



January 21, 2011

Dr. Hazo W. Carter, Jr.
President
West Virginia State University
103 Ferrell Hall
P O Box 1000
Institute, WV 25112-1000

Dear Dr. Carter:

We are pleased to present this summary of our campaign planning study report prepared by Goettler Associates, Inc. for West Virginia State University. We conducted a total of 40 confidential interviews, from November 8 to December 9, 2010. Individuals interviewed for the study included eight members of the WVSU Board of Governors and/or WVSU Foundation; 14 members of the WVSU faculty and staff through seven tallied interviews (one group interview was conducted with eight classified staff members); and 25 business and/or community leaders.

Introduction

West Virginia State University has strived to fulfill its mission for nearly 120 years. WVSU was founded in 1891 under the federal provisions of the Second Morrill Act of 1890 as the West Virginia Colored Institute, and designated by the state to provide for the education of black citizens in agriculture and the mechanical arts. WVSU is designated as one of 105 historically black colleges and universities, and avails itself of special and additional funding grants through the U.S. Department of Education. The University's special status as a Land Grant Institution also establishes additional and special state and federal funding opportunities.

- *desegregation led to significant growth*

The 1954 U.S. Supreme Court decision on school segregation initiated a rapid transition of WVSU from a black college to an integrated institution serving a predominantly white, commuting, and older-student population. Enrollment quadrupled following integration, and today black students constitute 16 percent of enrollment.

- *history defines current image*

The university's history and heritage define its image in the greater Charleston area even today, and interviewees identified this topic through much conversation with counsel.

The individuals contacted during this study were selected based not only on their perceived knowledge of WVSU, but more importantly, based on their position and experience leading and participating in other major gift fund-raising campaigns in the Kanawha Valley. The purpose was to understand how WVSU is currently positioned within selected constituents to launch a fund-raising campaign to raise as much as \$25.5 million. All of the interviewees indicated that they were familiar with WVSU.



The persons contacted during our study generally fall into two categories, including: members of the institutional family (board members, faculty and staff) and business and community leaders from the Kanawha Valley and across the State of West Virginia. The community interviewees uniformly remarked on their general awareness and specific lack of significant involvement and knowledge.

- *an attractive purpose*

External interviewees most often described their attraction to aspects of the University's core mission and purpose as they understood it, to serve first-generation college students and provide greater access to higher education for non-traditional and working students. The internal faculty and staff constituents were also inspired by these unique aspects of education as service, while also describing the institution as safe, comfortable and easy going.

General Opinions

- *ably serves a diverse population*

The WVSU family constituencies hold generally-favorable opinions of the university, yet they were also aware and acknowledge the frequent criticisms offered by business and community leaders. The internal constituents are proud of the fact that the University ably serves a very diverse student population, accentuating the fact that they provide vital access to higher education for a wide range of student demographics.

- *growing frustration*

Counsel's initial open-ended inquiry resulted in the identification of several consistent issues that were continually raised throughout our interviews and by nearly all individuals. Again, while overall positively disposed in their general opinions, the internal constituents displayed their growing frustration and dissatisfaction with the current administration on three fronts: marketing, student recruitment and staff compensation.

- *not engaged in outreach*

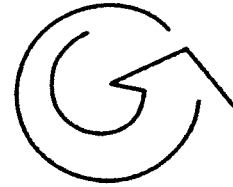
External constituents were more willing and more consistent in their overall criticism of the institution and thus the administration. Most significantly, the business and community leaders expressed justification for their belief that WVSU is not seriously engaged in outreach to the local community. Several pointed to a belief that the university continuously emphasizes its heritage and status as a historically black college and university (HBCU), despite serving an overwhelmingly local student body that is not black. They conclude that this single aspect of the university, unnecessarily stigmatizes the institution in the local community.

- *a good school for average students*

The community interviewees do recognize many of the unique qualities and beneficial impact that WVSU provides to the surrounding region, including access, quality and affordability. Unfortunately, through their description of a total lack of branding and marketing of the institution, these potentially positive aspects of the university were interpreted by the community to describe it as *a good school for average students*.

- *unaware of programs and curriculum*

Seventy-six percent of the community interviewees were unable to express an opinion regarding WVSU's curriculum or programs, as they did not feel knowledgeable enough to comment.



The internal constituencies again identified a great sense of service to the students, and pride in serving first-generation college students.

Organizational Strengths

We know that donors prefer to invest their philanthropy in successful organizations — those they believe will use their funds wisely, and to affect a greater future. Each of the interviewees was asked to identify the greatest strengths of West Virginia State University, the aspects of the institution that position it for greater impact on the future.

- *long & varied list of strengths*

In counsel's experience, when people are presented with this question (to identify organizational strengths) they will often form their response based on the organization's messaging and marketing, or essentially repeating what they've been told. Yet, when an organization has not effectively constructed nor conveyed its message, the interviewees will more often respond without a consensus. Counsel received a long and varied list of factors contributing to the University's strengths.

- *diverse student body*

West Virginia State University is recognized for the following:

- Serves a diverse student population including:
 - non-traditional & local commuter students
 - first-generation college students
- Provides an affordable & accessible option for higher education
- Convenient campus location
- Committed and caring faculty, providing excellent instruction.

Interestingly, no one mentioned WVSU's history and status as a HBCU as a strength.

- *areas to strengthen*

The interviewees offered extensive, and constructive criticisms. Most often, they spoke of the need for improved communications and community engagement. Many different terms were used to point to this same issue, such as: marketing, branding, public relations, fund-raising, outreach, and others. Many also spoke of the need to craft an exciting and insightful vision for the future, one that provides the context for evaluating the value of philanthropic investment in the institution. Internal constituencies described a growing level of frustration with the persistent acuity of these same issues and lack of action or ineffective attempts to make improvements.

Several interviewees appropriately concluded that corrective measures may have to be implemented by a new university administration.

Image and Perceptions

- *lacks pride*

Interviewees were asked to describe the image of WVSU, either in the Kanawha Valley or across the state. The interviewees, across all constituency types, uniformly described undesirable aspects of the university's image, both locally and across the state. They described an institution that no longer projects a sense of pride within its constituents and one that has largely lost touch with its alumni. In support of their opinions they describe local alumni who do not acknowledge nor highlight their past connection to WVSU.



- *enrollment by necessity, not choice*

WVSU is thought to be a college of last resort, and one where most students enroll out of necessity, rather than desire. While the faculty speaks of a proud sense of service to students who may otherwise forego their education, the local community describes it as the last option. One person conveyed these sentiments by describing WVSU as the Wal-Mart of colleges.

- *identified first as a black college*

Interviewees described an institution that projects its identity as a black college, yet these same individuals clearly acknowledged that 80 percent of enrollment is not African-American. Many in the community first identify and describe WVSU as a black college, and intimate this fact as a stigma. Many local alumni feel disenfranchised and under appreciated based on a perception that the institution only promotes its black college history and HBCU status. Years and years of ineffective alumni relations and development have left older generations of alumni, principally African-Americans, to also feel under appreciated. All of these signals point to the urgent imperative for the University to fashion a cohesive and inclusive brand identity and to then aggressively, effectively and consistently promote the University through a comprehensive communications strategy.

- *comparisons*

Only one individual suggested that the image of WVSU in the Kanawha Valley or across the state compared favorably to other colleges and universities. This condition creates growing frustration with campus faculty and staff, further challenging the institution to grow enrollment, and certainly creates a difficult condition to launch a fund-raising campaign.

Several individuals described the University of Charleston as having a very successful fund-raising program, lead by its well-respected president. In comparison they also suggested that Dr. Hazo Carter represented the university's image in the Charleston philanthropic community while describing its fund-raising program as ineffective. One can easily conclude, as one individual expressly stated, that to effectively change the university's image it must also change the administration.

- *recognized as a vital asset*

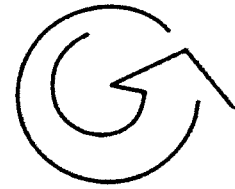
The frustration of underachievement is glaringly identified by the interviewees near unanimous appreciation for the positive impact that WVSU provides to the region. They quickly and readily confirm that WVSU is accessible, affordable and proficient in serving a large number of individuals in the area. They believe that WVSU provides a significant economic boost to the area, and serves a large number of first-generation and nontraditional students that would otherwise not attend college. WVSU's potential is universally known.

Organizational Attributes

Counsel queried interviewees about certain organizational issues that may have an effect on how a successful fund-raising campaign is structured. In this regard, counsel sought feedback on the WVSU governing board, and specifically the board's capacities in the proposed campaign.

- *governing board not composed for fund raising*

The tabulation of responses is not surprising. Eighty-eight percent of community interviewees could not offer an opinion of the governing board. The university's governing board is politically appointed and by nature is not constructed for fund-raising purposes. Most public universities have formed private foundations to lead their development and alumni relations functions, as has WVSU. The



WVSU Foundation did not directly participate in the conduct of this campaign planning study, nor were they specifically asked to do so.

Volunteer leadership is a vital and indispensable ingredient for successful fund-raising. The fact that nearly nine out of 10 community members is unable to comment on the capacity of the WVSU governing board to lead and effectively support a fund-raising campaign confirms that it is not in a position to do so.

While interviewees were not specifically asked about their opinions of the foundation board, a few did so, and inconclusively led counsel to conclude that improvements will also be desirable here too.

- *no opinion of administration*

Counsel knows from experience that donors must have confidence in the administration and leadership of an organization before they will consider significant philanthropic investments. Therefore, the interviewees were asked to state their current opinion of the university's administration and staff.

The tabulation of responses identified 72 percent of the community interviewees that did not express an opinion. These individuals did not comment out of a sincere lack of knowledge, or perhaps through a desire to politely and simply refrain from comment.

- *high personal regard for Dr. Carter*

The few who did offer their opinions would often comment on their personally held regard for Dr. Hazo Carter, while others admired his long tenure of service to the university. Most described him as an individual they held in high regard. Despite these warm feelings for Dr. Carter personally, many questioned when the University would employ a new administration.

- *what is next?*

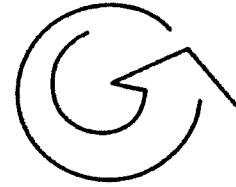
It is conceivable in any situation for individuals to wonder about the timing of a leadership change after nearly 24 years under the same administration. The fact that Dr. Carter is now in his 60's further justifies the question — when?

- *no history of fund raising*

Finally, a few individuals commented on the administration's capacity to lead a major capital fund-raising campaign. They simply pointed to the fact that the current administration had yet to initiate one, and thus history supports their doubts as to the ability of effectively launching this proposed effort.

- *no opinion of faculty & staff*

Ninety-six percent of the community was unable to express an opinion of the university's faculty and staff. The implications of these recurring signals of disengagement and lack of awareness will serve to diminish the university's potential to raise more than token gifts from its constituents. People give to people, and it is unreasonable to anticipate large gifts from constituents who are unaware of the people who are leading the institution.



Development Objectives

- *require a guiding vision of the future*

The preliminary case for support which outlined a comprehensive array of fund-raising objectives including scholarships, endowment, capital funding for athletics and increased annual funding totaling \$25.5 million was presented to the interviewees. Too few of the interviewees seriously reviewed the slate of objectives. For many, the plan was beyond their concept of the possible and undeserving of serious discussion. Others asked for an over arching vision and concept of the future from which to evaluate the wide range of funding objectives, while also suggesting the plan was uninspired, not cohesive and difficult to understand.

We know that the strongest appeals for philanthropic support will invite donors to consider the future direction and impact of an organization, so that their gifts can be used to create a greater consequent impact on constituents. In this regard, seven individuals expressed a favorable impression of the proposed development objectives. Their support was found in the belief that the undergraduate and local nontraditional commuter students were the most important focus of any fund-raising appeal. Working to lower the cost and to better support these students was appealing to these few individuals.

- *lack of urgency, and no compelling vision*

The interviewees were asked a follow-up question about the persuasiveness of the appeal for private philanthropic funding. Remarkably, not a single individual thought the preliminary case was persuasive. Counsel has rarely, if ever, encountered such a lopsided response.

Again, the interviewees asked for the overriding vision for the future of the institution. The development objectives presented in the preliminary case for support not only appeared to support the status quo, but failed to outline a concept that showed an overriding outline of where the administration hoped to lead the university.

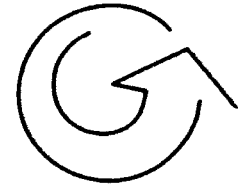
Finally, the proposed endowment for faculty chairs was further proof for some that staying the course was the primary concept of the campaign, rather than highlighting any specific programmatic goals or suggesting the need for building capacity through capital funding for a new direction and overall growth in quality or student enrollment.

- *students are priority*

Despite the fact that the interviewees' earlier comments would often make qualifying and clarifying questions difficult, counsel asked about half of the interviewees to rank the primary development objectives. Funding for student financial aid received the most first-place votes, and also resulted in the highest weighted average. Improvement to the university's athletic infrastructure was most often mentioned at the lowest priority item presented in the preliminary case document.

- *financial aid is intrinsically appealing*

Donors perennially identify scholarships as a persuasive funding objective. In their perspective, they are giving more to benefit an individual's desire to seek higher education than they are entrusting a gift to the university. They can easily identify the direct beneficiary of their charity, especially when unaware of the institution's possible use of those same funds.



- *other objectives?*

Counsel ask the interviewees to identify other fund-raising objectives they felt should be added and featured in the university's proposed major gifts fund-raising campaign. Without the guidance of an overriding strategic plan or longer-term vision statement, several individuals offered suggestions based on their personal preferences and desires. The interviewees suggested improvements to learning technology, a new science building, a greater programmatic focus, more clearly articulated community benefits, scholarships for out-of-state students, more faculty tools, athletics, improved campus life, and more merit scholarships.

Timing/External Conditions

Counsel introduced a series of questions to explore external factors in the philanthropic marketplace that may affect the timing of the proposed campaign. While the respondents certainly acknowledged the precarious and uncertain economic conditions affecting our nation and the state of West Virginia, they generally struck an encouraging tone.

Despite the interviewees expressed reservations for the university's preparedness and capacity to launch a successful campaign, 69 percent believe they should continue to move toward further planning and preparation for a campaign. Another 21 percent felt they should perhaps proceed. To a large extent, the interviewees' collective response is both logical and consistent. Despite their serious criticisms levied against the proposed campaign, they believe that the university should be doing more to improve its position, especially in the area of promoting private philanthropy.

- *other campaigns*

Like so many other industries, competition is a constant challenge and there is rarely a void of other campaigns. Occasionally, the activities and plans of another nonprofit organization will significantly and adversely impact the same individual leaders and pacesetting lead gift donors that the next organization will target. Based on the interviewees' responses, it appears that there are other competing appeals in the marketplace, but not more than one would typically expect.

Available Financial Support

- *donor constituencies*

One of the early stages in campaign planning involves the accurate identification and assessment of persons and entities that may be capable of making important gifts to the campaign. The resulting groupings of potential donors become the WVSU campaign constituencies. At institutions experienced in fund-raising, it is likely that a database of donor support already exists. If it has been aggressively maintained, it tracks the development of each donor's history of giving, including contact information, notes on personal aspirations, and the like. Insofar as WVSU has not ventured into capital, nor targeted major gifts fund-raising, an appropriate database of constituents will need to be created or further developed.

- *Three primary constituencies:*

- *alumni*

The interviewees astutely identified three primary constituencies that must be cultivated and more significantly involved in charitable financial support of the university. The extensive alumni base was readily identified by the interviewees, while at the same time they identified anticipated challenges in garnering their generous support. It is true that graduates of the university have a vested and continuing self interest in the prominence and standing of WVSU. As the perception and



national rankings of the institution grows, the value and prestige of their degree also improves, ensuring greater value to the individual.

- *the Charleston community*

Secondly, interviewees identified the surrounding Charleston area as one that has well-established and generous individuals and businesses that have a strong history of supporting other organizations, and to the extent that WVSU serves the surrounding Kanawha Valley, it stands to represent another important constituency.

- *the family*

Finally, the university's institutional family represents the third constituency, including the faculty, staff and of course current and former members of both the governing board and the foundation board.

The University has urgent and important work to do to reestablish strong relationships with all three constituencies, and in fact each constituency group will influence the actions of the others. The internal community wants to witness action and success, the alumni want to know they are valued and appreciated and the local business interests want to know the other two are committed to the future course.

Few of the interviewees felt that West Virginia State University could attain the proposed \$25.5 million goal. The selection of a specific dollar goal is an important factor in planning and launching a successful effort. The idea of simply proceeding and raising as much as possible never optimizes results. Volunteers want to be engaged in a successful effort, and they want to know that their efforts resulted in measured advances for the institution. Donors too, request an understanding of the project and dollar goals, so that they can judge the amount and role of their own financial participation.

Pursuing an unreasonably high goal can be a deterrent to enlisting volunteers from outside the organization's board. Too often counsel has observed organizations that pursue unreasonable goals and fall short, and are then remembered as the group that "failed." This perception can dampen the further advancement of the organization for generations. Success must be achieved to effectively manage the continued growth and accomplishment of WVSU's greater mission.

The interviewees had no basis from which to evaluate the university's potential for success. Those who felt the goal was possible more often would base their judgement on what other organizations in the area had accomplished, or other universities with which they were more familiar.

- *lead gift*

The lead gift is the keystone of a capital campaign. Often, obtaining the lead gift becomes a mini-campaign in itself. An appropriate lead gift in a \$25.5 million campaign would be as much as \$5 million—but not less than \$2.5 million. Only 8 percent of the respondents believe that such a gift was available, and one of these individuals thought it would be realized from someone not currently known to the administration. A total of five prospective donors, including the federal government, was identified by the interviewees.



- *major gifts*

Interviewees further identified 36 individuals, families, foundations, corporations and/or businesses they thought were capable of making a major gift to the proposed WVSU campaign. Counsel met with and interviewed eight of the individuals mentioned, creating further confidence that counsel spoke with the “right” people.

- *high priority?*

Counsel found that the readiness to accept the campaign as a high priority in personal giving was unevenly distributed among the groups of interviewees. The WVSU family constituents were more solidly committed to supporting a campaign. The community interviewees’ response was less supportive. Only five of these individuals confirmed that the proposed campaign would be a high priority. This is another indicator of the need to address and resolve issues that may be discouraging potential donors from getting onboard this campaign — such as greater awareness and involvement.

- *personal giving*

Nearly 80 percent of the respondents stated they would consider financially supporting a campaign for WVSU, a good response in context of their other comments. When asked for a range of their possible support, the individual giving amounts self-identified by 15 of the interviewees range from \$1,000 to \$100,000, and totaled \$245,000 to \$325,000.

- *corporate or firm giving*

Forty-two percent of the 26 interviewees asked, believe that their company or employer would make a gift, and another 31 percent thought that perhaps they would give. Again, this is an encouraging sign of potential future support. When asked for a range of their possible support, the firm giving amounts self-identified by five of the interviewees ranged from \$1,000 to as much as \$1 million for a challenge type gift, and totaled \$276,000 to \$1,050,000.

Combining both individual and firm giving, the possible self-identified gifts total \$521,000 to as much as \$1,375,000. The response and willingness of interviewees to discuss the amount of their future potential support does not provide a sufficient basis to support the proposed \$25.5 million campaign goal. Based solely on the response to this question, and suspending the collective response to other questions, counsel would typically suggest that the self-identified gifts would sufficiently justify a campaign goal of as much as \$5 million, far short of the amount proposed.

Leadership and Volunteers

- *human capital*

In addition to identifying possible sources of funding, counsel sought to identify potential campaign leaders and volunteers during the campaign planning study. Twenty-three of the 35 individuals asked this question, said they were willing to consider (those responding yes 14, or perhaps 9) serving as a volunteer on behalf of a campaign. By peer cohort, nine individuals of the internal family are willing to serve, and five individuals from the community indicated their affirmative inclination toward volunteering.

- *leadership*

As is quite typical, a smaller number of individuals indicated that they would consider a top leadership position in the campaign. Ten interviewees, including six board members and two community leaders, said they would be willing to accept leadership responsibilities.



Counsel has found that a similar response is not unusual from other engagements. The individuals who are the best candidates for campaign leadership will first need to be cultivated, then recruited and enlisted. Few capable leaders readily volunteer a significant commitment of time at such an early stage of a project; this rare leadership must be actively nurtured by the university.

- *campaign chair*

The role of the campaign chair (or co-chairs) is one of the most important functions in a campaign. It is often the most visible *and the single largest source of credibility* for a campaign. At counsel's request, the interviewees suggested the names of 23 individuals they considered to be viable candidates to lead the campaign as the general chairperson. Three individuals were mentioned by more than one interviewee. Counsel interviewed seven of the 23 individuals nominated and the potential to cultivate and enlist a known and respected leader exists.

- *other suggested leaders*

Interviewees also identified 46 individuals they believe could contribute valuable skills and other resources to a major gifts fund-raising campaign for West Virginia State University.

Principal Finding

The results of this campaign planning study demonstrate that West Virginia State University is not properly positioned to launch a \$25.5 million capital fund-raising campaign. Counsel has made this conclusion based on the failure to identify the existence of a sufficient number of the essential elements required to conduct a successful campaign.

Recommendations

The West Virginia State University Board of Governors must demonstrate a renewed commitment to establish a high performing institutional advancement function. In this regard, the WVSU Foundation, Foundation Board and staff must be invited to join with the Board of Governors, the President's office and the university's Office of Planning and Advancement to create a joint effort to dramatically improve all constituent communications & relations. The WVSU Foundation has operated independently of university staff and with insufficient resources for too long. The university's institutional advancement function must be restructured, redefined and appropriately staffed.

Secondly, the impetus to propel the institution into more effective fund-raising and constituent relations should be guided by an externally based planning and institutional visioning process. In counsel's view, organizational strategic planning too often over-emphasizes *internal* operational planning, and fails to adequately adopt an *external* or marketplace perspective of the desired future impact of the organization. The university's next strategic plan is overdue, and sorely needed. Current efforts to construct the next strategic plan should be recast to involve additional external stakeholders. In so doing, significant leadership cultivation will be enabled and pave the way for injecting rejuvenated leadership onto the WVSU Foundation Board.

Furthermore, the next strategic plan must address the inevitable leadership change necessitated by Dr. Hazo Carter's natural attained age and tenure. There will soon come a time for the university to name a



new president, and the next strategic plan should define the anticipated timing and process for this inevitability.

Following restructuring of the university's institutional advancement function, and defining a new vision for WVSU, **simultaneous** work must begin on the following:

- **create a new brand identity** for the university, one that embraces its heritage and unrelenting commitment to serve the educational needs of minorities, yet also recognizes and unifies the university's acknowledged strengths in serving non-resident local commuter students, first-generation college students and nontraditional learners.
- Implement a comprehensive **marketing and public relations plan** to launch the university's newly crafted brand identity and fund a sustained effort to communicate with all defined constituents and stakeholders.
- Implement an aggressive effort to **reconnect with all WVSU Alumni** (possibly including students matriculating to other schools), and begin a deliberate process of alumni research and qualification.
- Launch a multi-level approach to **annual fund-raising**, including face-to-face appeals for major annual gifts. This will necessarily require the preparation of a defined case for support outlining specific funding objectives, and a specific dollar goal and likely the involvement of volunteers. Other forms of direct appeals should also be used, including direct mail, student or vendor led telemarketing, and eMail & internet based friend-to-friend appeals.

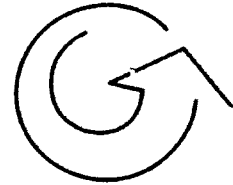
Major Gift Fund Raising

The results of this campaign planning study clearly define a call to action for the university, and a desire on the part of both internal and external constituents to see dramatic improvement in the university's fund-raising capabilities and performance. Nothing will demonstrate success, like success itself. The conclusion of an initial and smaller capital campaign may very well prove to be an essential step in creating a more vibrant and ongoing fund-raising function. As the university initiates the implementation of counsel's recommendations, the re-emergence of strong volunteer leadership, identified major gift prospects, and a renewed interest in the university's vision, may allow the initiation of a major gifts capital fund-raising campaign. Perhaps a campaign with a goal of \$10 million could be realized in the near term.

Completing a successful and initial major gifts capital fund-raising campaign will be a crowning achievement for the university and a rallying point for the beginning of much bigger campaigns in the intermediate future.

Finally, it is incumbent upon the university administration and the university's governance to use this study report and its recommendations as a call to action. A great number of constituents may have viewed this campaign planning study engagement as a necessary prelude to immediately launch a campaign, and may be necessarily disappointed in the actual results.

West Virginia State University — 12.
Summary of Campaign Planning Study



We believe the study report demonstrates a call from the university's constituents for something bigger and more important than a capital campaign. There is now an opportunity for WVSU to demonstrate a new level of engagement with all of its constituents and to define a new and exciting vision for attaining its mission and purpose.

We at Goettler Associates, Inc. appreciate the opportunity to have served West Virginia State University.

Sincerely,



David S. Goettler
Chief Executive Officer