CSMF Mission, Vision and Values

Mission
The Colorado School of Mines Foundation advances the university’s mission by maximizing private support and managing resources to fund the present and secure the future of Colorado School of Mines.

Vision
To provide opportunities for investment in people and ideas to engineer a vibrant global future

Values
- Service: Exceeding expectations to donors, the university, colleagues, and the community
- Respect: Treating others the way you wish to be treated
- Integrity: Being true to your word through honesty and transparency
- Mutual Support: Helping anyone and everyone find success through collaboration
In a few words….  

Our job is to match university needs with donor passions and interests. We want to engage donors with Mines in a way that is most meaningful to them.
## Campaign Overview

### Campaign Development Summary Report ($mm)

**As of February 24, 2015**

<table>
<thead>
<tr>
<th>Fundraising Initiative</th>
<th>Gifts &amp; Commitments (1)</th>
<th>Goal</th>
<th>% of Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAMPAIGN FOR PRIVATE SUPPORT(2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Philanthropic Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Aid</td>
<td>56.5</td>
<td>67.0</td>
<td>84.4%</td>
</tr>
<tr>
<td>Faculty Support</td>
<td>21.8</td>
<td>45.0</td>
<td>48.6%</td>
</tr>
<tr>
<td>Departmental Support</td>
<td>11.0</td>
<td>19.0</td>
<td>57.8%</td>
</tr>
<tr>
<td>Capital Projects</td>
<td>44.6</td>
<td>50.0</td>
<td>89.2%</td>
</tr>
<tr>
<td>Campus Initiatives(3)</td>
<td>22.2</td>
<td>24.0</td>
<td>92.6%</td>
</tr>
<tr>
<td>The Mines Fund</td>
<td>9.2</td>
<td>12.0</td>
<td>76.7%</td>
</tr>
<tr>
<td>Other Unrestricted</td>
<td>4.7</td>
<td>3.0</td>
<td>155.6%</td>
</tr>
<tr>
<td><strong>Total Philanthropic Support</strong></td>
<td>170.0</td>
<td>220.0</td>
<td>77.3%</td>
</tr>
<tr>
<td>Other Private Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Governmental Research Support(4)</td>
<td>87.3</td>
<td>130.0</td>
<td>67.2%</td>
</tr>
<tr>
<td><strong>Total Other Private Support</strong></td>
<td>87.3</td>
<td>130.0</td>
<td>67.2%</td>
</tr>
<tr>
<td><strong>Total Campaign for Private Support</strong></td>
<td><strong>257.3</strong></td>
<td><strong>350.0</strong></td>
<td><strong>73.5%</strong></td>
</tr>
</tbody>
</table>

### PRIVATE SUPPORT FUNDRAISING STATISTICS

<table>
<thead>
<tr>
<th>Fundraising Initiative</th>
<th>Gifts &amp; Commitments (1)</th>
<th>Goal</th>
<th>% of Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment Funds</td>
<td>68.0</td>
<td>100.0</td>
<td>68.0%</td>
</tr>
<tr>
<td>Current-Use Funds</td>
<td>57.4</td>
<td>70.0</td>
<td>82.0%</td>
</tr>
<tr>
<td>Capital Projects</td>
<td>44.6</td>
<td>50.0</td>
<td>89.2%</td>
</tr>
<tr>
<td>Other Private Support</td>
<td>87.3</td>
<td>130.0</td>
<td>67.2%</td>
</tr>
<tr>
<td><strong>Total Campaign for Private Support</strong></td>
<td><strong>257.3</strong></td>
<td><strong>350.0</strong></td>
<td><strong>73.5%</strong></td>
</tr>
</tbody>
</table>

### CAMPAIGN FOR REVOCABLE DEFERRED SUPPORT(5)

<table>
<thead>
<tr>
<th>Fundraising Initiative</th>
<th>Gifts &amp; Commitments (1)</th>
<th>Goal</th>
<th>% of Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revocable Deferred Support</td>
<td>23.0</td>
<td>50.0</td>
<td>45.9%</td>
</tr>
</tbody>
</table>

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(1) Includes outright gifts, pledges and certain irrevocable planned gifts calculated at net present value. Cash may or may not be received in the year a gift is pledged.

(2) Includes approximately $13.7 million in gifts and commitments counted prior to the official start of the campaign.

(3) Includes certain research-related gifts and grants that do not have associated deliverables.

(4) Includes private industrial research grants and consortia memberships. Non-governmental research support is estimated at $12.0 million for the first half of fiscal year 2014.

(5) Planned giving vehicles that can be cancelled or revoked prior to completion. Revocable deferred gifts are not included in campaign totals but are tracked as an additional indicator of the university's future strength.
## CSMF Staffing

<table>
<thead>
<tr>
<th>Functional Area</th>
<th># of employees</th>
<th>Support (Administrative)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Administration</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Advancement Administration</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Major Gifts</td>
<td>6</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>Annual Giving</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Corp Foundation Relations</td>
<td>3</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Gift Planning</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total Advancement</strong></td>
<td></td>
<td></td>
<td><strong>18</strong></td>
</tr>
<tr>
<td>Advancement Operations Admin</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Constituent Relations</td>
<td>4</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Advancement Services</td>
<td>5</td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>Research</td>
<td>2</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Marketing &amp; Communications</td>
<td>2</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td><strong>Total Advancement Operations</strong></td>
<td></td>
<td></td>
<td><strong>15</strong></td>
</tr>
<tr>
<td>Finance &amp; Administration</td>
<td>8</td>
<td>1</td>
<td>9</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>45</strong></td>
</tr>
</tbody>
</table>
What do all those people do?

Fundraising and Campaign Planning and Execution
- Provide guidance to the University regarding the feasibility of specific goals and initiatives for which the University is seeking private support
- Serve as ambassadors for Mines
- Relationship and life-cycle management and strategy

Marketing and Communication
- Develop materials that promote the University to selected constituencies or to the general public
- Align with the University’s efforts, communicating in both a complementary and collaborative fashion

Constituent and Donor Development, Relations and Stewardship
- Create and execute activities designed to encourage prospective and current donors (individuals, corporations, foundations, and organizations including employer matching gifts) to provide support for the University
- Activities include prospect identification and qualification, donor cultivation, donor research, donor solicitation, donor stewardship including but not limited to periodic updates and/or reports to donors to assure that donor intent is being fulfilled, and appropriate acknowledgment and receipting of donor gifts
- Funding and assisting in the planning and execution of constituent events internally and across campus
What do all those people do?

**Gift Planning**
- Activities designed to identify, consult with, and solicit individuals who wish to make deferred gifts or bequests and to assist those prospective donors and/or their professional advisors in designing their gifts to best meet the needs of the University and the donor.

**Compile and maintain Alumni, Donor, and Prospective Donor Records**
- Maintain accurate and complete research and record-keeping on donors, past donations, and prospective donors.
- Make reasonable efforts to ensure that personal donor information is maintained confidentially and protected to the fullest extent allowed by law.

**Finance and Administration**
- Receipt gifts.
- Endowment management - manage endowed gifts to maintain intergenerational equity and support for Mines - $268 million
  - Investing of assets (includes $33 million of University endowments)
  - Spending distributions - FY 16 estimated total is $8.5 million
- Trustee oversight for charitable remainder trust gifts and management of gift annuities gifts - $16 million.
- Receipt gifts of real properties, manage and sell property; sales proceeds go to benefit Mines.
- Work closely with Mines fiscal services.
- Financial asset management and reporting in accordance to GAAP and FASB. Annual independent audit. Part of CSM financial report to State Auditor.
- Human Resources, Payroll, Benefits - 45 employees.
CSM Foundation raised $47.8 million last year, making FY14 the third consecutive record-breaking fundraising year and the most successful fundraising year in the university’s 140-year history.

Total Fundraising Commitments and Total Donors

(1) Each donor is only counted once over the course of the year. Joint donors are counted as two donors unless both donors are Mines alumni.
Fundraising by Gift Restriction

- On average, approximately 31% of CSM Foundation fundraising supports financial aid, 23% provides support to capital projects, 17% supports important campus initiatives, and 11% provides faculty support.

% of Fundraising Commitments by Gift Restriction

- The diagram shows the percentage of fundraising commitments by gift restriction from 2010 to 2014, with different categories like Campus Initiatives, Capital Projects, Departmental Support, Faculty, Financial Aid, Mines Fund, and Other Unrestricted.
Growth in Endowment Assets

Year End Market Value of the Mines Endowment ($mm)
Fiscal Year 1996 – Fiscal Year 2014

Transforming Resources Campaign

Transforming Lives Campaign

$49  $67  $82  $105  $126  $115  $106  $107  $129  $139  $155  $175  $165  $148  $166  $196  $204  $231  $271

Investment Endowment

Approximately 49% of the Mines endowment provides scholarships and 27% provides faculty support.

*Mines Endowment by Gift Restriction ($mm)*
Over a 10-year period, the Mines Endowment provided support to the University and Foundation in the amount of $95 million.

- $65 million was distributed to the University for donor restricted purposes.
- $10 million from unrestricted Board-designated endowments funded capital projects, land purchases, and other projects.
- $20 million was a reinvestment in Mines by providing funding for Foundation fundraising efforts that created additional support to the University.

### Annual Endowment Distributions

<table>
<thead>
<tr>
<th>Year</th>
<th>Spending Distributions</th>
<th>Funding from Unrestricted Board-Designated Endowments</th>
<th>Administration Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>$5.6</td>
<td>$2.4</td>
<td>$0.8</td>
</tr>
<tr>
<td>2007</td>
<td>$5.8</td>
<td>$0.9</td>
<td>$1.0</td>
</tr>
<tr>
<td>2008</td>
<td>$6.8</td>
<td>$1.0</td>
<td>$1.7</td>
</tr>
<tr>
<td>2009</td>
<td>$6.9</td>
<td>$1.7</td>
<td>$1.5</td>
</tr>
<tr>
<td>2010</td>
<td>$5.7</td>
<td>$0.1</td>
<td>$1.1</td>
</tr>
<tr>
<td>2011</td>
<td>$9.8</td>
<td>$2.4</td>
<td>$1.4</td>
</tr>
<tr>
<td>2012</td>
<td>$9.1</td>
<td>$2.4</td>
<td>$0.3</td>
</tr>
<tr>
<td>2013</td>
<td>$15.3</td>
<td>$5.4</td>
<td>$3.2</td>
</tr>
<tr>
<td>2014</td>
<td>$11.6</td>
<td>$3.2</td>
<td>$0.8</td>
</tr>
<tr>
<td>2015</td>
<td>$12.3</td>
<td>$3.7</td>
<td>$8.7</td>
</tr>
</tbody>
</table>
CSMF Value

- Provided bond financing for the construction of the GRL building - $10.3 million
- The Starzer Welcome Center - $6.3 million; $3.3m in cash and $3m through financing lease
- Provided emergency financing to acquire Jones Rd and Ford properties on 19th Street - $4.3 million
- Loan to CSM for the Recreation Center construction - $2.5 million
- Purchase of various properties for campus - $1.2 million
- Berthoud Hall classroom renovation - $800,000
- Proof of Concept funding for Mines Technology - $725,000
- President, Provost and VP Advancement searches, and related initiatives - $375,000
- Marquez Hall - $200,000
- Earth Energy Institute EDA grant - $80,000
- Boettcher Foundation grant match - $50,000
- Created Unrestricted Board-Designated endowments for professorships, department and faculty support, and scholarships - $17 million
- Annual expenditures in support of Mines students and programs is approximately $15 million; approximately $8 million of this support is from endowment distributions. The Mines Fund raises approximately $2.0 million for the institution annually
Strategic Goal 1: Provide the philosophy, methodology, relationship management, processes, support and stewardship to help Mines meet its goals for private support.

- Overall Strategy: Increase annual fundraising
- Overall Strategy: Build a culture of philanthropy on campus
- Overall Strategy: Be donor-centric and university-centric in all decisions, actions, and operating processes and procedures
Strategy Specifics Under Goal 1

Overall Strategy: Increase annual fundraising capacity
FY 2015
- Secure $40M in new cash and commitments
- Increase visibility of planned giving among staff and constituencies; increase number of planned gifts
- Reevaluate annual giving segmentation and review core stewardship plan for retention and upgrades; align annual giving goals with pipeline development
- With campus, build larger, more comprehensive corporate partnerships
- Manage successful, well-coordinated campaign
- Continue build-out of prospect pool using all tools available for identification of unassigned prospects
- Fully utilize volunteers (Board of Governors and others)
- Showcase faculty and staff
- Leverage outgoing and incoming leadership

2-5 years
- Implement rolling strategic plan to sustain and increase annual totals
- Sustain CFR contribution range of 25-30% of total CSMF goal
- Sustain accomplishments made throughout campaign
- Double the number and dollar amount of documented planned gifts
- Increase number of donors and individual gifts
- Increase endowment giving to align with goal for Mines endowment
- Successfully finalize Transforming Lives campaign
- Prepare first phases of next campaign
- Continue to identify programs, initiatives, faculty/staff
Strategy Specifics Under Goal 1

Overall Strategy: Build a culture of philanthropy on campus  
FY 2015
• Build a culture of faculty and staff giving; encourage these partners to share the Mines experience
• Expand upon liaison model to strengthen relationships with deans, department heads and program heads; as a result, develop new prospects
• Promote a grassroots effort that is peer-to-peer with top leadership sharing their monetary contributions with the campaign
• Pilot college advisory boards

2-5 Years
• Build upon substantive relationships across campus
• Investigate telemarketing program for faculty and staff; develop as appropriate
• Increase outreach to retired faculty and staff
• With successful implementation of college advisory boards, expand engagement with departments, centers and other advisory boards

Overall Strategy: Be donor-centric and university-centric in all decisions, actions, and operating processes and procedures  
FY 2015
• Create and enhance unique programs and engagements for priority constituencies
• Promote a staff culture that considers donors and the university first and foremost
• Strengthen partnerships between CSMF, CSMAA and university partners
• Build on meaningful stewardship programs that engage and recognize donors at all levels

2-5 Years
• Evaluate, revise and develop unique programs and engagements for all constituencies
• Promote a staff culture that considers donors and the university first and foremost
• Build on strong partnerships between CSMF, CSMAA and university partners
• Ensure collaborative partnership with university on procedures and guidelines
Strategic Goal 2

Goal 2: Manage, invest and utilize donor-provided and institutional funds with integrity, transparency and prudence

- Overall Strategy: Develop sustainable financial model for foundation to be a strong partner with Mines
- Overall Strategy: Maintain fiduciary due diligence and best practices
- Overall Strategy: Develop and implement efficient and effective systems, processes, policies and procedures
Strategy Specifics Under Goal 2

Overall Strategy: Develop sustainable financial model for foundation to be a strong partner with Mines

FY 2015
- Increase Mines endowment value by raising endowed contributions
- Ensure investment return objective is met over the long-term
- Ensure endowment fee percentage is appropriate to meet university and foundation operational needs
- Institute a development agreement between Mines and CSMF recognizing the value and additional resources the foundation provides to the campus and constituents (CSMAA)
- Ensure budgetary resources and staffing levels align with foundation’s ability to accomplish stated mission

2-5 Years
- Build Mines endowment to $350M
- Ensure investment return objective is met over the long-term
- Continue to build the foundation’s unrestricted reserve fund
- Assess and adjust resource levels as needed to ensure foundation’s ability to accomplish stated mission

Overall Strategy: Maintain fiduciary due diligence and best practices

FY 2015
- Update operating agreement between CSMF and Mines
- Ensure efficient and clean financial audits
- Uphold due diligence within 501(c)3 regulations and general accepted accounting guidelines (GAAP) in managing and reporting foundation assets
- Uphold fiduciary duties in investment and administration of life income assets—charitable trusts and gift annuities
- Develop a streamlined procedure for investing excess cash from contributions in the long-term investment pool
- Diversify CSMF Board of Governors

2-5 Years
- Develop short-term investment pool strategy for reserve funds and operating budget
- Take efforts needed to ensure efficient and clean financial audits
- Uphold due diligence within 501(c)3 regulations and general accepted accounting guidelines (GAAP) in managing and reporting foundation assets
- Uphold fiduciary duties in investment and administration of life income assets—charitable trusts and gift annuities
- Continue to diversify CSMF Board of Governors
Strategy Specifics Under Goal 2

Overall Strategy: Develop and implement efficient and effective systems, processes, policies and procedures

FY 2015
- Institute new financial software and systems
- Optimize efficiencies and information in databases and other systems

2-5 Years
- Conduct an overall organizational risk assessment
- Implement a paperless office
- Develop more self-sufficiency with those using systems
- Design more collaborative processes between business units and between foundation and university
Strategic Goal 3

Goal 3: Strive to be a high performing organization that is mission-driven, values-based and metrics-measured

- Overall Strategy: Embrace values of service, respect, integrity and mutual support
- Overall Strategy: Invest in human resources—recruit, hire and retain high-performing people
- Overall Strategy: Create employer of choice culture
Challenges and Opportunities

Based on the needs of the campus and a growing constituency:

- Crowdfunding
- Social marketing
- Reports
- Database and systems management
- Events
- End of campaign, quiet phase of a new one
- Develop fundraising capacity (engagement, prospecting/research, qualified staff)

For Endowment Investment and Spending: Achieving the right balance of providing a steady stream of funding for Mines while maintaining real (inflation-adjusted) purchasing power (real value) over time, in addition to providing a revenue source to operate the foundation.