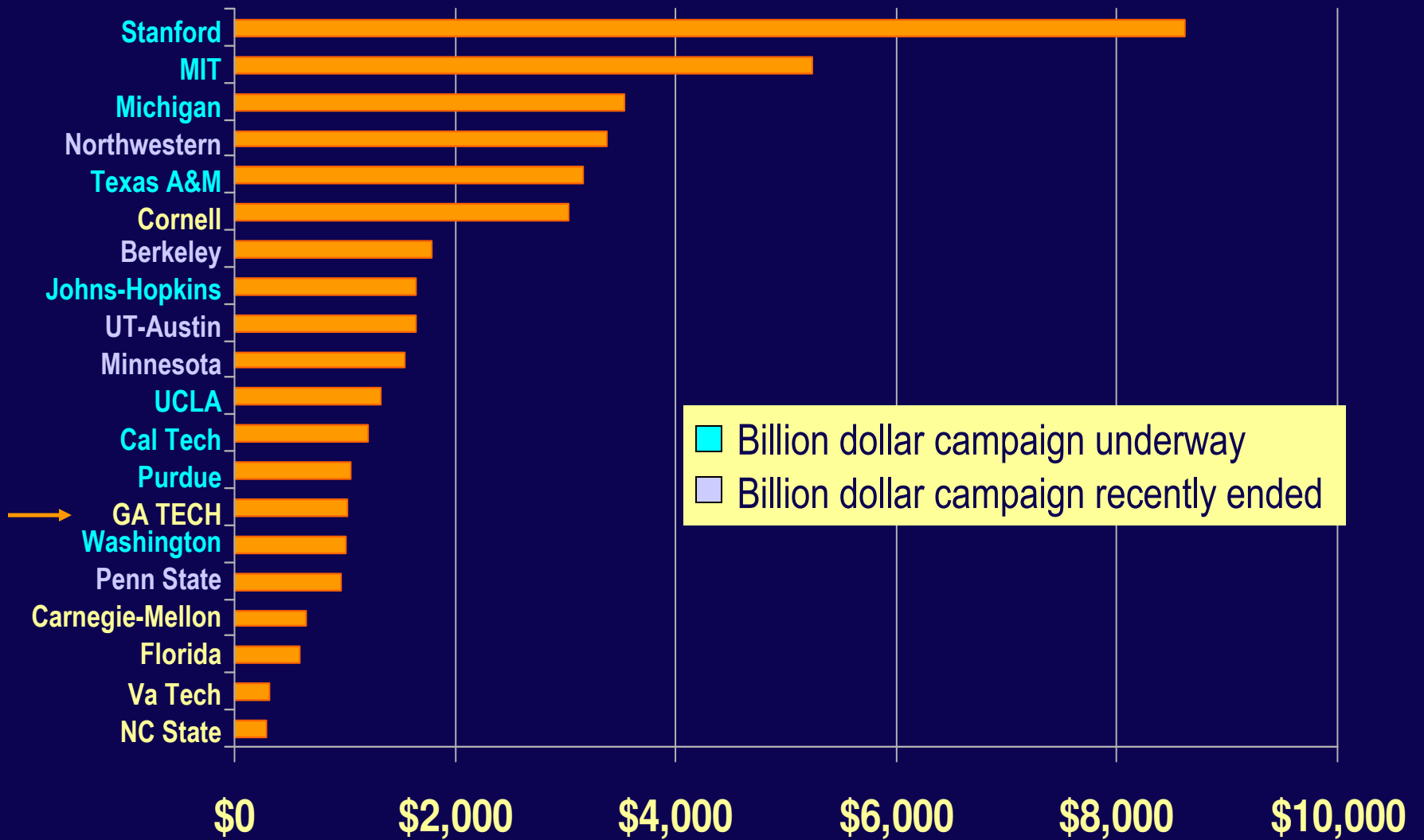
# Billion-dollar campaigns now under way

Univ of Virginia	\$3.0 billion	Cal Tech	\$1.5 billion
Univ Michigan	\$2.5 billion	UC San Fran	\$1.4 billion
Illinois	\$2.5 billion	Vanderbilt	\$1.25 billion
NYU	\$2.5 billion	Michigan State	\$1.2 billion
UCLA	\$2.4 billion	RPI	\$1.0 billion
MIT	\$2.0 billion	Stanford	\$1.0 billion
Johns Hopkins	\$2.0 billion	Texas A&M	\$1.0 billion
Washington	\$2.0 billion	Univ Arizona	\$1.0 billion
Univ Chicago	\$2.0 billion	UC San Diego	\$1.0 billion
Univ N Carolina	\$1.8 billion	Univ Iowa	\$1.0 billion
Purdue	\$1.5 billion	Univ Miami	\$1.0 billion
Wisconsin	\$1.5 billion	Pittsburgh	\$1.0 billion

■ Peer institutions

# Peer endowments

(in millions)



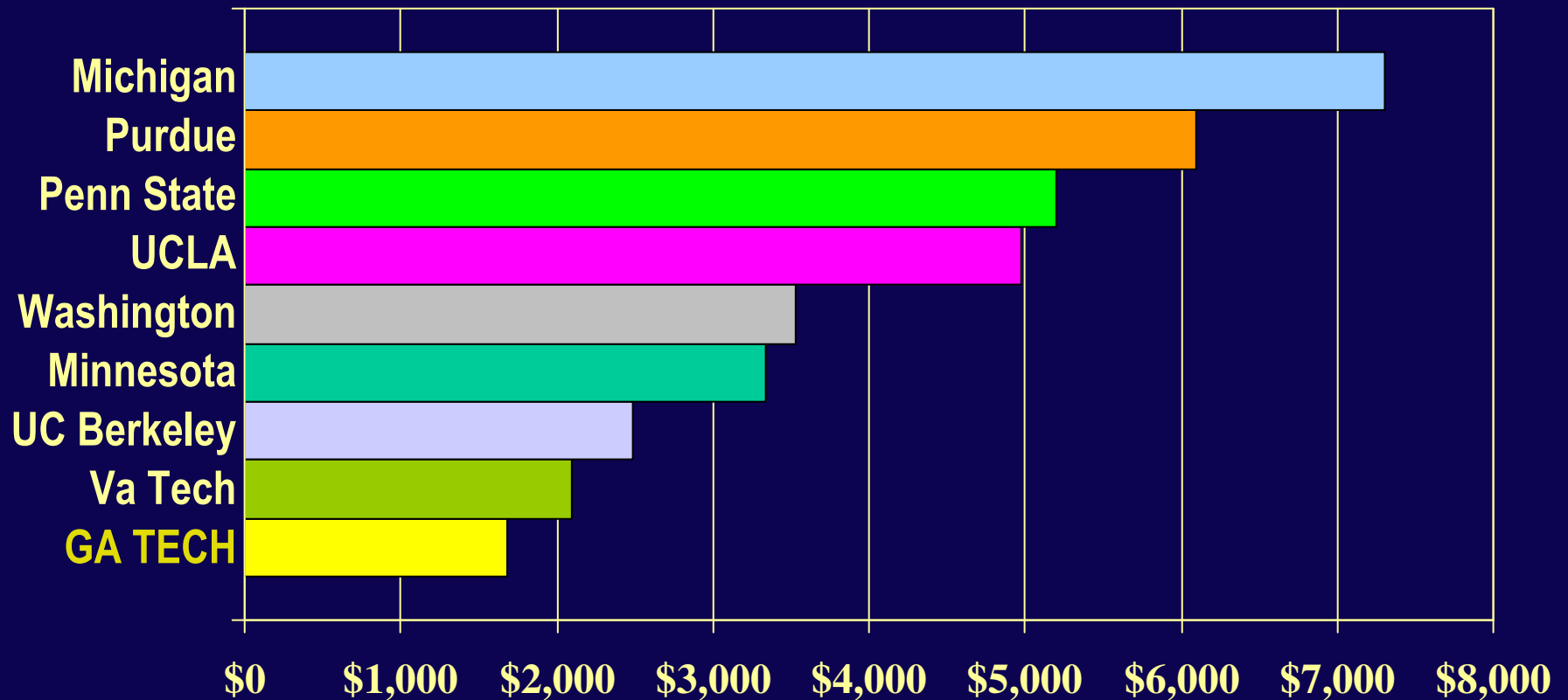
Source: Council for Aid to Education

# States are cutting back

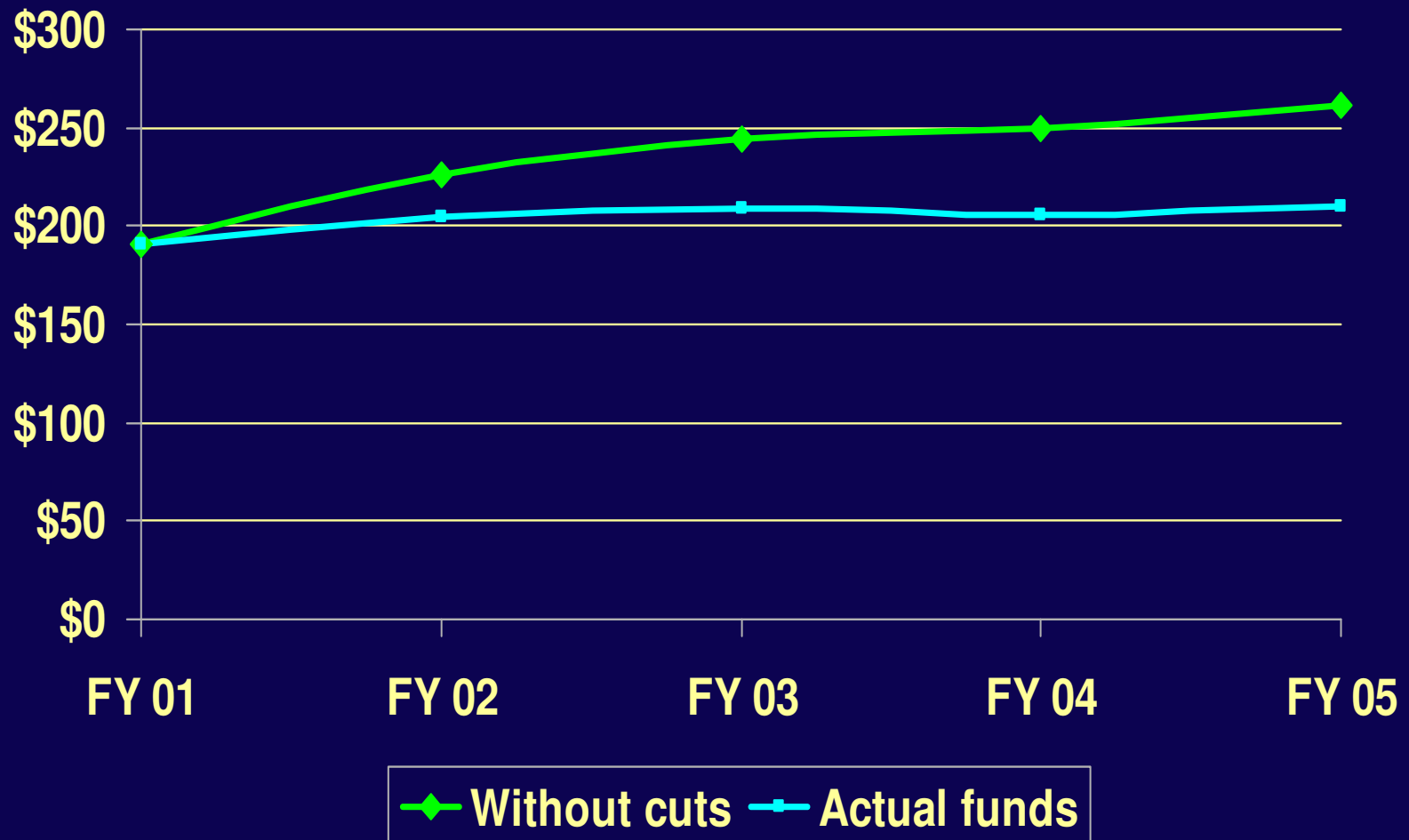
- 23 states cut state funding for higher education for 2003-04.
- 28 states have reduced funding for higher education over the course of the past two years.
- 4-year public colleges increased tuition by an average of 10 percent for the 2004-05 year – the third consecutive year of double-digit increases.
- Private universities developing initiatives to meet students' financial needs: Harvard, UNC-Chapel Hill

# In-state tuition per semester at public peer universities

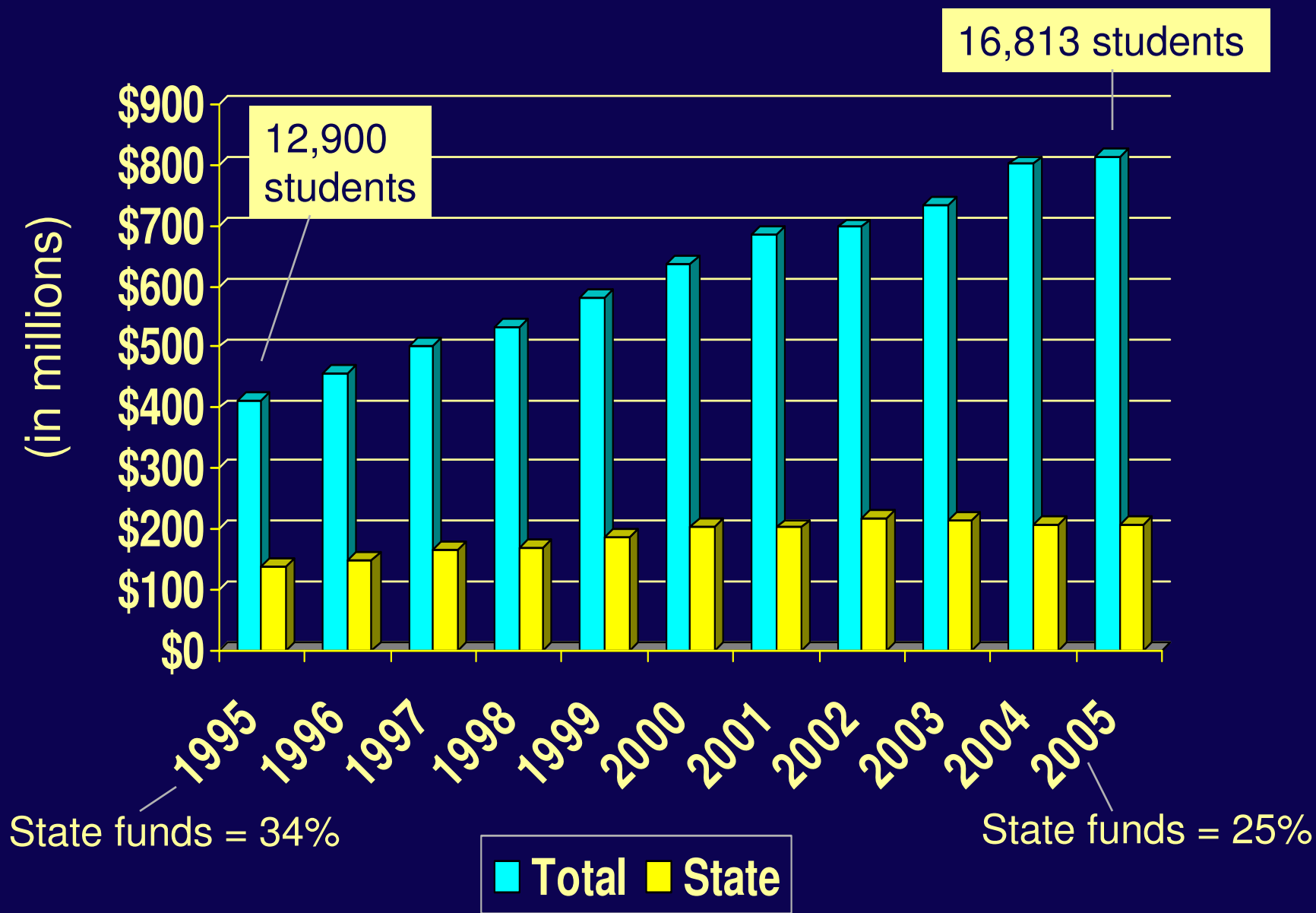
(2004-2005)



# Tech's state funding shortfall



# Budget expenditures



# Warning signs for GT

- Demonstrated student financial need is increasing.
- Pressure from peer competitors is growing
- Historical model of state funding is in flux.
- Increasing number of faculty are being recruited by others.

# The next Georgia Tech campaign

- Generate forward momentum.
- Address areas of growing need.
- Build resources to retain top faculty.
- Support for strategic initiatives.
- Improve competitive position.

## But isn't it too soon?

- 95% of the pledges from the Campaign for Georgia Tech have been paid.
- We have been broadening our donor base.
  - ▷ Global Leadership Identification Program identified over 6,000 alumni who were not on the radar screen for the last campaign.
- Our competition is always either in a campaign, wrapping up a campaign, or planning a campaign. There is no down time.

# Why begin it now?

- Donors are anticipating it.
- Have some major gifts now that can be captured within the campaign.
- Position ourselves to be ready as the economy grows stronger.
- Take advantage of personal relationships developed over past 10 years.

# How much?

- If last campaign timeframe had stretched 8 years, it would have raised \$1 billion.
- The campaigns of our peers and competitors are all in the billion-plus range; less than \$1 billion clearly indicates a second-tier institution.

# Scale of gifts: Campaign for GT

(Number of gifts and percentage of dollars raised)

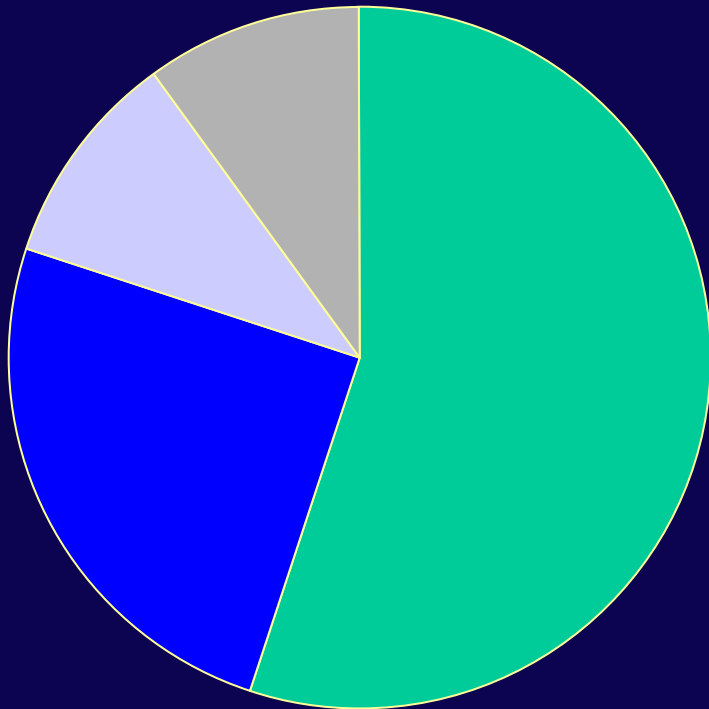
Level	Targeted		Actual	
\$5 million +	16	(30%)	27	(39%)
\$1 – 5 million	115	(30%)	95	(26%)
\$100,000 - \$5 m	750	(25%)	645	(23%)
\$1 – 100,000	50,000	(15%)	44,551	(12%)
TOTAL	52,100	(100%)	47,423	(100%)

# Scale of gifts: Campaign 2010

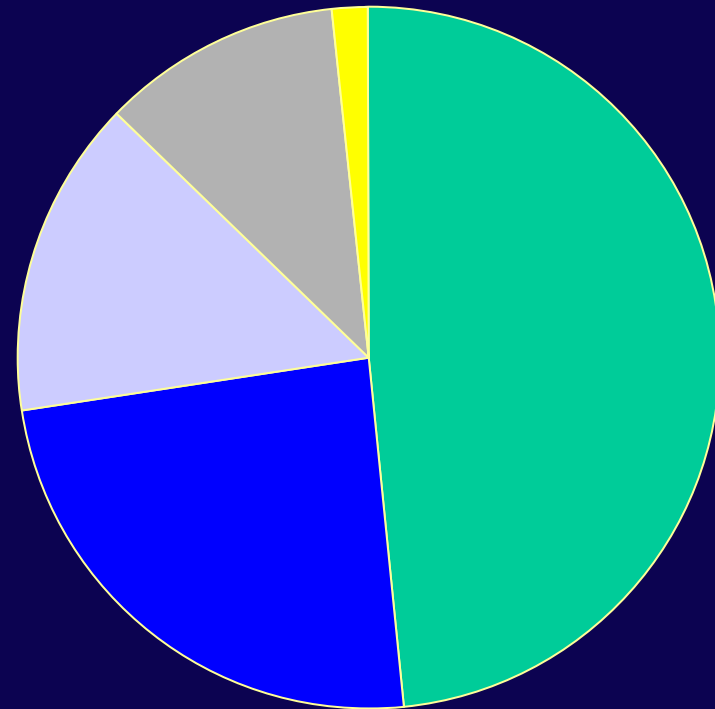
Level	Target	Value
\$10 million +	17 (40%)	\$400 million
\$1 – 10 million	125 (25%)	\$250 million
\$100,000 - \$5	1,100 (25%)	\$250 million
\$1 – 100,000	50,000 (10%)	\$100 million
TOTAL	55,242 (100%)	\$1 billion

# Source of funds: Campaign for GT

Anticipated



Actual

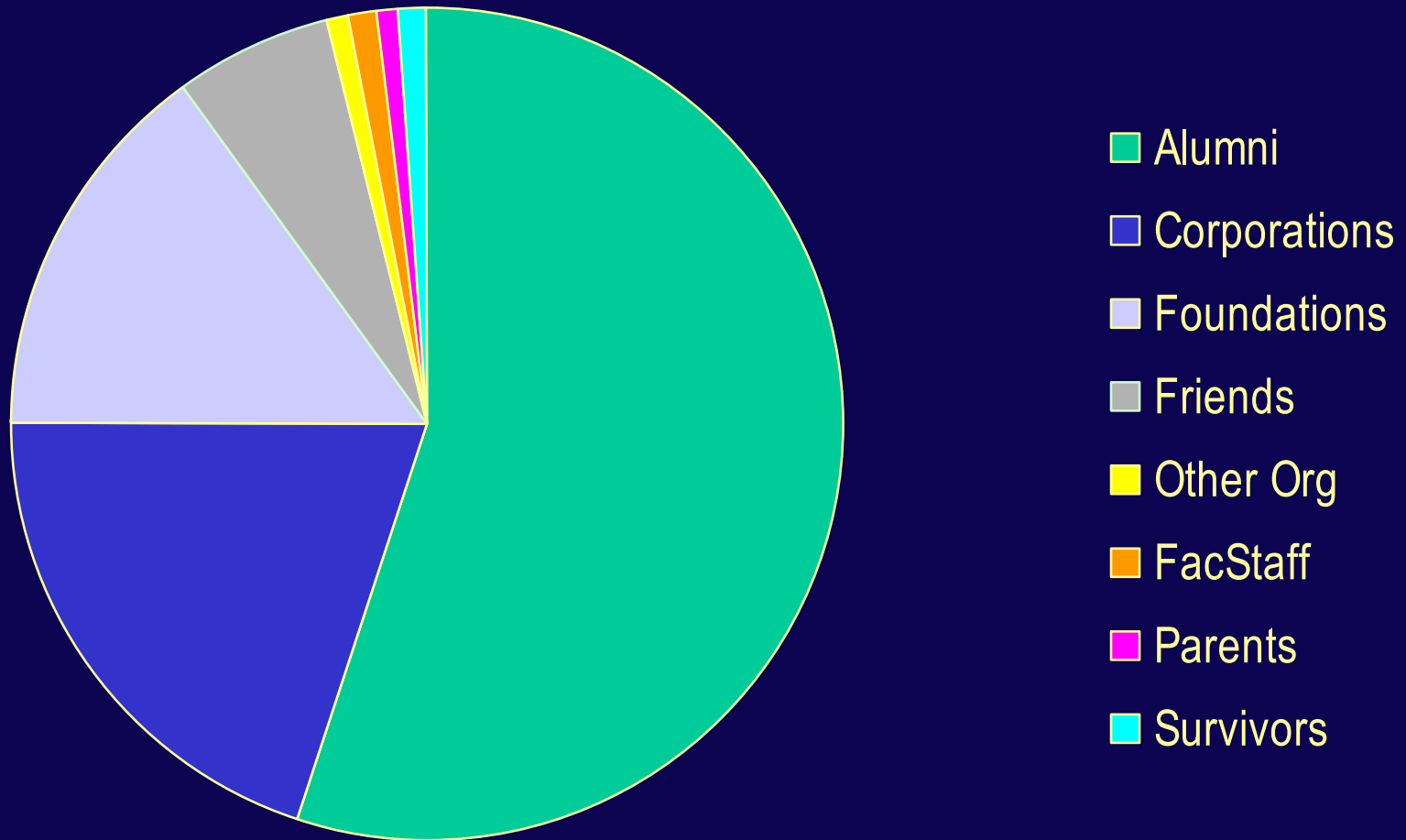


Alumni  
Corporations

Foundations  
Friends

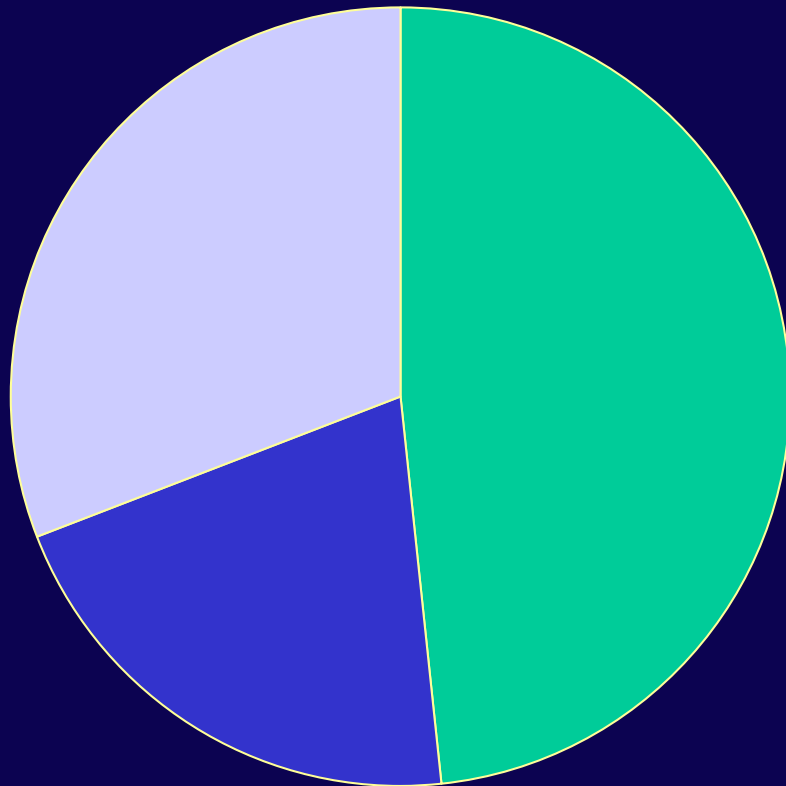
Other organizations

# Source of funds: Campaign 2010

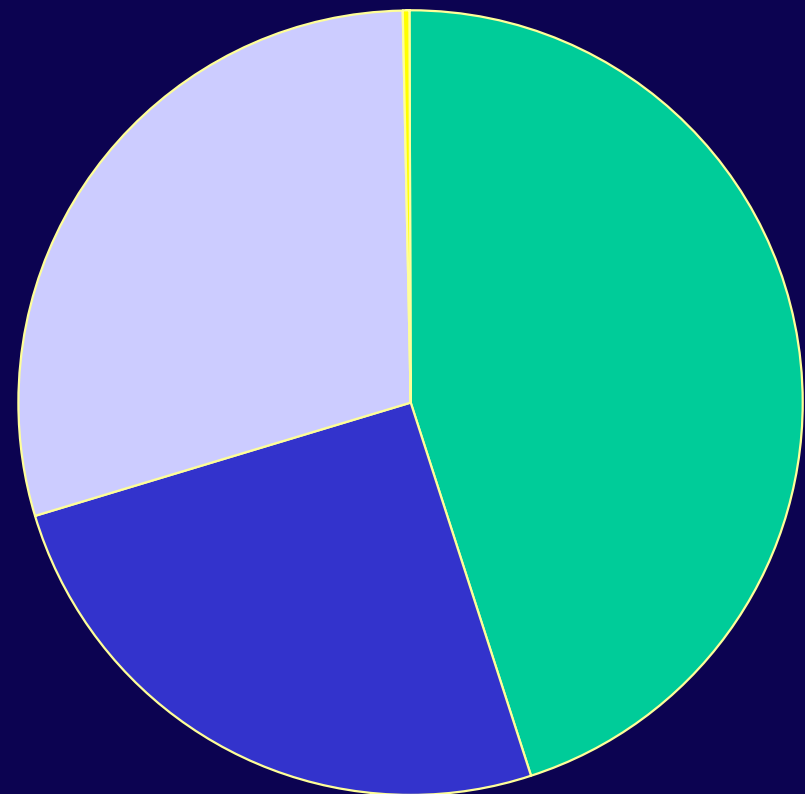


# Use of funds: Campaign for GT

Proposed



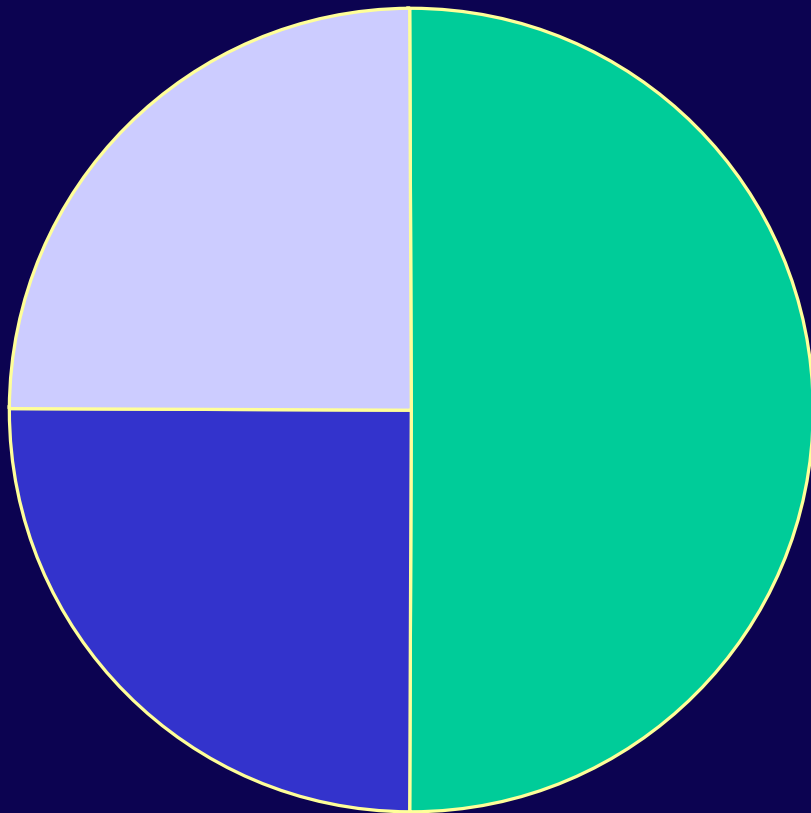
Actual



■ Endowment  
■ Facilities, equipment

■ Current operations  
■ To be determined

# Use of funds: Campaign 2010



## Priorities:

Student aid

Faculty chairs

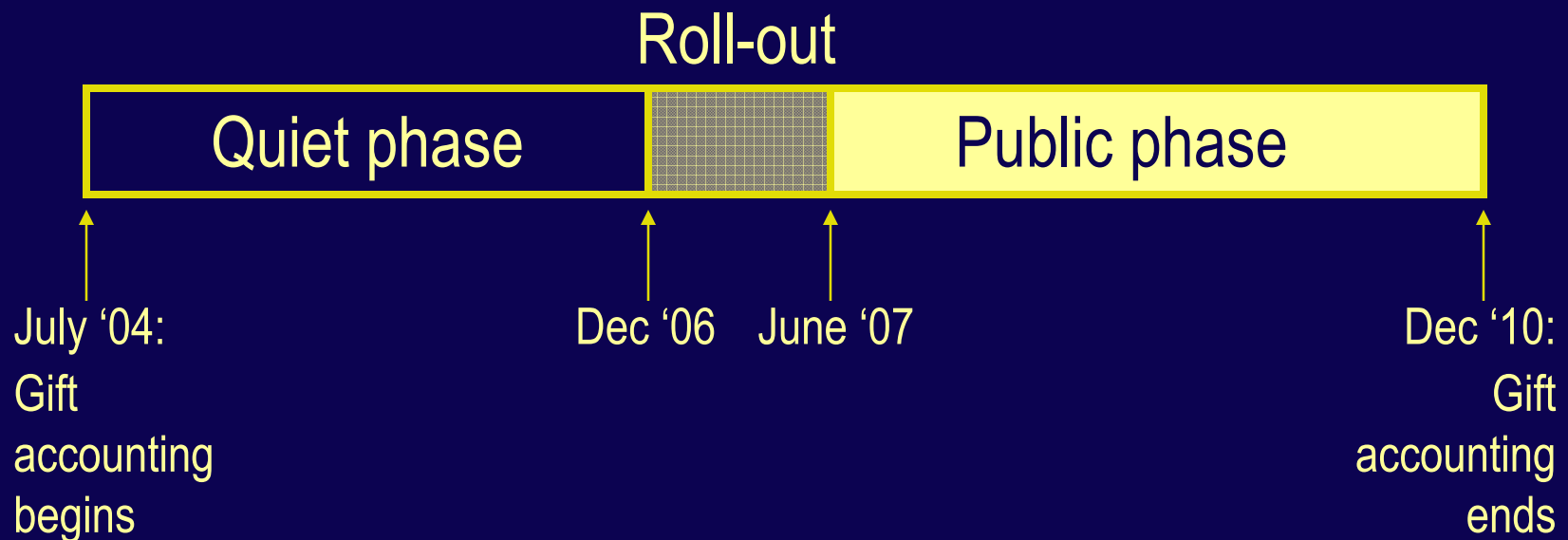
Facilities

■ Endowment

■ Facilities, equipment

■ Current operations

# Timetable: Campaign 2010



**NOTE:** The quiet phase of the Campaign for Georgia Tech was unusually brief; the normal quiet phase is several years.

# Structure: Campaign 2010

- Campaign Steering Committee I
  - ▷ Provides strategic oversight during quiet phase
  - ▷ Small group (12-15)
  - ▷ Disbands when campaign moves into public phase
- Campaign Steering Committee II
  - ▷ Provides strategic oversight for public phase that broadens to a large number of donors
  - ▷ Larger group (30+)