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# Expenditures in Fund Raising, Alumni Relations, and other Constituent (Public) Relations

*A Report of the study conducted by the Council for Advancement  
and Support of Education (CASE) and the National Association  
of College and University Business Officers (NACUBO)*

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# Preface

**T**his report represents the culmination of a cooperative, four-year effort involving more than 100 individuals working together to develop, test, agree upon, and implement uniform reporting of costs of fund raising and related activities at colleges and universities. Educational institutions now have standards for capturing the true costs of these activities and a valid management tool to document, compile, monitor, and compare those costs.

The project began with a planning grant from Lilly Endowment, Inc., in 1986. The Council for Advancement and Support of Education (CASE) and the National Association of College and University Business Officers (NACUBO) convened an advisory committee to plan the project and to begin work on defining the parameters and the process of the study. The advisory committee included campus chief advancement and chief financial officers working with staff from CASE and NACUBO.

*Management Reporting Standards for Educational Institutions: Fund Raising and Related Activities*, developed by CASE and NACUBO and published in 1982, served as the basis of this study. The advisory committee reviewed the guidelines and definitions of expenditures contained in *Management Reporting Standards* and modified them where appropriate. Two institutions represented on the advisory committee tested these guidelines and definitions. We would like to express our deep appreciation to Mary Stoffregen of the Georgia Institute of Technology and to G. Holger Hansen, G. Richard Wynn, and George E. Lawrence of Haverford College for their invaluable assistance and the considerable time they devoted to this exercise.

Following the planning phase, Lilly Endowment, Inc., provided a grant to conduct the study. CASE and NACUBO invited a non-randomly selected representative sample of some 65 institutions to participate. The chief development and chief financial officers from the institutions who agreed to participate in the study attended orientation sessions to review the guidelines and definitions. Many of their suggested modifications were incorporated.

Fifty-one colleges and universities completed the study. These institutions captured their expenditure data for fund raising, alumni

relations, and other constituent (public) relations in the manner prescribed by the guidelines and definitions that had been developed. They reported this data to CASE for fiscal years 1985-86, 1986-87, and 1987-88. They reported their gift income data as published in the Council for Aid to Education's yearly survey, *Voluntary Support of Education*.

Throughout the study, CASE staff communicated with the institutions to verify the accuracy of the data submitted, clarify the intent of the guidelines, and respond to participants' questions. NACUBO staff also responded to a variety of questions received from NACUBO members.

The participants, which included both private and public institutions, represented all five categories of higher education institutions as defined by the U.S. Department of Education as follows:

- baccalaureate private (16 institutions) and baccalaureate public (four institutions);
- comprehensive private (six institutions) and comprehensive public (four institutions);
- doctoral private (seven institutions) and doctoral public (four institutions);
- professional specialized private (three institutions); and
- two-year private and two-year public (three and four institutions, respectively).

Of the 51 institutions, 29, or 56.86 percent, were conducting a capital campaign during the period of the study—21 private institutions and eight public. Of those 29, 11 were also planning successive campaigns. In addition, 14 more institutions not currently in a campaign were planning one for the near future.

This project required considerable time and effort on the part of the participating institutions. For many, compiling the requested information proved to be more time-consuming and difficult than they had expected. A primary reason for the difficulty was the fact that not all the costs for one activity were included in the budget for that department. For example, fund-raising costs could be incurred in the alumni relations or the public relations department or in various other units on campus. Extracting the data from several departmental budgets was not always easy, especially in the larger, more complex institutions.

We wish to recognize the commitment and perseverance these 51 institutions exhibited throughout the project. We are grateful to them for their extraordinary efforts and care in providing the data.

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A list of the institutions and the campus personnel involved in the study is included at the end of this report. In those instances where personnel changed during the course of the study, we include both outgoing and incoming officers. We also include key personnel who worked with the chief development and financial officers in preparing the yearly reports.

The members of the advisory committee, which was chaired by Warren Heemann, included the following: Richard Boardman, Allen Claxton, A.H. (Bud) Edwards, Hubert Parker, Richard Seaman, and G. Richard Wynn. Richard A. Edwards and Mary Joan McCarthy of CASE served as project director and deputy director, respectively. Working with them at CASE were Raymond E. Fenwick and Mirna J. Gazau. James A. Hyatt (now at the University of Maryland), Robin E. Jenkins, and Anna Marie Cirino represented NACUBO.

We are deeply grateful to the members of the advisory committee for their long-term commitment to the project and the invaluable guidance they provided to the definition, direction, implementation, and review of results of the study. We thank them, too, for their help in developing this document. We are especially grateful to Warren Heemann who not only chaired the advisory committee, but also served as principal author of this final report.

We wish to express our sincere gratitude to Lilly Endowment, Inc., and to Charles A. Johnson, vice president for development at Lilly, for providing the funding and encouragement to conduct this study. They provided astute leadership throughout, setting the highest goals and ideals and challenging the profession to reach beyond the ordinary to more fully serve its constituencies. We are fortunate to have their trust and continued support.

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Associate Director, Financial  
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# Introduction

**I**n 1982 the Council for Advancement and Support of Education (CASE) and the National Association of College and University Business Officers (NACUBO) issued *Management Reporting Standards for Educational Institutions: Fund Raising and Related Activities*. This document was developed through the protracted cooperative effort of development and financial officers at colleges and universities represented by the two organizations. It provided, as stated in the Foreword:

sound tools for (a) compiling the results of one's fund-raising program each year for the governing board, the president, donors, and all other interested parties and for comparing the results with those of previous years, (b) making credible comparisons of one's fund-raising results with those of similar, cooperating institutions, and (c) monitoring the relationship between fund-raising efforts and related program activities in public relations.

*Management Reporting Standards* is comprised of two parts: "Gift Income Guidelines and Definitions" and "Expenditure Guidelines and Definitions." The first part was more difficult to complete than expected and took longer than planned. Consequently the second part, the "Expenditure Guidelines," was undertaken toward the end of the three-year grant period when time and money began to run out. As a result, there was no opportunity to test the format and its definitions against the realities of advancement program management and cost accounting.

Aspects of the "Gift Income Guidelines" had already had years of "pretesting" in *Voluntary Support of Education*, the annual survey conducted by the Council for Aid to Education (CAE) and co-sponsored by CASE, for which some gift reporting standards had been developed. In contrast, to this day, no organization has invited colleges and universities of all types to submit fund-raising expenditure data in such a systematic, uniform, and sustained manner as CAE's survey. Nor is there agreement on the elements that comprise the base costs of fund raising, alumni relations, and other constituent relations—and there may never be.

Nevertheless, we hope that the enhanced and tested "Expenditure Guidelines" that appear in this report will provide the foundation for such a consensus, and that CASE and others will find some means to systematically collect cost data, aggregate it in helpful ways, and make it available to the many persons interested in improving the management of their programs. Representatives of CFAE and CASE are now discussing the feasibility of such an undertaking.

As noted in *Management Reporting Standards*:

For many years expenditure information and its analysis have been recognized by administrators in higher education as useful tools in managing the internal affairs of their institutions. More recently, the utility of this information for evaluating the effectiveness of fund-raising activity has become more pronounced.

It is certainly no different today, nearly a decade after that statement was written. CFAE reports that contributions to universities and colleges grew to almost \$9.0 billion in 1988-89, the year of its most recent report; this suggests that direct fund-raising expenditures alone approximated \$1 billion a year. Fund raising is big business, and it is only through the close analysis of the relationship between the revenues and expenditures of its fund-raising programs that an institution can begin to identify the strengths, weaknesses, and important characteristics of its resource development programs and manage them on the most cost-effective basis possible.

### ***Benefits of the project***

The primary purpose of this effort, and its greatest benefit, has been the development of standardized forms, guidelines, and definitions as well as a methodology to gather expenditure data. Each institution can use these tools to:

- assemble its advancement program cost information in the same way each year—that is, by the same rules—and measure its progress from one year to the next in generating the maximum net return on the dollars invested; and
- work with other, cooperating institutions to make informed comparisons of program costs and benefits.

An ancillary benefit of the project has been the data produced from the testing of the format and guidelines on a sampling of universities and colleges. This report presents these data in aggregate form so that other universities and colleges have, in effect, a ready set of "cooperating institutions" with which to compare themselves. Now, presumably for

the first time, university and college advancement professionals have access to expenditure data from private and public institutions of all representative types—doctoral, comprehensive, general baccalaureate, professional, and two-year—that will enable them to measure the cost-effectiveness of their programs in a variety of ways.

As important a milestone as this achievement may be, however, there are certain pitfalls inherent in the publication of any fund-raising cost information that will be used to compare the fund-raising performance of one institution to that of others. The five sections that follow discuss these concerns.

### ***Difficulty of the project***

Several challenges had to be met in designing the format and guidelines for this project. Paramount among them was determining what might reasonably be defined as a fund-raising cost.

Fund-raising costs obviously include letterheads, envelopes, and brochures used to solicit an annual gift, but how about the expenses of preparing and publishing alumni magazine articles that describe the plans and future financial requirements of the institution?

The salary of the institution's deferred gifts director is a fund-raising cost, but how about some fraction of the salary of the director of publications who prepares the promotional brochures, the custodian who cleans the publications office, or the personnel clerk who processes the custodian's check?

How much of the president's salary and benefits and those of the president's assistants and secretarial support should be included in fund-raising costs? How much of the various deans'? How do you reconcile the deans' estimates of the amount of time they spend raising money with the estimates of the development director?

Would a decision to end all fund raising at an institution result in a reduction of the salaries of the publications director, custodian, and personnel clerk and thus represent a savings to the institution?

The members of the CASE/NACUBO advisory committee charged with overseeing the project knew that if they were to develop an instrument to measure fund-raising costs, they had to decide where to draw the lines. The precise placement of those lines was a matter of continued debate, but eventually the committee developed the instrument presented in this report. While it does not purport to guide institutions in ferreting out every fund-raising cost on campus, it does provide a set of parameters that will help an institution analyze its own situation and compare it to those of other institutions.

The parameters include more than they exclude. They are drawn widely enough to include virtually all of the direct and incremental costs of running a development program and thus enable an institution to produce a valid reading of the magnitude of its investment in its development program.

### ***The sampling***

The institutions that provided the data for this report represent the categories used by CFAE for its annual survey at the time this study began: doctoral, comprehensive, baccalaureate, professional specialized, and two-year colleges and universities. Those invited to participate were known to have viable development programs and, consequently, do not constitute a random sampling of the nation's approximately 3,000 institutions. Of those invited, the greatest number of declinations were from doctoral-granting public and private universities, no doubt because of the difficulty of gathering expenditure data from all the units of their decentralized structures. Eleven doctoral institutions participated, enough to provide a reasonable number in that cell of the sampling. In the end, 51 institutions completed the three years of work. The largest cell, baccalaureate private, included 16 colleges.

### ***Dangers of misinterpretation***

As noted above, there are several pitfalls inherent in publishing the results of the study. There is a distinct possibility of the data being misinterpreted. A simplistic reading will badly mislead the reader. Fund-raising programs do not exist in vitro, isolated from the environment in which the college or university must operate. Each institution has its competitive advantages and disadvantages.

Further, fund-raising efficiency should not be confused with fund-raising effectiveness. The objective of an institution's program should not be to spend as little as possible each year to raise money, but to maximize the net. A program that annually produces \$2 million at a cost of \$160,000, or 8 percent, may look good and is indeed efficient, but one that produces \$3 million at a cost of \$300,000, or 10 percent, is presumably of more help to the institution— it is bringing in \$860,000 more.

This is not to say that an institution should pay no attention to how much is spent on fund raising. There are limits beyond which it is impolitic if not unethical to spend money to raise money. This study confirms the conventional wisdom that fund-raising costs in the aggregate usually run about 15 percent of the amount raised, but this does

not mean that a good fund-raising program is, by definition, one that costs less to operate.

Other factors affect fund-raising costs per dollar raised. The initiation of a "capital" or special campaign may increase or decrease the number of cents it costs to raise a dollar in a given year, depending upon the stage of the campaign, the maturity of the development program, and campaign accounting policies. Also the emphasis placed by an institution on one or another of the components of a development program will affect its cost. A college or university that concentrates on generating annual unrestricted expendable revenue and has invested little effort in securing major in-life or deferred gifts or corporate or foundation gifts will probably have greater aggregate fund-raising costs than one with a well-balanced program that seeks to capitalize on all sources of gift revenue for all types of gifts.

### ***Institutional potential***

Institutions vary as greatly in their fund-raising potential as alumni do in their capacity to give. Much has been written and said about institutional characteristics that lead to fund-raising success. The following checklist is compiled in part from such writings and talks. While no one would suggest that a college should start charging a higher tuition so that it might one day have alumni who give more, or that a university should establish a medical school in order to increase its total gift revenue, the characteristics listed below do make a difference to the productivity of a development program:

- Is the institution private, with a long tradition of charging top dollar for tuition and fees, thus assuring that the great majority of students will come from wealthy successful families and will, because of example or inheritance, become wealthy and successful themselves?
- Is it old and prestigious and thus able to provide prestige to those who support it?
- Although private, does it behave like a public university, solving the problems of the region and contributing to the ability of businesses to make a profit?
- Does it have professional degree programs and thus alumni of schools of medicine, engineering, business, and law?
- Has it been and is it today large, with hundreds of thousands of mature alumni from whom to draw financial support?
- Is it located in a major metropolitan area that is healthy and expanding?

- Has it been and is it today a wealthy university that has been able to take the long-term view and invest whatever is needed to support and expand an aggressive development program?
- Do most of its alumni live within or near the city in which the institution is located?
- Are many of its alumni active and well connected, and can they bring influence to bear on philanthropists, foundation heads, and corporate executives?
- Does the president of the college or university have a sincere interest in people, and does he or she take the time to cultivate their support of the institution?
- Is the president good at soliciting major gifts, and does he or she take the time to do it?
- Does the board of trustees take an active interest in fund raising, and is there a cadre of dedicated, dependable, and effective fund raisers among them?
- Is the advancement staff highly competent, properly rewarded, and loyal; is turnover held to a modest level?
- Does the institution do everything it chooses to do very well, meriting the support of alumni, other individuals, businesses, and foundations?
- Has it had a strong alumni program through the years, and is its alumni leadership actively supportive of the development program?
- Does it have a good public relations program that maintains the sympathy and support of all its constituencies?
- Does it have a good recordkeeping system, and does it do good research on its major prospects?

***The well-managed program***

As each college or university has a different potential for raising money, and fund-raising costs differ from institution to institution, how can any development office be fairly evaluated?

The answer is by using the same criterion you would use to evaluate any enterprise—the quality of its management. You can compare the quality of management of a regional airline with that of a major national airline even though the revenues and net profits may be vastly different. You can compare the quality of management of an airline with that of a computer company, although their operations are very different.

Numbers play a role in the evaluation, but other criteria are also important. You must ask: How well have the markets or sources of gift potential been defined? Of what quality are the plans that have been developed to capitalize upon those markets? How well have those plans been executed? Do the numbers show that the organization is making good progress over the long term?

The format and definitions herewith presented provide only one of several possible methods to evaluate the results of a fund-raising program. It would be as unfair for the overseers of the program— whether trustees, the president, or the development director— to rely exclusively on this format and these definitions as it would be for the general public to judge the overall quality of a college or university by the amount of gift revenue it raises each year. CASE and other organizations can provide additional tools for evaluation, such as *Criteria for Evaluating Advancement Programs* (CASE, 1985) and numerous books published by Jossey-Bass in cooperation with CASE and its members.

### ***The relationship of alumni relations and other constituent relations to fund raising***

During the initial planning for this project, the advisory committee considered limiting the data collected to fund-raising expenses. While this would certainly have simplified the undertaking, it would have ignored the clear relationship and the considerable influence of college and university alumni relations and public relations programs on fund raising. In fact, if alumni relations and public relations programs did not exist at the nation's colleges and universities, the development staff would create them.

This is not to say that the only value of alumni relations and public relations programs is their benefit to fund raising. Because of their broad and multiple benefits (including, among others, recruiting students, faculty, and staff; developing public support and, through it, local, state, and federal assistance; and providing continuing service, including educational service, to alumni), the costs of alumni relations and other constituent relations programs are considered as expenditures incurred *in support of* fund raising, rather than as fund-raising costs.

The data collected for this report also include data of interest to alumni and public relations directors, such as the amount spent on alumni relations programs per alumnus and the percentage of an institution's Educational and General (E & G) budget allocated to public relations support. The tables that follow include these data.



# Results of the Use of the Methodology

**T**he colleges and universities participating in the study were asked to calculate their expenditures on the basis of the detailed instructions provided in Part 3 of this document. They were to use the fund-raising revenue figures reported to CFAE for the years specified. The expenditures reported were those actually incurred during the relevant fiscal year. The gift revenue numbers, however, represent a rolling average of three years of revenue, including the fiscal years preceding and following the date indicated. This was done to minimize the effect of any unusually large gifts received in a single year. Also, dollars are not adjusted for inflation.

Please note that the calculations in the tables do not include capital expenditures for equipment and software even though those data were requested on the yearly expenditure report form.

The data submitted have been organized to show the mean or average of the range of values received; the median or midpoint value of the range; and the low and high values of the middle 50 percent, or second and third quartiles, of the range.

Table 1 answers the question most often asked, "How much does it cost a college or university to raise the money it raises?" The costs used in these calculations, however, are those directly related to the fund-raising activity and do not include expenditures for the auxiliary activities of alumni relations or other constituent relations. The second and third quartiles of the participating institutions reported a direct cost range between eight and 16 cents per dollar raised.

As mentioned above, it's a mistake to focus on cost alone. The value of a good fund-raising program can be better understood by viewing the dollars spent as an investment. Table 2 calculates the return on investment, the poorest of which was 525 percent and the best a remarkable 1,150 percent (for the institutions falling within the second and third quartiles). Wherever an institution falls on this range, college and university fund raising provides an impressive return on investment.

Tables 3 and 4 provide the means, medians, and ranges of expenditures by institutions on alumni relations and other constituent

relations per gift dollar received. As noted in Part 1, strong alumni relations and other constituent relations programs can greatly help the fund-raising program. The data indicate that between 2 and 8 percent of the gift dollars received is spent on alumni relations programs and another 3 to 11 percent on the other parts of the public relations program.

Tables 5 and 6 suggest other ways of measuring the effectiveness of a development program. As Table 5 shows, for the middle 50 percent of the institutions participating in the study, the amount of cash and property received for any purpose and reported to CFAE in any given year represented between 7.3 and 36 percent of the amount spent that year through their Educational and General (E & G) Budgets. (As defined in *College and University Business Administration* (NACUBO, 1982), the Educational and General Budget includes that covering instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, scholarships and fellowships, and mandatory and nonmandatory transfers to those activities. The E & G budget does not include auxiliary enterprises, hospital operations, and independent operations.)

Increases over time in the amount raised as a percentage of the amount expended through the E & G budget would represent a real gain for an institution as opposed to fund-raising revenue increases, which are offset or diminished by the annual increases in the institution's budget.

Table 6 cuts closer to the bone; it shows gift dollars raised for current operations as a percentage of the total budget for current operations. This figure would be of special interest to institutions with cash flow problems, but unlike Table 5, Table 6 fails to measure the value of gifts for endowment and other capital purposes.

Table 7 analyzes expenditures as a percentage of the E & G budget. Data received from the participating colleges and universities indicate that they spend on the average just over 2 percent of their total E & G budgets for fund raising and something less than 1 percent for each of the alumni relations and other constituent relations programs.

Tables 8, 9, 10, and 11 provide data on dollars spent on fund raising, alumni relations, and other constituent relations per student enrolled and per alumnus of record. These measurements can help institutions of widely varying size compare the adequacy of their budgets for those functions. The means, medians, and ranges were derived by dividing all expenditures incurred for fund raising, alumni relations, and other constituent relations by the number of alumni or of students.

No effort was made to identify expenditures targeted exclusively to alumni or students.

Of particular interest in this set of tables is how much institutions spend on each alumnus through their alumni relations programs. The reader can compare figures with the amounts contributed on the average by all members of the alumni body.

Table 12, dollars raised per student enrolled and per alumnus, provides another way of comparing the effectiveness of an institution's fund-raising program against that of other colleges and universities of different sizes. You might assume that the more an institution raises per enrolled student, the more resources it can devote to enhancing the quality of his or her education. But note that the relevant figure here is the net available *after* expenditures for enhancement of the instructional program and, specifically, the amount of the net that is free of the type of restriction that lessens or negates entirely the value of certain gifts to the institution.

Table 13 shows how much gift revenue is produced by an institution per development staff member. The data suggest that each fund-raising professional accounts for between \$500,000 and \$1.1 million on the average and that even when the calculations include support staff—secretaries and clericals—the amounts generated by a college or university development program exceed the salaries paid to development personnel by a factor of 10 or more. Those institutions that successfully involve volunteers and members of the administration beyond the development office in fund-raising efforts presumably will show even higher ratios of dollars raised per development staff member.

Table 14 provides information on how colleges and universities deploy their resources among fund raising, alumni relations, and other constituent relations. The data suggest that a little more than half of the advancement budget is placed with fund raising, about 20 percent with alumni relations, and a little less than 30 percent with other constituent relations, and that this ratio remains more or less constant.

Tables 15, 16, 17, and 18 indicate how those charged with fund raising, alumni relations, other constituent relations, and the combined advancement effort allocate their budget. Of particular interest are the percentages spent on personnel compensation (lines 1, 2, 3) compared to all of services, supplies, and other current expenses (line 4). Also note the percentages of the total spent on communications (line 4a), printing and duplicating (line 4b), staff travel (line 4c), computing and data processing (line 4e), and professional and career development (line 4h).

Part Two

**Table 1**  
Amount Spent on Fund Raising per Gift Dollar Raised

	Mean	Median	Middle 50 percent of institutions
1986 Amount spent per \$1 raised	\$ .17	\$ .11	\$ .08 - .16
1987 Amount spent per \$1 raised	.15	.11	.08 - .15
1988 Amount spent per \$1 raised	.15	.11	.08 - .15
Three-year average	.16	.11	.08 - .16

**Table 2\***  
Return on Investment: Gift Revenue Realized as a Percentage of Dollars Spent on Fund Raising

	Mean	Median	Middle 50 percent of institutions
1986	488%	809%	1,150 - 525%
1987	567	809	1,150 - 567
1988	567	809	1,150 - 567
Three-year average	525	809	1,150 - 525

\* Figures derived from Table 1.

**Table 3**  
Amount Spent on Alumni Relations per Gift Dollar Raised

	Mean	Median	Middle 50 percent of institutions
1986 Amount spent per \$1 raised	\$ .06	\$ .04	\$ .02 - .07
1987 Amount spent per \$1 raised	.06	.04	.02 - .07
1988 Amount spent per \$1 raised	.05	.04	.02 - .08
Three-year average	.06	.04	.02 - .08

Calculations for this report were produced to four decimal places. For greater readability, we have displayed the results rounded to two decimal places. For this reason, some tables may not appear to be internally consistent.

The three-year average is the average of the total distribution, not of the three years mean, median, and middle 50 percent range.

**Table 4**

Amount Spent on Other Constituent Relations per Gift Dollar Raised

	Mean	Median	Middle 50 percent of institutions
1986 Amount spent per \$1 raised	\$ .08	\$ .05	\$ .03 - .12
1987 Amount spent per \$1 raised	.08	.04	.03 - .11
1988 Amount spent per \$1 raised	.08	.05	.03 - .12
Three-year average	.08	.05	.03 - .11

**Table 5**

Total Amount Raised, Including Gifts for Both Current Operations and Capital Purposes, as a Percentage of the Institution's Educational and General (E & G) Budget

As a percentage of total E & G expenditures	Mean	Median	Middle 50 percent of institutions
<i>Dollars raised</i>			
1986	23.03%	16.82%	6.26 - 31.42%
1987	24.50	15.34	6.90 - 37.80
1988	23.39	17.46	6.71 - 37.41
Three-year average	23.64	16.41	7.30 - 36.02

**Table 6**

Gift Dollars Raised for Current Operations (Excluding Gifts for Capital Purposes) as a Percentage of the Institution's Educational and General (E & G) Budget

	Mean	Median	Middle 50 percent of institutions
1986	10.37%	8.94%	3.42 - 13.00%
1987	10.31	8.01	3.76 - 12.55
1988	10.02	7.68	3.57 - 12.76
Three-year average	10.23	8.01	3.51 - 12.68

Part Two

**Table 7**

Amount Spent on Fund Raising, Alumni Relations, and Other Constituent Relations as a Percentage of the Institution's Total Educational and General (E & G) Budget

Amount spent as a percentage of total E & G expenditures	Mean	Median	Middle 50 percent of institutions
<i>Fund raising</i>			
Amount spent per 1986 E & G	2.29%	1.83%	1.01 - 3.03%
Amount spent per 1987 E & G	2.22	1.99	1.15 - 2.82
Amount spent per 1988 E & G	2.13	2.04	1.20 - 2.78
Three-year average	2.21	1.94	1.21 - 2.84
<i>Alumni relations</i>			
Amount spent per 1986 E & G	.83%	.68%	.36 - 1.29%
Amount spent per 1987 E & G	.82	.65	.37 - 1.29
Amount spent per 1988 E & G	.77	.61	.38 - 1.16
Three-year average	.81	.70	.37 - 1.30
<i>Other constituent relations</i>			
Amount spent per 1986 E & G	1.03%	.90%	.54 - 1.35%
Amount spent per 1987 E & G	.99	1.00	.51 - 1.34
Amount spent per 1988 E & G	.97	.84	.50 - 1.31
Three-year average	.99	.96	.50 - 1.30
<i>Total institutional advancement</i>			
Amount spent per 1986 E & G	4.16%	3.65%	2.08 - 5.68%
Amount spent per 1987 E & G	4.03	3.73	1.98 - 5.34
Amount spent per 1988 E & G	3.87	3.87	1.97 - 4.98
Three-year average	4.02	3.80	2.01 - 5.23

**Table 8**

Amount Spent on Fund Raising per Student Enrolled and per Alumnus of Record

	Mean	Median	Middle 50 percent of institutions
1986 Amount spent per student	\$244	\$181	\$57 - 362
1987 Amount spent per student	262	199	76 - 391
1988 Amount spent per student	269	218	64 - 405
Three-year average	258	203	67 - 379
1986 Amount spent per alumnus	\$33	\$31	\$18 - 50
1987 Amount spent per alumnus	35	31	18 - 50
1988 Amount spent per alumnus	36	31	19 - 51
Three-year average	35	30	20 - 47

**Table 9**

Amount Spent on Alumni Relations per Student Enrolled and per Alumnus of Record

	Mean	Median	Middle 50 percent of institutions
1986 Amount spent per student	\$ 95	\$ 62	\$ 27 - 132
1987 Amount spent per student	106	72	28 - 142
1988 Amount spent per student	109	86	29 - 149
Three-year average	103	78	28 - 144
1986 Amount spent per alumnus	\$ 12	\$ 9	\$ 6 - 19
1987 Amount spent per alumnus	13	9	6 - 19
1988 Amount spent per alumnus	14	10	6 - 16
Three-year average	13	9	6 - 16

**Table 10**

Amount Spent on Other Constituent Relations per Student Enrolled and per Alumnus of Record

	Mean	Median	Middle 50 percent of institutions
1986 Amount spent per student	\$104	\$ 88	\$ 40 - 141
1987 Amount spent per student	112	93	37 - 129
1988 Amount spent per student	119	101	42 - 159
Three-year average	111	94	40 - 133
1986 Amount spent per alumnus	\$ 17	\$ 13	\$ 8 - 21
1987 Amount spent per alumnus	18	13	8 - 21
1988 Amount spent per alumnus	19	14	8 - 22
Three-year average	18	13	9 - 21

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Part Two

**Table 11**

Amount Spent on Total Fund Raising, Alumni Relations, and Other Constituent Relations per Student Enrolled and per Alumnus of Record

	Mean	Median	Middle 50 percent of institutions
1986 Amount spent per student	\$442	\$399	\$118 - 669
1987 Amount spent per student	479	456	125 - 714
1988 Amount spent per student	498	459	146 - 727
Three-year average	473	445	131 - 706
1986 Amount spent per alumnus	\$ 63	\$ 54	\$34 - 91
1987 Amount spent per alumnus	66	54	34 - 91
1988 Amount spent per alumnus	69	60	36 - 93
Three-year average	66	56	35 - 91

**Table 12**

Amount Raised per Student Enrolled and per Alumnus of Record

	Mean	Median	Middle 50 percent of institutions
1986 Amount raised per student	\$2,720	\$2,291	\$287 - 4,564
1987 Amount raised per student	3,195	2,624	320 - 5,025
1988 Amount raised per student	3,372	2,905	371 - 5,010
Three-year average	3,096	2,722	310 - 4,947
1986 Amount raised per alumnus	\$ 354	\$ 290	\$ 94 - 449
1987 Amount raised per alumnus	396	275	112 - 589
1988 Amount raised per alumnus	419	305	120 - 633
Three-year average	389	277	111 - 555

**Table 13**

Average Amount Raised per Fund-raising Professional Staff Member, per Fund-raising Support Staff, and per Total Fund-raising Staff

	Mean	Median	Middle 50 percent of institutions
<i>Per fund-raising professional staff FTE</i>			
1986	\$ 943,577	\$726,780	\$513,394 - 1,048,394
1987	1,021,184	818,150	490,460 - 1,157,787
1988	984,578	861,885	481,053 - 1,188,371
Three-year average	983,113	783,502	557,722 - 1,145,912
<i>Per fund-raising support staff FTE</i>			
1986	\$1,111,310	\$803,475	\$463,699 - 1,484,456
1987	1,188,738	816,691	526,850 - 1,479,598
1988	1,238,848	907,865	564,196 - 1,563,878
Three-year average	1,179,632	847,771	590,137 - 1,520,035
<i>Per total fund-raising staff FTE</i>			
1986	\$ 488,426	\$418,081	\$254,871 - 579,186
1987	526,384	393,764	287,373 - 637,914
1988	523,078	412,682	263,877 - 664,013
Three-year average	512,630	430,492	284,326 - 620,450

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Part Two

**Table 14**

Expenses of Fund Raising, Alumni Relations, and Other Constituent Relations as a Percentage of the Whole Institutional Advancement Budget

	<b>Mean</b>	<b>Median</b>	<b>Middle 50 percent of institutions</b>
<i>Fund-raising expenditures</i>			
1986	52.16%	53.65%	43.78 - 62.58%
1987	52.65	53.59	47.68 - 60.71
1988	52.63	54.12	46.11 - 60.01
Three-year average	52.48	53.42	47.18 - 60.79
<i>Alumni relations expenditures</i>			
1986	20.04%	19.75%	12.56 - 26.85%
1987	20.25	19.59	12.43 - 27.21
1988	19.99	19.94	12.65 - 26.75
Three-year average	20.10	19.71	12.35 - 26.96
<i>Other constituent relations expenditures</i>			
1986	32.38%	27.40%	22.40 - 39.53%
1987	26.63	23.27	19.71 - 31.37
1988	27.29	23.56	19.71 - 33.93
Three-year average	28.77	24.65	21.03 - 34.28

**Table 15**  
Fund-raising Line Item Expenditures as a Percentage of Total Fund-raising Expenditures

	Mean	Median	Middle 50 percent of institutions
Total personnel (1+2+3) compensation	63.41%	62.41%	58.11 - 68.53%
1. Professional salaries	37.13	36.36	32.88 - 41.15
2. Support salaries and wages	15.59	14.64	12.70 - 18.05
3. Employment benefits	11.02	10.47	9.33 - 12.69
3a. Professional staff benefits*	8.62	8.00	6.99 - 9.73
3b. Support staff benefits*	3.15	3.09	2.63 - 3.63
4. Total services, supplies, and other current expenses	36.63	37.59	31.47 - 41.89
4a. Communications	5.30	5.13	3.14 - 7.48
4b. Printing and duplicating	6.80	6.30	5.12 - 8.77
4c. Staff travel	4.72	3.66	2.22 - 6.23
4d. Nonstaff travel, meetings, and entertainment	3.65	2.29	1.06 - 5.99
4e. Computing and data processing	4.17	3.42	1.27 - 5.89
4f. Professional services and honoraria	4.07	2.63	1.01 - 5.71
4g. Supplies	3.52	2.71	1.57 - 4.46
4h. Professional and career development	.74	.55	.36 - .90
4i. Miscellaneous	3.62	2.35	.97 - 5.18

\*Data collected separately in 1986-87 and 1987-88 only.

Part Two

**Table 16**

Alumni Relations Line Item Expenditures as a Percentage of Total Alumni Relations Expenditures

	Mean	Median	Middle 50 percent of institutions
Total personnel (1+2+3) compensation	56.76%	55.16%	46.77 - 65.82%
1. Professional salaries	30.61	28.11	22.54 - 38.58
2. Support salaries and wages	16.49	15.33	12.01 - 19.99
3. Employment benefits	10.14	9.11	7.36 - 11.28
3a. Professional staff benefits*	6.96	6.18	4.85 - 8.83
3b. Support staff benefits*	3.13	2.92	2.39 - 3.90
4. Total services, supplies, and other current expenses	42.94	44.82	34.18 - 52.26
4a. Communications	7.11	7.17	3.83 - 9.84
4b. Printing and duplicating	13.33	10.77	6.55 - 19.37
4c. Staff travel	3.13	2.35	1.03 - 4.10
4d. Nonstaff travel, meetings, and entertainment	6.45	4.42	.82 - 8.89
4e. Computing and data processing	4.20	3.18	.25 - 6.78
4f. Professional services and honoraria	1.56	.29	.00 - 2.05
4g. Supplies	3.00	2.45	1.07 - 4.27
4h. Professional and career development	.54	.14	.00 - .47
4i. Miscellaneous	4.11	1.76	.38 - 4.27

\*Data collected separately in 1986-87 and 1987-88 only.

**Table 17**

Other Constituent Relations Line Item Expenditures as a Percentage of Total Other Constituent Relations Expenditures

	Mean	Median	Middle 50 percent of institutions
Total personnel (1+2+3) compensation	66.12%	67.61%	57.82 - 76.72%
1. Professional salaries	40.77	41.12	33.61 - 45.42
2. Support salaries and wages	14.64	12.63	9.54 - 17.65
3. Employment benefits	11.07	10.83	8.50 - 13.37
3a. Professional staff benefits*	8.86	9.34	6.64 - 11.02
3b. Support staff benefits*	2.85	2.37	1.56 - 3.86
4. Total services, supplies, and other current expenses	34.42	32.39	23.81 - 42.64
4a. Communications	6.35	4.18	2.50 - 6.47
4b. Printing and duplicating	12.24	10.42	4.97 - 16.81
4c. Staff travel	1.92	1.65	.86 - 2.23
4d. Nonstaff travel, meetings, and entertainment	1.71	.63	.08 - 2.07
4e. Computing and data processing	2.11	.56	.07 - 2.30
4f. Professional services and honoraria	3.17	1.67	.00 - 4.25
4g. Supplies	3.55	2.88	1.65 - 4.99
4h. Professional and career development	.58	.37	.05 - .68
4i. Miscellaneous	3.19	1.61	.96 - 4.40

\*Data collected separately in 1986-87 and 1987-88 only.

**Table 18**

Total Institutional Advancement Line Item Expenditures as a Percentage of Total Institutional Advancement Expenditures

	Mean	Median	Middle 50 percent of institutions
Total personnel (1+2+3) compensation	62.47%	62.33%	54.70 - 67.83%
1. Professional salaries	36.58	36.06	31.32 - 41.01
2. Support Salaries and wages	15.14	15.04	11.54 - 17.86
3. Employment benefits	10.70	10.18	8.88 - 12.17
3a. Professional staff benefits*	8.24	7.72	6.31 - 9.86
3b. Support staff benefits*	3.09	2.98	2.48 - 3.69
4. Total services, supplies, and other current expenses	37.54	37.67	32.17 - 45.30
4a. Communications	6.04	5.69	4.11 - 6.95
4b. Printing and duplicating	10.22	10.06	7.12 - 11.53
4c. Staff travel	3.68	3.05	2.01 - 4.68
4d. Nonstaff travel, meetings, and entertainment	3.84	3.05	1.09 - 5.82
4e. Computing and data processing	3.51	3.20	1.11 - 5.25
4f. Professional services and honoraria	3.21	2.62	1.07 - 4.83
4g. Supplies	3.37	2.78	1.90 - 4.05
4h. Professional and career development	3.55	.43	.25 - .79
4i. Miscellaneous	3.55	2.65	1.33 - 4.43

\*Data collected separately in 1986-87 and 1987-88 only.



# Expenditure Guidelines and Definitions: The Methodology

**A**s you review the following reports and definitions, keep in mind that an analysis of expenditure is a process of approximation, and anyone performing cost determinations should exercise judgment based on circumstances relevant to the purposes for which the expenditure information is collected. For the purpose of these reports, the expenditure figures are those that are readily identifiable with fund raising, alumni relations, and other constituent (public) relations.

In many instances, these reports will require more information than is available from the unit or departmental financial accounting records. Expenditures, such as salary costs recorded in certain fund groups for financial accounting purposes, may have to be combined with expenditures of other fund groups. Furthermore, the departmental financial accounting records may not include certain costs, such as those for a centrally budgeted administrative data-processing operation. In those cases where these amounts are significant, they should be added to the reported expenditures as defined in the following pages.

The approach described below does not provide a definitive method for capturing all the costs that can be attributed to the fund-raising, alumni relations, and other public relations programs. Rather it is an attempt to make it possible for all those who are responsible for managing such programs to “speak the same language”—to report costs by the same rules.

Further, the advisory committee formulated the approach described in this report with the knowledge that if it was too “sophisticated,” too demanding on those who must compile the data, it would soon sink of its own weight *if* it ever surfaced at all.

Certain decisions as to whether or not a specific cost is to be included may seem arbitrary, but they were always made for a good reason. For example, the committee decided not to include the salary costs represented by the involvement of the institution's president and his or her staff in the public relations program. It would be difficult and potentially awkward to calculate these costs, and it would open the issue of including costs of other members of the central administration and deans and department heads who see themselves, and perhaps with reason, as playing significant public relations roles.

As another example, overhead (fixed) costs—heat, air conditioning, water, and electricity—are certainly real costs, but they are difficult to capture at most institutions, as the continuing debate over research overhead attests, and are excluded from this system. However, overhead costs for satellite offices, established in other cities for the primary purpose of fund raising, should be included.

Managers of college and university fund-raising, alumni relations, and public relations programs may wish to calculate their true and full costs by including all possible costs, but in order to do the analysis described in this report, they should follow the guidelines below.

***Guidelines: Total programs***

General costs to be **included** are:

- all those that generally fall under the rubrics of college and university fund raising (or development), alumni relations (or alumni affairs), and public relations (or external, internal, constituency, college, university, and institutional relations; or communications); and
- provided the management of these activities has been assigned to someone as part of his or her job responsibility and resources have been allocated to support them; and
- whether or not they are part of a centralized or decentralized organizational structure with, in the case of the latter, the management of those activities having been assigned to units of the college or university or to affiliated organizations such as foundations, alumni associations, or other associations functioning on behalf of the institution.

For example, the costs of fund raising by a medical school that is a part of a university or by an affiliate foundation with an independent board should all be reported. So, too, should be the public relations costs of an independent alumni association, a parents organization, and any advisory boards organized primarily for the purpose of informing and cultivating those persons who are chosen to serve on them. The costs

of an athletic association or athletic foundation's fund-raising program should be included.

General costs to be **excluded** are :

- the salaries of the president and his or her immediate staff and, in the case of decentralized programs, the salaries of the heads of academic units (deans, department chair) to which the fund-raising, alumni relations, and public relations programs have been delegated; and
- all overhead costs, as generally defined by government research auditing agencies.

***Definitions of expenditures by major activity***

Two or more purposes may be served simultaneously by activities associated with the broad categories of fund raising, alumni relations, and other public relations. For the purposes of this report, assume that all activities are undertaken for a **primary** purpose. Secondary benefits from these activities may occur, but no allocation of expenditures is to be made for these secondary benefits. There are two exceptions:

- Recordkeeping should be allocated among the fund-raising, alumni relations, and other constituent relations activities in whatever percentage of the total activities is appropriate.
- Salaries of a manager of more than one program (for example, a vice president may be responsible for fund raising, public relations, and alumni relations) should be allocated among the areas in proportion to the time he or she spends managing each.

The following paragraphs define each activity **by primary intent** and provide examples of included and excluded expenditures.

***Fund raising (column I).*** The primary intent of this activity is to secure private gifts in support of the institution, whether from individuals or organizations, for current operations or capital, on an immediate or deferred basis.

The fund-raising costs to be reported include those incurred by affiliate organizations, academic units, athletic associations and their affiliate organizations, and fund-raising consortia.

Expenditures to be **included** are those attributed to:

- maintaining records and lists of actual and prospective donors (alumni, parents, other friends, corporations, foundations, and other organizations);

- identifying prospective donors, including prospect research; peer evaluations; and the acquisition of services, information, and materials that assist in this process;
- cultivating and soliciting actual and prospective donors, including expenditures associated with keeping them informed of and involved with the fund-raising activities of the institution, whether the expenditure is incurred by the president, some other staff member, or a volunteer who is reimbursed for out-of-pocket expenses;
- preparing, producing, and distributing fund-raising literature, including fund-raising brochures, case statements, and proposals; and the costs of distributing them and evaluating their effectiveness;
- enlisting and servicing fund-raising volunteers and volunteer groups, including the costs of meetings; their travel, telephone, and mail expenses if reimbursed by the institution; volunteer newsletters; and tangible forms of recognition of their service;
- holding fund-raising events, such as luncheons and dinners, phonathons, benefit concerts, auction sales, and the like;
- receiving, reporting to donor files, and acknowledging gifts and recognizing donors through correspondence, plaques and certificates, and special events;
- contracting for external services to assist in fund raising and completing gifts, such as fund-raising counsel, attorneys, realtors, accountants, direct mail consultants, telemarketing services, advertising and public relations agencies, and the like;
- the portion of the costs incurred by a fund-raising consortium from which the institution receives gift revenue (if the consortium does not bill the institution directly for that amount, calculate the percentage of the consortium's net revenue that the institution receives and apply that same percentage to the total cost incurred by the consortium).

Expenditures to be **excluded** are those associated with:

- administering gift revenue after it has been received and acknowledged, including costs incurred for accounting and treasurer functions and the use of external services such as realtors and attorneys to liquidate gifts of real and personal property **after** they have been accepted;
- securing revenue other than private gifts, such as contract research, government support (whether local, state, federal, or foreign), auxiliary enterprise income, tuition and fees;
- conducting activities that are not primarily fund raising.

***Alumni relations (column II).*** The primary intent of this activity is to inform alumni of the plans and activities of the college or university, to maintain their contact with it and their fellow alumni, and to involve them in its efforts to carry out its mission.

Institutions are asked to report all expenditures and revenues that flow through their accounts. Costs paid directly by individual alumni to third parties, such as the cost of merchandise or tour programs, need not be included in this report.

The alumni relations expenditures include those incurred in college or university administered programs, by "independent" alumni organizations, and through programs administered by academic units of institutions.

Expenditures to be **included** are those attributed to:

- maintaining records of alumni;
- publishing and distributing newsletters, newspapers, and magazines;
- organizing, promoting and maintaining membership in clubs and chapters, including their communications, activities, and special events;
- organizing and holding alumni events, such as class reunions, homecoming, and meetings of alumni boards and committees;
- organizing, promoting, and conducting noncredit instructional programs for alumni, alumni colleges, family camps, and the like;
- providing special programs such as alumni travel programs, career counseling and job placement, and health and fitness programs;
- recognizing the achievements and service of alumni through such means as recognition luncheons and dinners, plaques and certificates, and other awards.

Expenditures to be **excluded** are those incurred in:

- providing career counseling for students;
- recruiting students (for the purposes of this study, the primary purpose of recruitment is considered to be the obtaining of students. If, however, the primary purpose at the institution is to involve alumni in the life of the institution and obtaining students is only a secondary purpose, then include these costs in Column II, Alumni Relations);
- soliciting gifts (even though a fund-raising program, such as an alumni annual giving program, may be conducted by the alumni association and the costs included in its budget, report these costs in Column I, Fund Raising);

- communicating the interests of the institution to government agencies and elected and appointed officials, including those of local, state, federal, and foreign governments (these costs should be reported in Column III, Other Constituent Relations);
- conducting any other activities that are not primarily alumni relations such as organizing events primarily designed to cultivate alumni donors.

**Other constituent (public) relations (column III).** The primary intent of this activity is to keep the institution's various constituencies other than alumni informed of and sympathetic to its plans and activities. These constituencies include the general public, parents, faculty, staff, students, elected and appointed officials, church groups (in the case of church-affiliated institutions), and the business community.

Expenditures to be **included** are those attributed to:

- maintaining news or press bureaus and sports information offices that respond to media requests and issue news releases;
- preparing internal newspapers and newsletters for the purpose of keeping faculty and staff informed;
- maintaining a publication unit or units that prepare or coordinate the preparation of booklets, brochures, pamphlets, leaflets, newsletters, posters, certificates, and other such informational and promotional materials;
- providing writing, editorial, graphic, photographic, and other audio-visual services for public relations purposes;
- maintaining records, files, and archives on persons of influence, press contacts, newsworthy individuals, institutional data, photographs, printed material, and other items of use in public relations;
- organizing and conducting events that serve to cultivate the interest of the college or university's various constituencies, including events with the objective of maintaining and improving faculty and staff morale;
- keeping local, state, and federal officials and agencies informed of the plans, activities, and interests of the institution;
- providing visitor and guest services, including informational material, tours, and entertainment;
- conducting or commissioning research and evaluations that support the public relations program, including attitude surveys, opinion polls, readership surveys, content analysis, and the like.

Expenditures to be **excluded** are those attributed to:

- supporting the requirements of the institution's governing board, including the costs of its travel, lodging, meals, and meetings;
- marketing merchandise and services to students, faculty, and staff, the income from which is often but not exclusively credited to the "auxiliary enterprise" function;
- providing services or publications for the recruitment of prospective students including undergraduate, graduate, and continuing education;
- procuring contracts for research and other services from government agencies, businesses, and other external sources, and securing federal government grants;
- providing audio-visual services to the instructional, research, and public service programs of the institution;
- managing and conducting intramural and intercollegiate athletic programs (although the cost of publicizing the latter through a sports information office or the like should be included) and marketing tickets and other salable items;
- maintaining programs for the enhancement of student life on campus, such as student organizations, counseling, visiting lecturers and cultural events, job placement services, and the like;
- producing publications "of record," including a catalog, staff directories, and faculty and staff handbooks and manuals;
- holding events at which the business of the college or university is conducted, such as commencement, opening convocations of students and faculty, and faculty meetings;
- conducting institutional research, where the primary function is to provide data that satisfies the reporting requirements of the institution or supports its planning and management functions;
- carrying out the organized public service functions of the college or university, such as extension service and continuing education, whether for degree credit or not;
- operating television and radio stations, printing plants, and copy, duplicating, or word-processing centers that serve more than the public relations organization (but include the appropriate share of use of these services for public relations expenses);
- conducting activities the purposes of which are not primarily public relations.

**Definitions: Objects of Expenditure**

Fill out Part A of the expenditure report form as follows:

**Personnel compensation**

**Professional salaries** (line 1): Report the salary costs (exclusive of employment benefits) of all full-time, part-time, and temporary professional employees (as defined by the institution) in the categories of Fund Raising, Alumni Relations, and Other Constituent (Public) Relations. As noted above, exclude salaries of presidents and heads of academic units. If an employee is formally assigned duties in more than one of the areas cited above, allocate his or her salary based on estimated effort spent in each area. As an accounting convenience, if an employee spends 85 percent or more of his or her time in one area, allocate the full salary to that area.

**Support salaries and wages** (line 2): Report the salaries and wages (exclusive of employment benefits) of all full-time, part-time, and temporary support and student personnel in accordance with the guidelines provided above under *Professional salaries*.

Institutions may disregard the U.S. Bureau of Labor categories of exempt and nonexempt employees and make their own determinations as to whether employees are professional or support.

**Employment benefits** (lines 3a and b): Report the share of benefits paid by the institution for the salaries and wages reported above under *Professional* and *Support*. These benefits usually include social security; medical, disability, and life insurance; and retirement plan contributions. In those cases where the financial accounting system does not include certain costs that are material in nature, such as retirement plan costs recorded by a state agency, they should be approximated and added to the institution's expenditures.

**Services, supplies, and other current expenses**

**Communications** (line 4a): Report the cost of postage, telephone, freight, express mail, advertising space, and electronic media time.

If a central telephone billing system is in use, the costs of telephone services attributable to the various functions should be readily identifiable. If such records are not available, the head of the department and the business office should agree on an appropriate allocation of telephone costs to fund raising, alumni, and other public relations.

**Printing and duplicating** (line 4b): Report the cost of photocopying, duplicating, and printing production, both in-house and contracted.

If the institution uses a job order or charge-back system, those printing and duplicating costs associated with the various functions should be readily identifiable. If such a system is not used or if charges do not include all the expenditures outlined previously, the fund-raising officer and the print shop operator should agree on the direct costs (e.g., supplies and personnel) attributable to the activity.

**Staff travel** (line 4c): Report the cost associated with staff travel, such as transportation, tolls, mileage, parking fees, lodging, and meals. Staff is defined as any employee of the institution who travels for purposes related to fund raising, alumni relations, or other constituent relations.

**Nonstaff travel, meetings for various purposes, and entertainment** (line 4d): Report the costs associated with the travel of nonstaff persons—volunteers, guests of the school, advisers, and the like—that are paid by the institution. Meeting and entertainment costs should also be reported in this category. Examples include meetings of the capital campaign committee, the alumni board, public relations advisory committee, and those for donor cultivation, and so on. (Do not include travel costs of visiting lecturers, artists, and other persons brought to campus to enhance student life.)

**Computing and data processing** (line 4e): Report the cost of all contracted computer services, automated recordkeeping charges, word and data processing, and the cost incurred for use of the institution's central computer services.

If the institution uses a job order or charge-back system, the cost of machine time, materials, and personnel should be included in the charges. If such a system is not in use or if charges do not include all the expenditures outlined previously, the head of the unit and computer center director should agree on the direct costs (e.g., machine time, supplies, personnel) attributable to the activity. Amortization or depreciation charges and indirect costs, such as space utilization and utilities costs, should be **excluded** from these calculations.

**Professional services and honoraria** (line 4f): Report the costs of services of fund-raising counsel, other consultants, attorneys, realtors, accountants, writers, designers, advertising and public relations agencies, lobbyists, telemarketing agencies, and the like. In the event the attorney is on retainer by the institution, include the relevant percentage of the retainer fee, plus any direct billing charges.

**Supplies** (line 4g): Report all supply costs, including stationery and general office supplies, such as carbon paper, accounting pads,

staples, paper clips, pencils and pens, file folders, and printed forms. Data processing supplies, such as punch cards, tapes, and ribbons, are also to be reported here, as are photographic film and supplies. The cost of specialized equipment and software under \$1,000 *may* be reported in this category.

**Professional and career development** (line 4h): Report conference fees and travel costs, site visits to other institutions to observe their institutional advancement operations, subscriptions to professional journals and other publications dealing with the profession and industry (but not those for the purpose of donor research), and professional membership fees.

**Miscellaneous** (line 4i): Report the cost of items not appropriate to any of the categories above. These could include books and periodicals, fees for civic and social membership, annual fees for lease-only arrangements for equipment and software, and other fees, repairs, maintenance contracts, and so forth. As an accounting convenience and for the sake of uniformity, do not include overhead costs (except for satellite offices) such as those usually included in the overhead base used for costing government contracts, whether or not they are billed to the unit. Such overhead costs traditionally include office space, general maintenance of the space, custodial and security services, utilities, and so on.

**Capital expenditures: Equipment and software**

Fill out Part B of the expenditure report form with information on equipment and software as described below.

**Equipment and software** (line 5): Report in Part B the cost of all specialized equipment and software acquired during the year for which costs are being reported. Such expenses under \$1,000 *may* be reported in Supplies (line 4g). For the purpose of this report, "specialized equipment and software" includes that which is peculiar and important to the operation of the fund-raising, public relations, and alumni relations programs. Examples include computer-based record systems; word-processing equipment suitable for producing personalized letters in quantity or transmitting press releases electronically to media outlets; mail addressing and sorting machines; typesetting and printing equipment used exclusively for fund raising, public relations, and alumni relations; signature machines; dedicated audio-visual equipment; camera equipment; automobiles and vans; and so forth.

Include the purchase of software or the costs associated with the internal development of software.

For equipment or software acquired under a lease-purchase arrangement, report the total cost in the year acquired. If you have a lease-only arrangement, report the yearly cost under Miscellaneous (4i).

You need not report costs for the standard office equipment found in any well-furnished administrative office on campus—tables, desks, chairs, lamps, typewriters, and the like.

If your institution includes the amortization of any specialized equipment in the fees the institution charges for its use (a typical charge-back system) and that cost is included in the amounts reported under 4b and 4e, it should not also be reported in this section.

### ***Alumni relations office revenue***

Part C is intended to ascertain which institutions have a self-supporting alumni program rather than one that operates with institutionally budgeted funds.

The manner in which the alumni organization balances its books is reported in this section. Unless the organization made a profit or ended the year with a deficit, the total revenue reported in Part C should equal the total expenditures reported in Column II of Part A (not including capital expenditures incurred in that year).

“Transfers” for private institutions means funds allocated to alumni programs from the institutional budget process.

Part Three

**Fund Raising and Related Activities Expenditure Report Form**

**PART A: EXPENDITURES BY MAJOR ACTIVITY AND OBJECT**

ACTIVITY	I FUND RAISING (Private Gifts)	II ALUMNI RELATIONS	III OTHER CON- STITUENT RELATIONS	IV TOTAL
OBJECT				
PERSONNEL COMPENSATION (1+2+3)				
Salaries and Wages				
1 Professional Salaries				
2 Support Salaries and Wages				
3 EMPLOYMENT BENEFITS				
3a Employment Benefits for Professional Staff				
3b Employment Benefits for Support Staff				
SERVICES, SUPPLIES AND OTHER CURRENT EXPENSES (4a thru 4i)				
4a Communications				
4b Printing and Duplicating				
4c Staff Travel				
4d Nonstaff Travel and Entertainment				
4e Computing and Data Processing				
4f Professional Services and Honoraria				
4g Supplies				
4h Professional/Career Development				
4i Miscellaneous				
SUBTOTAL				

**PART B: CAPITAL EXPENDITURES: EQUIPMENT AND SOFTWARE**

ACTIVITY	I FUND RAISING (Private Gifts)	II ALUMNI RELATIONS	III OTHER CON- STITUENT RELATIONS	IV TOTAL
OBJECT				
5 Equipment and Software				
6 TOTAL (PART A + PART B)				

**Part C: Alumni Relations Office Revenue Report**

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Sales revenue:	
Sales of merchandise	\$ _____
(memorabilia, clothing, jewelry, furniture, etc.)	
Sales of services	\$ _____
(alumni tours, job placement, club meetings, homecoming, other special events, continuing education, subscriptions)	
Total sales revenue .....	\$ _____
Membership fees .....	\$ _____
Gift revenue .....	\$ _____
(from any and all sources, including university affiliated founda- tions, to run alumni relations programs; be sure to include gifts channeled through the institution)	
Transfers, appropriations, subsidies .....	\$ _____
(from college, university, or institutional advancement budget)	
Other sources of revenue .....	\$ _____
(please explain)	
Total revenue	\$ _____
Less expenses of Part A, Column II	\$ (_____)
Balance	\$ _____

**Personnel Supplemental Data**

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Provide a table of organization for the institutional advancement function at your institution. Attach a brief description of the scope of responsibility for each individual.

On the "Personnel and Time Allocation" report, list the position titles for the professional and support staff and indicate the percentage of time devoted to fund raising, alumni relations, and other constituent (public) relations.

On the next form, indicate the number of full-time equivalents for professional and support personnel.

Part Three

**Personnel and Time Allocation**

**Institution**

<b>Professional and support descriptive staff position titles</b>	<b>Fund raising percentage of FTE</b>	<b>Alumni relations percentage of FTE</b>	<b>Other constituent (public) relations percentage of FTE</b>

**Number of Full-time Equivalents (FTEs)**

	<b>Fund raising</b>	<b>Alumni relations</b>	<b>Other constituent (public) relations</b>
<b>Professional staff</b>			
<b>Support staff</b>			

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## Appendix

### Participating Institutions and Chief or Designated Development and Business Officers

**Alcorn State University**

Franklin D. Jackson  
Director of Institutional Advancement and Planning

Wiley F. Jones  
Business Manager

W. Jean Porter  
Interim Director, Office of Institutional Advancement and Planning

**Alfred University**

Peter C. Fackler  
Vice President for Business and Finance

Mona H. Martin  
Director of Development Services

**American Graduate School of International Management**

Thomas R. Bria  
Director of External Affairs

D. Bradley Leech  
Director of Development

Charles Mannel  
Vice President of External Affairs

Randy Schilling  
Director of Development

C. L. Stickland Jr.  
Vice President for Business Affairs

**Asbury Theological Seminary**

Robert T. Bridges  
Vice President for Seminary Advancement

Eugene Lintemuth  
Vice President for Finance

**Ball State University**

Thomas J. Kinghorn  
Vice President for Business Affairs and Treasurer

Edwin D. Shipley  
Director of Alumni and Development Programs

**Bates College**

Bernard R. Carpenter  
Vice President for Business Affairs

Gina Tangney  
Vice President for Development and Alumni Affairs

**Baylor College of Medicine**

James L. Copeland  
Director of Development

C. Robert Richardson  
Vice President for Finance and Administration

**Beloit College**

Harold R. Wilde  
Vice President for External Affairs

Erwin F. Zuehlke  
Vice President for Administration

**Berea College**

Rodney Bussey  
Vice President for Alumni Relations and Development

Leigh A. Jones  
Vice President for Business and Finance

**Berry College**

John Reiners  
Director of Development

Joseph L. Walton  
Vice President for Finance

**Briar Cliff College**

Maureen T. Baxter  
Vice President for Financial Development

Scott Stevenson  
Vice President for Institutional Development

**California State Polytechnic University**

William E. Fox  
Vice President for Finance and Development

John C. Rowett  
Director of Development

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*Appendix*

**Central College**

John W. Ferrell  
Vice President for Development

Ellis E. Odermann  
Business Manager

**Centre College**

Richard L. Bauer  
Vice President for Business and Finance

Shawn Lyons  
Director of Development

Frederick C. Nahm  
Formerly Vice President and General  
Secretary

**Coe College**

Thomas J. Kolda  
Formerly Vice President for Development

David Ostrander  
Vice President for Development

Charles Upshaw  
Vice President for Business Affairs

**Colorado College**

Richard D. Chamberlain  
Vice President for Development and  
College Relations

Thomas E. Wenzlau  
Vice President for Business/Finance and  
Treasurer

**Community Colleges of Spokane**

Burr B. Elliott Jr.  
Controller

William H. Holmes  
Manager of Development

**Fairfield University**

George E. Diffley  
Vice President for University Advancement

William J. Lucas  
Vice President for Finance

**Georgia Institute of Technology**

Richard Fuller  
Vice President, Business and Finance

Warren Heemann  
Formerly Vice President, Development

Mary Stoffregen  
Director for Accounting and  
Administration

**Grinnell College**

Thomas K. Marshall  
Vice President for Development

Waldo S. Walker  
Executive Vice President

**Gustavus Adolphus College**

Ross Bloomquist  
Vice President for Business Affairs and  
Treasurer

Robert A. Peterson  
Vice President for Development

**Hampden-Sydney College**

John A. Timmons Jr.  
Vice President for Finance

Peter L. Wyeth  
Vice President for Development and  
External Affairs

**Harvard University**

**Faculty of Arts and Sciences**

Richard Boardman  
Associate Director of University  
Development

**Haverford College**

G. Holger Hansen  
Vice President for Institutional  
Advancement

G. Richard Wynn  
Vice President for Finance and  
Administration

**Huntington College**

Robert L. Baker  
Vice President for Business and Finance

Harold Hazen  
Vice President for Development

**Lafayette College**

John A. Falcone  
Vice President for Finance and Treasurer

David C. Johnson  
Vice President for College Relations

**Lees-McRae College**

William B. Farthing  
Vice President for Institutional  
Development

Melvin Law  
Vice President for Business Affairs

**Lynchburg College**

**Donald E. Craig**  
Vice President for Development  
**Mitch Wesolowski**  
Vice President for Business and Finance  
and Treasurer

**Mercy College of Detroit**

**Thomas J. Lawton**  
Vice President for Business and Finance  
**Barbara S. Milbauer**  
Vice President for Development

**Miami University**

**Jan Augenstein-Miller**  
Director of Development  
**Edward J. Demske**  
Vice President for Finance and Business  
Affairs  
**Harold Gibbons**  
Director of Financial Affairs and Controller  
**Douglas M. Wilson**  
Vice President for University Relations

**Miami-Dade Community College**

**Gregory D. Bellamy**  
Business Manager, Miami-Dade  
Community College Foundation  
**Lester Brookner**  
Vice President for Business Affairs  
**Horace Jerome Traylor**  
Vice President for Institutional  
Advancement

**Montreat-Anderson College**

**Richard Forster**  
Director of Development and Church  
Relations  
**Walter H. Hall**  
Business Manager/Treasurer  
**Williard M. Sessler**  
Formerly Director of Development and  
Church Relations

**Oakland University**

**Robert McGarry**  
Vice President for Finance and  
Administration  
**David H. Rodwell**  
Vice President for External Affairs and  
Director of Development

**Pomona College**

**Ted Biggens**  
Vice President for Development  
**Frederick F. Moon**  
Vice President and Treasurer

**Rensselaer Polytechnic Institute**

**Paul J. Lawler**  
Vice President for Finance  
**William P. McGoldrick**  
Vice President for Institute Relations

**Rice University**

**Kent E. Dove**  
Vice President for External Affairs  
**Scott Wise**  
Associate Vice President for Financial  
Affairs and Comptroller

**Rogers State College**

**Danette L. McNamara**  
Vice President for Development

**Saginaw Valley State College**

**Albert J. Beutler**  
Executive Director of Development  
**Jerry A. Woodcock**  
Vice President for Administration and  
Business Affairs

**Saint Mary's College of Maryland**

**Brian W. Clark**  
Vice President for College Advancement  
**Fred Brooke Lee**  
Director of College Advancement  
**Edward B. Quinn Jr.**  
Vice President for Administration

**Salt Lake Community College  
(Formerly Utah Technical College at  
Salt Lake)**

**Peter E. Maughan**  
Director of Development

**Stanford University**

**Keith Smith**  
Director of Administration

*Appendix*

**Texas Christian University**

**Paul W. Hartman**  
Vice Chancellor—University Relations &  
Development

**Roby V. Key**  
Director of Development Information  
Services

**E. Leigh Secrest**  
Vice Chancellor, Finance and Planning

**University of Chicago**

**Roger Felix**  
Associate Director for Budget

**Warren Heemann**  
Vice President for Development and  
Alumni Relations

**University of Georgia**

**Allan W. Barber**  
Vice President for Business and Finance

**Nik Edes**  
Vice President for Development

**H. Perk Robins**  
Formerly Vice President for Development

**University of Miami**

**Rita Bornstein**  
Vice President for Development

**Donna A. Gaddis**  
Director of Administrative  
Services/Development

**David Lieberman**  
Vice President for Business and Finance

**University of North Carolina at  
Asheville**

**Alfred O. Canon**  
Formerly Vice Chancellor for University  
Relations

**Beverly Cutter Modlin**  
Vice Chancellor for University Relations

**William H. Pott**  
Vice Chancellor for Finance

**University of Pennsylvania**

**Steven R. Derby**  
Director, Development Operations

**Peggy McGee**  
Development Director of Finance

**Frederick C. Nahm**  
Vice President for Development and  
University Relations

**Glenn R. Stine**  
Director, Budget Analysis

**University of Richmond**

**Louis W. Moelchert Jr.**  
Vice President for Business and Finance

**H. Gerald Quigg**  
Vice President for University Relations

**D. Chris Withers**  
Associate Vice President for Development

**University of San Diego**

**James T. Sotiros**  
Director of Development

**Thomas L. Van Zant**  
Controller

**Timothy J. Willard**  
Formerly Director of Development

**Washburn University of Topeka**

**Martin R. Ahrens**  
Executive Director, Development

**Dolores J. Lewis**  
Controller

**Gene Mosiman**  
Vice President for Administration and  
Treasurer

**Western Carolina University**

**C. Joseph Carter**  
Vice Chancellor for Business Affairs

**James E. Dooley**  
Vice Chancellor for Development & Special  
Services

**James Medlin**  
Director, Office of University Development