NEWSWATCH

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**Next meeting: 2 p.m., Wednesday, February 11**

**Peterson Room, Showalter House, IU Foundation, SR46 Bypass**

**Jennie Vaughan** became chancellor of Ivy Tech Community College’s Bloomington region in August. Two weeks before, the Ivy Tech State board of trustees decidedthat Bloomington would remain a stand-alone campus instead of consolidating with Evansville. Vaughan will speak to retirees about Ivy Tech and the Ivy Tech-IU connection when retirees meet on Wednesday, Feb. 11, at 2 p.m. at the IU Foundation.

Vaughan has worked at Ivy Tech for more than 17 years. She had been the vice chancellor for student affairs and executive director of human resources since 2009. Before moving to Bloomington, she worked for 14 years at the University of San Francisco.

She heads up one of Ivy Tech’s eight regions. Bloomington has 6,500 students and 200 employees, including 100 full-time faculty members and many adjunct faculty. Statewide, Ivy Tech has 32 campuses with more than 180,000 students. Ivy Tech Bloomington is in the midst of a $24 million expansion.

Vaughan is especially proud of Ivy Tech’s partnership with IU and with its ability to transfer college credits to IU and other state institutions.  When she joined Ivy Tech in 1997, only 10 classes were transferable. Today, credits from more than 800 classes can be transferred to other state institutions.

“As retirees who have been involved with higher education, we like to keep up with current developments,” says IURA program committee member **Joan Curts**. “We look forward to Chancellor Vaughan's presentation about this local treasure and how it relates to IU.”

**Retirees go above and beyond**

At the Jan. 14 meeting of the IURA, **Harriet Pfister** announced that once again retirees have surpassed all expectations. With a lofty goal of $135,000, as of Jan. 13 retirees had pledged $152,702 to the United Way campaign, exceeding the goal by more than 13 percent. **Wain Martin** led a rousing “2-4-6-8, Who Do We Appreciate” cheer for the 195 donors, 69 of them Vanguards who pledged $1,000 or more. Fundraising overall is lagging. As of Jan. 15 the United Way had reached only 75 percent of its goal.

**Everything you wanted to know**

**about the IU Foundation … and more**

At its first meeting of 2015, on Jan. 14 the unflappable and intrepid **Dan Smith**, president and CEO of the IU Foundation, took on questions posed by members of the IU Retirees Association. IURA board member **Joan Curts** introduced Dan.

Questions were submitted beforehand by email and at the meeting itself. **Martha Wailes** filled in for ailing IURA editor Judy Schroeder. The following report is based on her notes.

Dan began by thanking retirees for their legacy. Having served on accreditation teams for maybe a dozen schools, he finds it’s rare for people to care about both teaching *and* research. IU is special.

***Please comment on the rumor that you were happy at the Kelley School but “commanded” to move to the Foundation?***

That’s not the way Dan remembers it. He spent 16 years at Kelley, including eight years as dean. (The average service as a dean in the U.S. is fewer than four years.). After raising more than $170 million in private funds, which involved 150,000 air miles and 22 extra pounds, he met with President **Michael McRobbie** and told him he thought it was time for him to step down.

McRobbie asked what he thought of heading up the IU Foundation. The new School of Philanthropy was seeking a dean, and **Gene Tempel**, then president and CEO of the IUF, was the logical person. Because fundraising at IU is decentralized, it was crucial to find someone who knew deans, faculty, and people throughout the university to take Gene’s place. It’s been a good fit. It was evident to the audience that Dan, a runner, no longer has those 22 extra pounds.

***Why are contributions to the Jacobs School to be sent to the IU Foundation in Indianapolis?***

The lock box system is the most secure for deposits. It operates in Indianapolis.

***Why does the IUF endowment rank in the lower third (eighth) in the Big Ten?***

Dan pointed out that Foundation assets stand at approximately $2 billion, well in the top 20 percent of endowments at public universities. It’s true that IU used to rank higher. In 1990, for example, IU ranked sixth in public university endowments and fourth in the Big Ten. One reason for the change is accounting practices. Some universities – for example, Purdue – put different types of research funds into their endowments. IU lists only gifts.

A more complicated reason has to do with keeping endowment growth steady for the long run. The IUF consistently outperforms the S&P by several percentage points, with less volatility than the S&P.

He also noted that responsibility-centered management tends to work against endowment growth. If the business school, for example, were to hire two more gift officers, they would be able to raise more money. Their pay, however, would come out of the Kelley operating budget, while the money they raise for student scholarships would not come back to Kelley’s operating budget. IUF is working with the university on a hybrid strategy for the next two to three years.

***Is it true that the IUF is subsuming the Alumni Association?***

President McRobbie moved the reporting line of Alumni Association CEO **JT. Forbes** to the IUF president in 2010. The two have a good relationship. About a year ago meetings began to see if it would make sense to merge the two organizations. After much discussion with many alumni, the decision was made to retain both entities while working together more closely. One advantage is IUF’s ability to move quickly as compared to the university. If someone needs to be hired to provide a webinar (a Web-based seminar), for example, it could take the university three to six months to work out salary and classification level, while IUF can move in a snap.

Dan emphasized that 80 percent of fundraising is through academic units, and most giving is because of a relationship the donor has with an individual or entity.

***If so much of fundraising is done by academic units, does IUF deal only with endowments?***

Absolutely not, Dan said. The Foundation

* handles all annual giving;
* identifies prospective donors with whom units might connect or reconnect;
* enforces compliance so that restricted gifts are used only as designated;
* solicits funding from parents; and
* manages most funding by international alumni.

***How do you manage volatility in funds to protect a faculty member or student who depends on a set amount of funding?***

IUF looks at a 12-month period in funding. The target payout of 5 percent of the investment has been reduced to 4.7 percent. Any extra goes into the corpus of the investment. This policy has worked well. IUF also has a reserve that can handle a couple of years of recession.

***The Graduate and Professional Student Organization has asked IUF to divest its investments in fossil fuels. What are the plans?***

Dan expressed respect for the students, with whom IUF board and staff have met on several occasions. He stated that the IUF needs to invest with care because 85 percent of its funds go to faculty and students. IUF, therefore, does not wish to make symbolic gestures. In the future there may be a time when these investments are unproductive and therefore are sold. He believes IUF took much the same stand when asked to divest its investments in South Africa.

***What is the relationship of the Foundation and the Varsity Club?***

Although Dan sits on the Varsity Club board and attends its meetings, the two are entirely separate. “They’re great,” he said.

***Why does IUF buy property, not IU?***

IUF has the ability to create financing, and IU may rent from the Foundation. You can’t use tuition money to purchase property.

***IU used to name buildings after professors and others who were important in university life. Now naming seems to be for sale. Why?***

Naming something for a donor, Dan said, is a way of saying thank you. He made a note to himself about how to recognize people important in IU history – for example, **Wilfred Bain**.

The IUF continues to befriend the IURA by hosting our meetings. As always, it generously provided coffee and tea for the meeting. IURA members **Jo Anne Bowen**, **Rosemary Dever**, and **Kate Kroll** provided cookies to facilitate our breaking a new year’s resolution.

**Freshman retiree joins IURA board**

**Suzanne Phillips** retired May 30, 2014, after working at IU for 42 years. In January 2015 the IURA board appointed her to fill a vacancy on the board. Her term will end in 2017.

Suzanne has four degrees from IU, including a doctorate from the School of Education and another from the Maurer School of Law. From 1991 until her retirement, she was an assistant dean of students and an adviser to the IU Dance Marathon during all that time. She also has been an adviser to the Student Athletic Board and to Mortar Board. Suzanne is co-president of the University Club. She and her husband, Mike, spend as much time as possible at their cabin in Canada.

**Discount on drones: New Cardinal offer**

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Cardinal Stage is offering $3 off to IURA members who buy tickets to the first weekend performances of its newest show, *Grounded*. The discount is available for performances on Feb. 6, 7, and 8. You can use promo code RETIREE if you book your tickets at www.cardinalstage.org, or mention this offer when you call the box office at 812-336-9300.

The play, which was named a Top 10 London Play of 2013, runs for 1 hour and 15 minutes. According to Cardinal, “A hotshot F-16 fighter pilot becomes a new mother and is reassigned to flying drones over Afghanistan from a trailer in the Nevada desert. Hunting terrorists by day and caring for family by night, she struggles to navigate a new world in which wars are waged at a distance. *Grounded* is an intimate portrait of one woman warrior fighting America’s new war.”

**Membership directory issued**

At the Jan. 12 meeting of the IURA, **Gary Ingersoll**, database manager, announced that 394 individuals are members of the IURA. Those individuals are receiving, with this newsletter, a copy of the 2014-2015 membership directory, which Gary compiles. Telephone numbers and email addresses are included in the membership directory only if the member included them on the membership form.

Only the newsletter is being sent to 225 new retirees who are enjoying a complimentary rather than a paid membership. They are not listed in the directory.

Send comments or corrections to *Newswatch* editor **Judy Schroeder**, jschroed@indiana.edu. For address corrections, contact Gary atingersol@indiana.edu.

**Emeriti House, University Club programs**

For information on the programs of our partner organizations, see www.indiana.edu/~emeriti and www.indiana.edu/~uclub.

**IU Retirees Association Nonprofit Org.**

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