

# OUR GREAT GOOD FORTUNE

## HOW THE FOSTER SCHOOL OF BUSINESS COMMUNITY RAISED \$181 MILLION DURING THE EIGHT YEARS OF CAMPAIGN UW

BY STEVEN HATTING, Assistant Dean for Advancement

It's easy to get caught up in the numbers: \$50 million to support programs. \$28 million to support faculty. \$25 million to support students. \$78 million to build world-class facilities. In total, \$181 million raised in just eight years.

By any financial measure, the Foster School of Business campaign—a portion of the historic \$2.7 billion Campaign UW: Creating Futures—was a roaring success.

But there is one more figure to consider, one of the most important of all: 13,000. That's the number of contributors who joined in this effort to endow the Foster School with the resources to become the best public business school in the nation. I need to pause every time I consider the magnitude.

Gifts came in all shapes and sizes, from Advisory Board members and recent MBA grads, from multinational corporations and small businesses, from partnerships and family foundations, from accountants and entrepreneurs, from retired CEOs and juniors studying finance.

The growing result, already taking shape on campus, will be nothing short of the transformation of a business school. And that was no certainty when we set out on this campaign eight long years, many thousands of donors and many millions of dollars ago.

### IN THE BEGINNING

The original architect of the UW Business School campaign was former Dean Yash Gupta, who brought a necessary swagger to the office to propel his belief that no goal was beyond the School's reach.

For almost 30 years, the notion of constructing new facilities to serve undergraduate and MBA students had been regularly

discussed, considered and, inevitably, abandoned by all manner of task forces. As Campaign UW commenced in 2000 to raise funds for virtually everything *but* bricks-and-mortar, Gupta leveraged his growing spheres of influence inside the University and out to ensure that new buildings would be the cornerstone of this campaign for the UW Business School.

He, along with many other new and long-time advisors, could no longer abide by classroom facilities that had been derided for decades by students and faculty alike—and once described in the national media as “decrepit.”

Gupta and Pete Lasher, then assistant dean for development, got things off to a great start by leveraging the School's key stakeholders—especially the Advisory Board. An intrepid trio stepped up to serve as campaign co-chairs—Mike Garvey (BA 1961, JD 1964), Neal Dempsey (BA 1964) and Ed Fritzky. They led a group of 20 strategic volunteers who would not only open doors and make introductions, but also personally contribute one of every six dollars to be raised in the campaign.

With inspirational and energized leadership in place, financial commitments began growing. But so did the School's campaign goal as construction estimates skyrocketed on a project so many years from completion. Then, as the campaign approached its midpoint (and “public” phase), Dean Gupta received an offer he couldn't refuse and left the UW. It would be more than a year before the hiring of a new dean.

If there's one universal truth in fundraising, it's that “people give to people.” At a critical point in the campaign, the UW Business School was without a long-term leader.



\$50 MILLION TO SUPPORT PROGRAMS

\$28 MILLION TO SUPPORT FACULTY

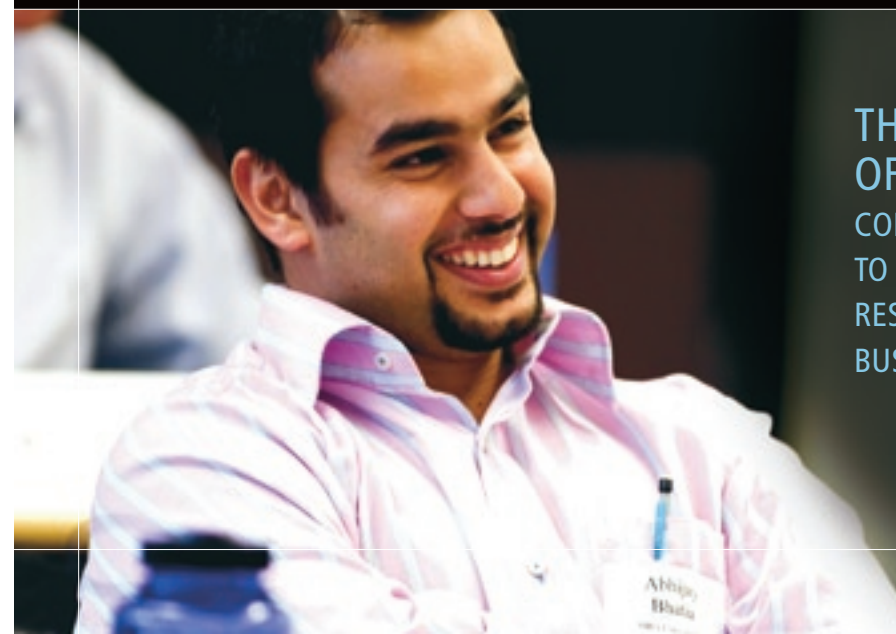
\$25 MILLION TO SUPPORT STUDENTS

\$78 MILLION TO BUILD WORLD-CLASS FACILITIES

\$181 MILLION RAISED IN JUST EIGHT YEARS



THE MOST IMPORTANT NUMBER OF ALL: 13,000. THAT'S THE NUMBER OF CONTRIBUTORS WHO JOINED IN THIS EFFORT TO ENDOW THE FOSTER SCHOOL WITH THE RESOURCES TO BECOME THE BEST PUBLIC BUSINESS SCHOOL IN THE NATION.



### INTERIM HEROES

Over the next thirteen months (April 2004-May 2005), Dempsey, Garvey and Fritzky worked tirelessly with a committed external relations team and two excellent interim deans—Vance Roley and David Burgstahler—to hang onto the early momentum. These were uncertain times for the School’s leadership, and many outsiders were beginning to question the reality of achieving the former dean’s ambitious goal. But at this critical moment, with success of the campaign hanging in the balance, the School received a \$10 million pledge from The Foster Foundation, a long-time benefactor founded by A.O. Foster (BA 1928), his wife Evelyn and their son Michael.

Even with this incredible boost, many prospective supporters were taking a wait-and-see approach to the campaign. The Business School was attracting record support. But with nearly two-thirds of the campaign’s eight years exhausted, it had raised only one-third of its lofty—and rising—goal.

Then in May 2005, the year-plus international search for a new dean led right back to the UW Business School.

### TURNING POINT

UW President Mark Emmert named Jim Jiambalvo the School’s new dean. Jiambalvo had served 27 years as a distinguished teacher and researcher at the UW, and brought considerable administration experience from leading the Accounting Department, the former Program in E-Business and numerous task forces and search committees. He came to the top job with a deep knowledge of the School, its people and its possibilities to provide a sense of stability and continuity. And he brought a keen mind for strategy, quickly crafting a compelling vision for the School which would be essential if he hoped to galvanize the vast community around him for the hard work of the campaign’s final three years and beyond.

Dean Jiambalvo was immediately connected to external stakeholders by leading benefactors and volunteers like Artie (BA 1958) and Sue Buerk, Kirby (MBA 1962) and Ellery Cramer, and Herb (BA 1956) and Sharon Mead. Combining his inside perspective with the potential he saw in supporters, Jiambalvo soon declared the ultimate goal: become the best public business school in America. He recognized that success in the ongoing capital campaign was critical to all of his top priorities leading to this goal. The buildings had to get built.

On December 9, 2005, Jiambalvo and the campaign co-chairs met with the UW leadership in Gerberding Hall to forge an agreement that would ensure the success of the School’s new facilities initiative. Since projected inflation was pushing the cost of new construction faster than the money could be raised, unrealistic early plans were cast aside. A two-phased public-private partnership was forged. It would mean some additional bonding through the University, and retention of the Business School’s current administrative building. But the project would meet the School’s needs and, most significantly, become attainable.

From there, finally, the pieces started falling into place.

### GOOD TO GREAT

Not long into Jiambalvo’s tenure as dean, supporters began to demonstrate their confidence in his new vision. Gary Shansby (BA 1959), one of the great branding gurus, has launched or turned around scores of successful products and companies. But I’ll always think of him as the School’s “Six Million Dollar Man,” stepping forward at the end of year six with \$5 million for the building and \$1 million to endow a faculty chair in strategic marketing.

Shansby’s commitment kicked off a string of major gifts the likes of which I have never seen in my 17 years in higher education development. Agnes Griffin completed a \$4 million estate gift on behalf of herself and her late husband, Walter. Orin Smith (BA 1965), former CEO of Starbucks, added another \$4.5 million pledge to an earlier \$1.5 million. These gifts, alongside others from alumni and friends like Dan Baty, Arnie Prentice and Bob Herbold, and companies like Holland America and Silver Cloud Inns & Hotels, totaled more than \$15 million in new commitments. What would have been a strong year of fundraising historically had been achieved in just a few short weeks.

As participation in the School’s Annual Fund continued to grow year-by-year, even more high-impact gifts arrived from many quarters. Leonard Lavin, who attended the UW before founding the

Alberto-Culver Company in the 1950s, contributed first \$2 million then \$1 million more to endow a new initiative to foster aspiring entrepreneurs straight out of high school. The Pacific Coast Banking School committed \$2 million to new facilities to reinforce a 70-year partnership with the UW, which houses its annual residency program. Our partnerships with numerous companies were reinforced with substantial investments in our campaign priorities, including major support from leading accounting firms Ernst & Young, Deloitte, KPMG and Moss Adams.

The momentum that restarted in 2006 doubled in 2007. Still, we were close to \$20 million short of our financial goal at the start of the campaign’s final year. Fortunately, the best was yet to come.

### HUGS ALL AROUND

Just as we began the homestretch of Campaign UW, the trustees of The Foster Foundation joined me for a visit to LMN Architects to see how plans were progressing for phase one of the School’s new facilities. As we looked at the foam core models and computer rendering, we talked about how we might recognize the \$10 million commitment made three years prior. The discussion wended its way to the transformation occurring, as a result of the campaign, *beyond* the School’s physical space—in its impact on faculty, programs and, ultimately, students.

It became clear that our guests were looking at the big picture in a new light. And then *the question* was floated: “What would be involved in naming the School?”

**January 17, 2008**  
UW Regents approve naming of PACCAR Hall in recognition of \$18 million in giving from the PACCAR Foundation and the Mark C. Pigott family.

**September 20, 2007**  
UW Regents approve renaming the School after Michael G. Foster in honor of \$50 million in philanthropy from The Foster Foundation.

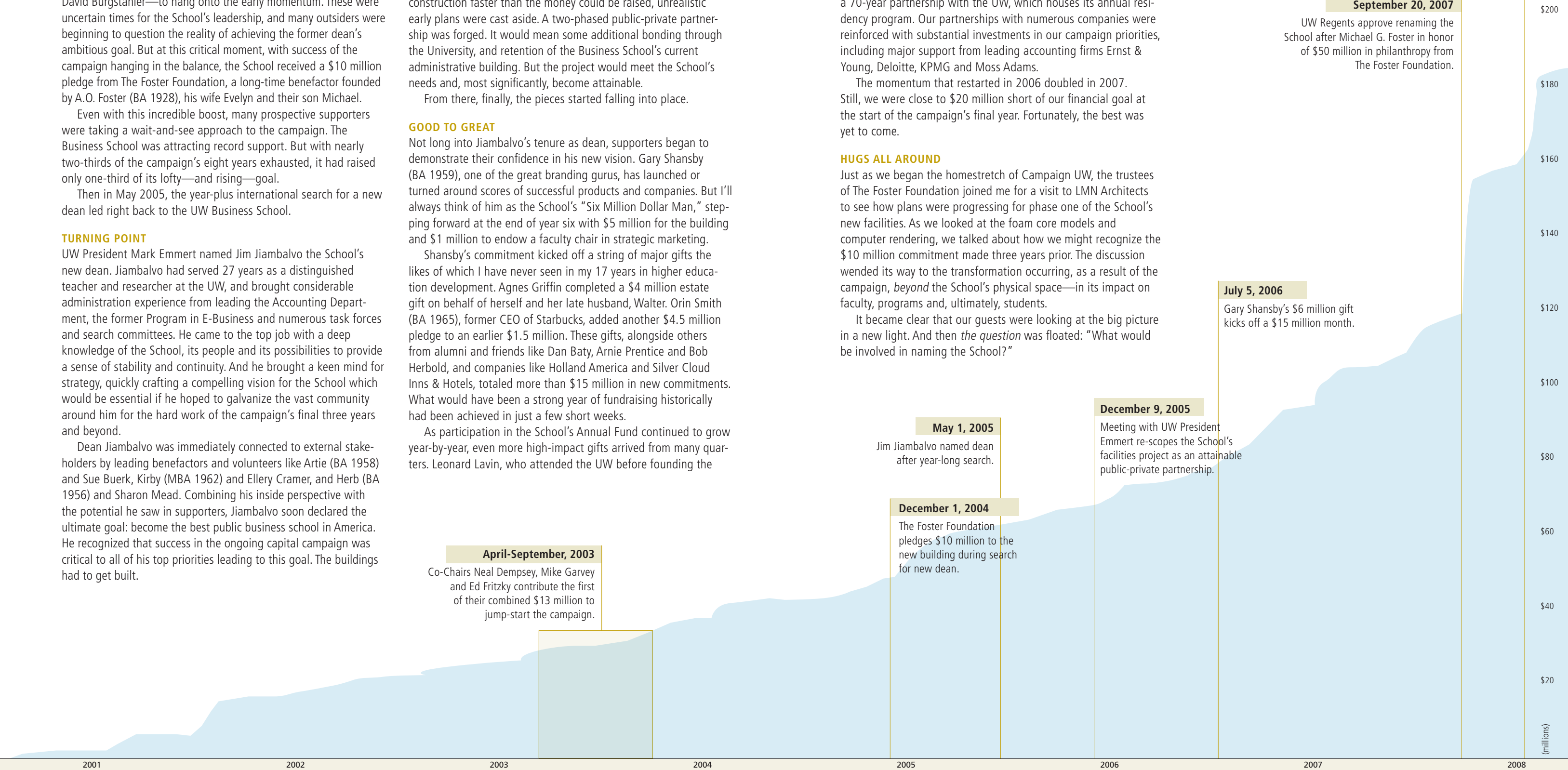
**July 5, 2006**  
Gary Shansby’s \$6 million gift kicks off a \$15 million month.

**December 9, 2005**  
Meeting with UW President Emmert re-scopes the School’s facilities project as an attainable public-private partnership.

**May 1, 2005**  
Jim Jiambalvo named dean after year-long search.

**December 1, 2004**  
The Foster Foundation pledges \$10 million to the new building during search for new dean.

**April-September, 2003**  
Co-Chairs Neal Dempsey, Mike Garvey and Ed Fritzky contribute the first of their combined \$13 million to jump-start the campaign.



**FOSTER CAMPAIGN COMMITTEE**

Russell D. Amick (BA 1963)  
 Charles K. Barbo (BA 1963)  
 Joseph L. Brotherton (BA 1976, JD 1982)  
 Arthur W. Buerk (BA 1958)  
 Kirby L. Cramer (MBA 1962)  
 Neal Dempsey (BA 1964)  
 Anne V. Farrell (BA 1960)  
 William A. Fowler (BA 1966)  
 Edward V. Fritzky  
 Lex N. Gamble (BA 1959)  
 Michael Garvey (BA 1961, JD 1964)  
 Lawrence P. Hughes (BA 1957)  
 Herb T. Mead (BA 1956)  
 Donald P. Nielsen (BA 1960)  
 Wayne Perry (BA 1972)  
 Jack Rhodes (BA 1961)  
 Bruce C. Richards (BA 1965)  
 John Rinlaub  
 Orin Smith (BA 1965)  
 Nick N. Westlund (BA 1962)

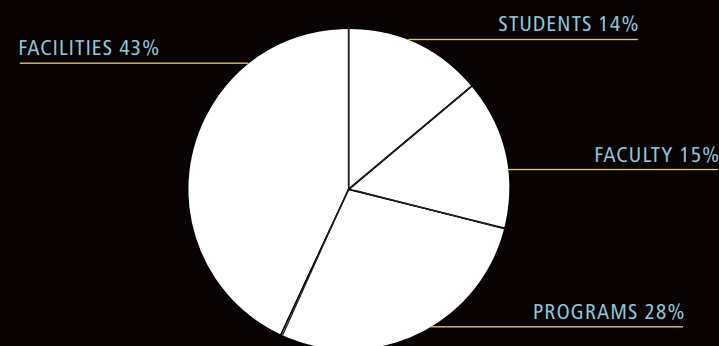
**MILLION DOLLAR+ DONORS**

Have you ever dreamed about winning \$1 million? Imagine the feeling of being able to *give away* \$1 million (or more), to foster tomorrow's leaders. These generous donors know the feeling.

Alaska Air Group	Lex and Diane Gamble	PACCAR Inc
Anthony's Restaurants/ Budd Gould	Mike and Lynn Garvey	Pacific Coast Banking School
Batelle Memorial Institute	Walter and Agnes Griffin	Wayne and Christine Perry
The Boeing Company	Robert J. and Patricia Herbold	Mark C. Pigott Family
Artie and Sue Buerk	Richard and Nora Hinton	Guy and Nancy Pinkerton
Kirby and Ellery Cramer	Estate of Marion B. Ingersoll	Safeco Insurance Company
Deloitte	JD Edwards & Company	J. Gary Shansby
Neal and Jan Dempsey	Leonard and Bernice Lavin	Orin C. Smith
Ernst & Young	Robert and Marilyn Lemman	SSA Marine, Inc.
The Foster Foundation	Charles and Gwen Lillis	T-Mobile
Ed and Karen Fritzky	Estate of Mary K. Mackenzie	United Way of King County
	Paul MacMichael	Washington Mutual, Inc.
	Bruce and Jeannie Nordstrom	

\*Six additional million-dollar donors chose to remain anonymous

**BREAKDOWN OF BUDGET PRIORITIES**



**ENDOWED FUNDS GROWTH**

**Year 2000**

# Endowments: 79

Cost Value: \$25,936,941

Market Value: \$51,532,242

**Year 2008**

# Endowments: 155

Cost Value: \$61,720,133

Market Value: \$104,530,434

Additional pledges made during the campaign will add another 24 funds and \$26,691,000 to the Foster School's overall endowment.

Just days later, Dean Jiambalvo sat down with these same trustees and made a compelling case for how The Foster Foundation could advance the School's mission—and why the School would embrace the Foster name.

At the end of the meeting, one of the trustees indicated that it would take a bit of time to review some items and run some numbers, but it was entirely possible that things could be worked out. He extended his hand to shake the Dean's, and I'll never forget Jim Jiambalvo's reaction. He sprang to his feet and, quick as a flash, had the trustee in a bear hug.

It was such an honest, authentic moment. And it underscores why the Dean has not only become a successful leader for our School, but also a phenomenal fundraiser. People give to people like Jim Jiambalvo (and his wife, Cheryl, who must be acknowledged as a truly great partner who contributes to our outreach efforts in so many meaningful ways).

The result, in this case, was \$50 million in support to the students, faculty and facilities of the Michael G. Foster School of Business.

**BRINGING IT HOME**

A few months following the historic meetings with The Foster Foundation, I accompanied the Dean on a visit with the PACCAR Foundation Board that began in similar territory. PACCAR had been among the first companies to make a major philanthropic investment in our building—committing \$2 million during the early phase of the campaign. On this day, Mark Pigott, PACCAR's chairman and CEO, asked for an update on progress. As we talked about his organization's partnership with the Foster School of Business—hiring, mentoring, classroom speakers, custom executive education, its acclaimed teaching excellence award, etc.—it became apparent that PACCAR was willing to do more.

They already had a great track record of supporting education across the UW and at universities around the world. Dean Jiambalvo proposed a gift worthy of the UW Regents' consideration of our most significant remaining naming opportunity: a building. The response was an awe-inspiring \$18 million commitment from PACCAR and the Mark Pigott family to support the future PACCAR Hall and endow two new faculty chairs.

I didn't have the pleasure of witnessing it, but I'm assured by the Dean that the follow-up meeting with Mr. Pigott included another spontaneous, enthusiastic Jiambalvo bear hug.

**BEYOND THE NUMBERS**

For donors at every level—from annual gift to naming gift—what matters is impact, not amount. To this end, there's so much for which to be grateful.

The Foster School's endowment has more than doubled over the last eight years to \$104 million (and additional pledges made during the campaign will add another \$26 million). Today there are 49 endowments supporting faculty, 20 supporting programs, 80 supporting students and 6 providing unrestricted support. What does this mean? More than one-fifth of all full-time students at the Foster School receive financial support. The School's

centers and programs have the resources to innovate, expand and enhance the educational experience for all students. And the Foster School has the means to retain its finest incumbent faculty, and hire outstanding new scholars (including 13 in the past two years alone).

The true impact of this unprecedented campaign on facilities, programs, faculty and students will only be fully realized in years to come. But let's look at just one example of what's already happening.

Leadership and strategic thinking have been identified as hallmarks of the Foster School moving forward. As a result of recent philanthropy and considerable expert input, we will soon launch a center for leadership and strategic thinking that will draw together all resources of the School and interact across disciplines, across campus, and across the community. The center will reside in our new world-class building, PACCAR Hall. It will be led by Bruce Avolio, an internationally renowned expert in the field who was drawn by the Foster School's reputation, entrepreneurial spirit and campaign-fueled momentum (and, not insignificantly, by a professorship endowed by Marion B. Ingersoll in 2004). It will be promoted, by the School's new marketing and communications team, to reach in-state students we wouldn't have kept and out-of-state students who would never have known about us. And by the time those students graduate, they will have developed into effective, ethical, authentic leaders and strategic thinkers. That's the power of giving to the Foster School, compounded daily.

**THE NEXT STAGE**

As Dean Jiambalvo often says these days, for all the progress that's been made, need still exists. Competing to be the best public business school in the nation, the Foster School is going up against the likes of UCLA, UC-Berkeley, Texas, Michigan and others whose endowments dwarf the Foster School's, and whose annual operating budgets range from \$70 million to \$120 million compared to our \$48 million. Despite the amazing progress over the past eight years, we're still playing catch-up financially. And make no mistake: the market for top faculty and students is brutally competitive. Hard work and entrepreneurial resourcefulness can only get a school so far.

Fortunately, post-campaign development at the Foster School is already off to a great start, with the recent receipt of a multi-million-dollar estate gift from Gordon Kloft, a gentleman who was neither an alumnus nor involved in the School in any formal way. He was simply an individual who believed that a strong business school is the key to the region's economic vitality, and that great education transforms young persons' lives. And he may never have known of the opportunities to make a difference at the Foster School had it not been for the campaign.

Kloft is building upon the unshakeable foundation of 13,000 donors before him—a rock-solid community of individuals, companies and foundations that chose to make supporting the School a priority. Of that number, exactly zero *had* to give during Campaign UW. But, in the profound beauty and mystery of philanthropy, they *did* give. And the difference they are making is evident everywhere and in everyone at the Michael G. Foster School of Business. ■