Keynote Address at the CUNY Philanthropy Forum

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Don’t let the perfect be the enemy of the good. Don’t hesitate to act. Don’t let the need for planning lead to paralysis. Don’t take “no” for an answer. Don’t ask just once. And don’t hesitate to act.

Those are just a few of the delightfully immodest exhortations that Reynold “Ren” Levy recently shared regarding CUNY’s new advancement initiative. I have already taken them to heart and I am circulating his comments to encourage all of us at CUNY to embrace the sense of urgency Ren conveyed. His thoughts should provide a jolt of electricity. Our task is urgent.

Few fundraisers in New York City have been as thoughtful, as artful and as successful as Ren, and none, in my view, have articulated better the challenges and opportunities for The City University of New York. CUNY has come to a historic moment – as we prepare to open a new chapter in the arc of our academic excellence and support for insuring student success, we are also planning to take our already substantial fundraising efforts to a new level of success. Just as Ren’s skillful fundraising famously transformed Lincoln Center, I fully expect CUNY’s new efforts to extend the University’s reach and to finance far greater achievements. We have worked with consultants and donors and college leaders to understand the practical steps we need to take, and now, with Ren’s strong and insightful comments, we have a good start in understanding the motivation we will need to win the hearts and minds of donors.

If Ren provides a little bit of finger-wagging in his remarks, which follow, it is all for the better. We need fresh energy, new ideas, greater persistence and the kind of leadership Ren has always demonstrated. His suggestions require a careful self-examination of who we are, how and where we operate at CUNY, what communities and neighborhoods we work in and impact and how we can start from those bases to reach individuals and institutions and make clear to them, in a compelling way, why their investments will help them realize their visions and achieve their own dreams of making a difference.

We’re late to the higher echelons of fundraising, but we have a powerful story to tell because of our unique mission at CUNY. Since we’re relatively new, at least in some important circles, it gives us an opportunity to explain our exciting initiatives and how much we do for immigrants, low-income and underrepresented families and communities in New York. As alumnus Andy Grove famously said, CUNY is the “Great American Dream Machine.” We must describe in a compelling way how private giving can power that machine and help change the world. We need powerful working relationships between college presidents, alumni and donors, as well as additional investment to increase our fundraising capacity at the college and university levels and, as Ren tells us, the highest expectations.

James B. Milliken
Chancellor, The City University of New York

Fueling the Dream Machine
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Thank you very much, Chancellor Milliken. It is a pleasure to be asked to lead off this important day in the life of The City University of New York.

I come to you this morning not only as a veteran of fundraising, and someone utterly enamored of that noble profession, but also in my capacity as the representative of a major donor to CUNY, the president of Robin Hood. Over the past decade, Robin Hood has identified many intersections between our mission to reduce and alleviate poverty in New York City and the good work of institutions whose executives and volunteers are seated in this room. From 2005 to 2015, $30 million of Robin Hood funds were invested in you, $6 million in 2015 alone.

To cite just a few examples: $3.5 million to Kingsborough Community College; $2.4 million to the City College of Technology and NYCHA Training Academy; $1.1 million to LaGuardia Community College’s Bridge to College and Career Program; $1.4 million to Guttman Community College; and more than $5 million to support eight Single Stop locations on CUNY campuses.

So, it is a pleasure for me to thank you for the opportunity to join forces in conducting some pathbreaking work. Doing so, is a delight, but it is not a surprise.

From all appearances, CUNY is resurgent. In my adult lifetime, and possibly in the entire illustrious history of The City University and its component parts, this institution as a whole has never been in better shape. Its faculty is top notch. Its student body comes prepared to learn with commendable College Board scores and high school grade point averages. It is serving record numbers of students of all ages, all ethnicities, and all economic backgrounds. The sprawling Graduate Center and the Macaulay Honors College are only two of many innovations, one huge and one small-scale, that have worked extraordinarily well.

One would look long and hard for an alumni and alumnae body of greater academic, public service and business distinction. All of you represent institutions that can proudly claim students who are often the first in their families ever to attend college. You stand by their side from remedial instruction and orientation right up to receiving that coveted cap, gown, and graduation certificate.

Morale is up. Energy is high. The institution is purposeful. It is ambitious. It
is self-confident. You can sense and feel all of this and more. I hasten to assure you that such was not always the case.

Of course, to raise private funds in far greater sums there is unfinished business to complete and some internal preparation to address. Not least, the long-deferred labor contracts and their resolution. And the GG&A recommendations presented this morning demand analysis and phased implementation.

But it is important to focus with unrelenting attention on the donor community and not become too bound up and unduly distracted by internal organizational matters. When in doubt, ask this question: What would a potential donor prefer? Or this one: What would work best for a CUNY campaign of unprecedented size?

In other words, none of these agenda items should get in the way of launching as early as possible a massive fundraising drive, worthy of CUNY's past, respectful of its present and sized to its ambitious future.

I am here this morning to call all of you to action. The gap between CUNY’s enormous promise and the performance to which you aspire must be filled in large measure by private philanthropy. Your case is powerfully strong. It appeals to the intellect. It plucks at the heartstrings.

Grateful, wealthy graduates are a natural pool of candidates. But so are cur-
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rent and former New Yorkers familiar with the neighborhoods in which your institutions are located and filled with nostalgia for them. You can appeal to those moved by CUNY’s service to immigrants, to particular ethnic groups, and to its research and teaching mission. You can stress the relationship between CUNY and New York City’s enlarged job market, where thousands of positions go unfilled for want of qualified candidates. You can emphasize how relatively affordable is a CUNY education during a time when collective student debt across the nation is well over $1.2 trillion, more than Americans owe on all of their credit cards. You can call on those who associate CUNY’s renaissance with civic pride in a city that is experiencing all kinds of records in employment, in tourism, in high-tech jobs, in student enrollment, in population size and in continued low crime rates.

Other institutions of higher education may merit private philanthropy, but they have a tough time arguing persuasively that they need it. When income from endowment supports as much as one third to 40 percent of some private schools’ operating budget needs, even the most loyal graduate can be forgiven for pausing before advancing yet another handsome pledge.

Other of your sister institutions need the funds, but they have a long way to go to prove that their track record merits them, or that they will deploy incremental resources efficiently and effectively.

CUNY has neither problem. Its past is illustrious, its present meritorious, its future brimming with promise.

Build on the successes you have already enjoyed: $26 million from Andy Grove, for the Grove School of Engineering; $30 million from William Macaulay, for the honors college that now bears his name; $25 million from the Guttman Foundation, for the Stella and Charles Guttman Community College; and $25 million from Toby and Leon Cooperman, for Hunter College’s Cooperman Library.

All that stands between CUNY and campaign success are those in this room and others you can rally to the cause.

Citizens of the wealthiest city in the richest country on earth are out there waiting for you.

Their gifts, in record numbers and in record sums, are yours for the asking.
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You should not keep them waiting.
Besides, what will prolonged delay really accomplish? Please do not permit deadlines to slip. Do not run the risk of having CUNY launch a campaign right before the onset of the next recession, or, worse, delay until it has unwound. Already, CUNY is very late in the race for individual and institutional private funds. The research you reviewed this morning demonstrates that reality beyond the shadow of any doubt.

And, yet, the climate for charitable giving could hardly be much better. The billionaires and centimillionaires that I know are not talking about the purchase of their next private jets, yachts or third or fourth homes nearly as much as they are discussing what combination of private foundation, donor advised fund, family office and old fashioned check writing or stock sale should constitute the critical mass of their charitable giving.

Many are genuinely searching for how best to leave a favored institution stronger, or to help solve a major social problem, or advance an important cause, or to involve their families more in civic life. They are waiting for you in this room to help them. And often doing so does not require much beyond a Google search and a little time with Wikipedia. These families are not even hiding in plain sight. They are not hiding at all.

If Lincoln Center can attract $100 million each from David Koch and David Geffen, then what of CUNY? $100 million gifts to institutions of higher education are no longer rarities. Steve Schwartzman’s $150 million gift to Yale and $100 million gift to the Schwartzman Scholars program in China. Ken Griffin’s $150 million donation to Harvard. James Simons’s $150 million to Stony Brook. Henry Kravis and his $125 million to Columbia for its new business school building. The Greene Foundation’s $250 million to the Mind Brain Behavior Institute at Columbia. Phil Knight’s $200 million to the University of Oregon and $400 million to Stanford. Perhaps even closer, by way of analogy, John Paulson’s $100 million gift to the Central Park Conservancy, and Steve Schwartzman’s $100 million gift to the New York Public Library.

Indeed, at least 125 American billionaires have publicly pledged to give over half of their net wealth to charity during their lifetimes.
More and more of the wealthy among us are not deferring their generosity until their deaths. As Eli Broad aptly observed, “he who gives, when he lives, also knows, where it goes.” And, I might add that donors derive great pleasure and satisfaction from gifts extended during their lifetimes.

And because CUNY is late to the action, you need to take full advantage of two realities. First, no prospective donor can legitimately claim that you have worn out your welcome as other of your counterparts may be approaching candidates for their third or fourth gift to a capital fund drive. Second, no one could claim that your campuses are cluttered with named buildings or named institutes or named programs or named faculty chairs. Opportunities at CUNY abound for these donors who wish to have their names or those of their children or parents or business partners associated with their gift in perpetuity.

Maybe I missed something or didn’t have enough coffee this morning, but I did not notice any name affixed to the magnificent building we now occupy.

Mayor Bloomberg names a building for his longtime protégé, Patti Harris, at her alma mater, Franklin and Marshall. Ross Perot gives generously to a new concert hall in Dallas named for the CEO of his firm, EDS, Mort Meyerson. The possibilities abound.

Now I am well aware that success in a campaign will demand more personnel,
more research and a clarification of the division of labor between CUNY headquarters and its component parts. But please do not let the best preparation be the enemy of the very good. Please plan from the donor in and not the university bureaucracy out. In fundraising, as Oliver Wendell Holmes said of the law, an ounce of experience is worth a pound of logic. CUNY needs more experience, more learning by doing in fundraising, and far less preparatory analysis that, if you are not careful, can lead to paralysis.

Assuming I have persuaded you on whether to launch a campaign (yes), on when (yesterday), and on some of the whys and wherefores (you have abundant need for funds and exciting aspirations to realize with additional resources), now let me address the “how,” speaking from the point of view of a CEO who has raised billions of dollars and given away almost as much.

First, be certain that the volunteer chairs of the board of foundations supporting every college at CUNY are ready, willing and able to lead in partnership with their president an unprecedented capital campaign. Doing so will require personal generosity, time and energy. It will demand resilience. It will call on you to enlarge the size of your boards. Fully engage their members. And raise expectations for giving and getting.

Nobel Prize-winning economist and New York Times columnist Paul Krugman is Distinguished Scholar at the Luxembourg Income Study Center at the CUNY Graduate Center, where he also serves as Distinguished Professor in the Economics Program.
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The most powerful words in fundraising parlance are “please join me.” The willingness to give generously and ask early and often are the key qualifications for service.

And to the college presidents and provosts here who are not experienced in fundraising, I implore you to acquire it. Learn new skills or polish up those you possess. Fundraising for CEOs and senior staff at major non-profit institutions can no longer be a hobby or an extracurricular activity.

Second, pick up the pace and multiply the asks. A “roughly right” request, offered orally or in writing, that is brief and early is far better than the comprehensive, perfect, but too late to matter, proposal.

Break through the clutter of the lives of very busy and well-endowed professionals with speed and agility. Numbers matter. To be in the contest for funds, you must be a contestant. As the great hockey player Wayne Gretzky once observed, “you miss 100 percent of the shots you don’t take.”

Remember, fundraising is not like a graduate school exam where if you answer only one out of three questions correctly, you have flunked. Fundraising is like baseball. One out of every three hits makes you a most valuable player. So, step up to bat much more often.

As you embark on this exciting fundraising journey, once you have secured well-qualified leadership and enlarged your board of directors, then I would suggest picking low-hanging fruit. Fundraising is a psychological, confidence building process, and the acronym EMILY, which stands for Early Money Is Like Yeast, applies as much to charitable fundraising as it does to the political. So begin by asking for more help from the already committed. Request not only their own financial assistance but introductions to others who they believe are promising prospects.

As you broaden out your campaign, please remember that your overall objective should be to diversify fundraising sources and methods.

On sources, do not neglect either the institutional, foundation and corporation; the individual, in live or testamentary gifts; and the governmental.

As to methods, please give meaningful consideration to everything from direct mail to special events, corporate sponsorships to major gifts, membership programs to bequests, and corporate philanthropy to foundation giving.
Ideally, seek a balanced portfolio of fundraising as between these sources and methods.

Now, permit this ode to fundraisers and how they view the world.

Those who are successful, see everyone as a potential donor. They view giving as an act of patriotism. Charitable donations are colored red, white and blue. They are quintessentially American. If donations of time and money are to non-profit organizations what voting is to democracy, it is worth observing that more than twice as many Americans participate in the Third Sector as cast a ballot in presidential elections or as participate in pension and 401(K) plans.

Viewed in this way, requesting a gift is a favor to the potential donor. It is an act of flattery. It offers the opportunity for someone to move beyond worldly success to social consequence. It provides another path to self-realization. Responding favorably to your appeal will guarantee to the donor what I offered to all of those who gave gifts of consequence to Lincoln Center and who provide important philanthropy to Robin Hood: a better night’s sleep, a longer life, a clear, unobstructed pathway to heaven, and aisle seats when you get there.

Why would you wish to deprive anyone of such benefits and opportunities? Fundraising is an attitude, a calling, a way of life, a branch of sales. There is never a bad season or time of year or economic climate to solicit funds for a worthy cause.

Michael Bacon, Emmy-winning film director and composer, and Distinguished Lecturer at Lehman College’s Journalism, Communication and Theater Department, teaches a film-scoring class at the college’s Multimedia Center.
CUNY is too important. Its cause is too needy. The opportunities it wishes to seize and the problems it wishes to repair are so pressing that the thought of taking no for an answer seems impossible.

So here is what I tell trustees, volunteers and staff involved in organizations that matter and seeking funds to support them.

“With your aspirations up, your spirits high, your energy soaring, and your optimism undiminished, volunteers and prospects will find it a struggle to ward off your enthusiasm and your cogent appeals. There is no antibody yet invented that can keep a potential donor immune from a compelling idea, wrapped in a well-formulated proposal, or, far away from an attractive, well-designed, and well-executed special event. Holding at bay a determined solicitor who is a friend or a colleague of a prospect committed to your cause is one of the most difficult things to do in life.”

Let me conclude with a quote from Julius Rosenwald, the founder of Sears & Roebuck, who offered telling words of wisdom in 1923. I assure you that many very wealthy prospects are thinking in similar ways about themselves and the disposition of their wealth.

The theme struck by Rosenwald accounts in no small measure for the huge pools of private capital that will be directed to the public good in the next several decades. They will be unprecedented in size, I predict.

“Shall we devote the few precious days of our existence only to buying and selling, only to comparing sales with the sales of the same day the year before, only to shuffling our feet in the dance, only to matching little picture cards so as to group together three jacks or aces or kings, only to seek pleasures and fight taxes, and when the end comes to leave as little taxable an estate as possible as the final triumph and achievements of our lives? Surely there is something finer and better in life, something that dignifies it and stamps it with at least some little touch of the divine.

My friends, it is unselfish effort, helpfulness to others that ennobles life, not because of what it does for others, but more what it does for ourselves. In this spirit, we should give not grudgingly, not niggardly, but gladly, generously, eagerly, lovingly, joyfully, indeed with the supremest pleasure that life can furnish.”

Thank you very much.

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