UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION
Building Relationships for Life

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April 12, 2011

Dr. Robert A. Easter
Vice President and Chancellor (Interim)
University of Illinois at Urbana-Champaign
Swanlund Administration Building
601 E. John Street
Champaign, IL 61820

Dear Chancellor Easter:

The Executive Committee of the University of Illinois Alumni Association writes in response to your "Next Steps" letter of Feb. 3, 2011, as part of a review process undertaken by the Urbana Campus to examine units within its operations and purview.

The Next Steps Letter addresses an internal report concerning the Office of the Vice Chancellor for Institutional Advancement. However, a significant portion of your Next Steps Letter has direct and indirect implications for the University of Illinois Alumni Association and its 138-year history as a self-governing, independent, not-for-profit corporation created by alumni, for alumni, to meet their needs and to support the best interests of the University.

The UIAA has always cooperated with recurring efforts by the Urbana campus particularly, and other UI campuses as well, to examine the UIAA with respect to revenue sources, reporting lines, and so forth. Time and again, the results of those reviews have been the same: The UIAA is an efficient, well-run organization with excellent transparency concerning its fundamental agenda of promoting the best interests of the University, its three campuses' interests, and its alumni. The UIAA is one of the most accountable organizations associated with the University; its operations and finances are reviewed annually by various offices at the central administration level; and it is a national model in the alumni relations profession. The UIAA has continuously been recognized as a worthy and beneficial organization, deserving of what the report characterizes as the University's "significant subsidy." That University support, while certainly appreciated, is a relatively modest investment for the dividends it produces.

Notably, the UIAA's governance structure and relationship to the University has been carefully considered and made the subject of a formal written agreement. In that regard, in 2007, in the wake of another recent effort to review University operations and, among other things, the UIAA, a formal Memorandum of Understanding was signed by the UIAA and the UI Board of Trustees, with the endorsement of each of the three campus administrations. This Memorandum of Understanding, which was the product of extensive collaboration and thoughtful review by all parties, was executed to resolve matters of corporate governance and to clarify roles, responsibilities, and reporting lines; and to put these issues to rest so we could get on with more substantive work that needs to be done on behalf of the University and its alumni. The questioning of that consensually agreed governance structure in the Next Steps Letter is, with all respect, materially misguided in light of the recent and unanimous approval of the accords and compromises embodied in the Memorandum of Understanding. Furthermore, we are concerned

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that the questioning in the Next Steps Letter sends a message to the campus community that you question the UIAA's value, and diminishes the UIAA's credibility and influence both on campus and throughout the State as it carries out its long-standing mission.

As members of a long line of alumni leaders of this University who seek only its best interests and long-term welfare, we grow exceedingly concerned by the repetitive and resource-consuming exercise of re-justifying and defending the Alumni Association. We would prefer that our attention, time, effort and energy – and, more importantly, that of the UIAA staff – be focused on much more pressing matters that will position our alma mater to thrive and our alumni to rise in support of the University.

We are also concerned that the Stewarding Excellence report seems to principally focus on fundraising desires of deans and the OVCIA, while often ignoring the UIAA's mission, which partially concerns monetary fundraising, but is not our only priority by any means. In that regard, it appears that there is an assumption that the OVCIA structure is the correct one; and, by contrast, it appears that there is a related assumption that those entities (like the UIAA) that have long existed and supported advancement and University excellence broadly defined, and have been structured on the basis of 100 years of successful efforts and experience, are the potential place for organizational change and perhaps even restructuring. We find that troubling, especially because the OVCIA was established in 2008 when a vice chancellor position was created by the campus and the Foundation to serve as chief development officer and "coordinator of the development, alumni relations and public relations efforts" – without any strategic input from the Alumni Association.

A triad of reporting lines for the position of Vice Chancellor for Institutional Advancement, as proposed in the Next Steps Letter, would be untenable and unsuccessful without a clear, agreed-upon definition of advancement and the strategy by which it will be employed at the University of Illinois. That is at the heart of a successful solution. Then each center of professional expertise would be accountable for its portion of advancement, while also collaborating with other functional areas.

Please know that we do not reject the project team's observation that "changes in the structure and strategy of advancement on the Urbana campus are needed." However, the UIAA has multiple central missions that have no direct tie to the monetary fundraising concept of "advancement"; for example, the UIAA presently and historically has had substantial input into the identification and selection of the University's Trustees. At some level, that is not an "advancement" issue at all in the sense that the Next Steps Letter typically uses that term; however, the identification of strong Trustee candidates is at the core of good University governance and vitality, and it is of core importance to our alumni constituents and to the State generally. Nonetheless, with respect to advancement issues broadly defined, the president and CEO of the Alumni Association has put forward a proposed advancement concept that merits strong consideration. It encourages integration, coordination and collaboration, while still allowing UIAA and UIF, along with the University, to pursue their separate, but complementary, missions.

As representatives of the current leadership of the University of Illinois Alumni Association, we stand resolute that the Association serves the University of Illinois not only in an effective and fiscally responsible manner, but also with honor and distinction. We also believe that the UIAA's independence – its historic independence for over 100 years – fundamentally enhances the UIAA's

credibility with alumni and with outside constituencies. (Our Illinois Connection advocacy network and our role in Trustee selection draw fundamental credibility from our independence, for example.) While we are willing to discuss ways to foster further success and collaboration along the financial advancement plane, we also believe the structures embodied in the signed Memorandum of Understanding are sound. We look forward to your collaboration on these issues.

In loyalty to the University of Illinois,

Gery J. Chico, Chairman
Thomas E. Livingston, Vice Chairman
Thomas D. Vogelsinger, Immediate Past Chairman
Jill B. Smart, Secretary
Mark R. Filip, Executive Committee Member

Cc: Loren R. Taylor, President and CEO
Dr. Michael J. Hogan, President, University of Illinois