



Vice Chancellor for Institutional Advancement
and President, East Carolina University Foundation, Inc.

East Carolina University

Taylor-Slaughter Alumni Center • Greenville, NC 27858-4353

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MEMORANDUM

TO: Bob Morrison, Chairman
Faculty Senate

FROM: Jim Lanier

DATE: February 26, 2002

SUBJECT: Updates on Faculty Staff Campaign for Merit Scholarships and Pepsi
Pouring Rights Contract

East Campus Numbers

Note: ECU Endowment Fund Board agreed to match dollar for dollar all gifts from faculty and staff to qualifying endowed merit scholarships from the Pepsi Contract money. The matching funds will be maintained in the Faculty and Staff Merit Scholarship Fund.

Faculty Making Qualifying Gifts:	183
Total Amount Faculty and Staff Qualifying Gifts and Pledges:	\$199,935 (paid \$117,200 as of 12/31/01)
Total Match Available:	\$200,000

Pepsi Pouring Rights Contract

Total Agreement to ECU: \$7 million over 10 years

	<u>Committed</u>	<u>Paid</u>
1. Electronic Scoreboard	2 million	.9 million
2. Remaining \$5 million		
50% merit scholarships	2.5 million	1.7 million
40% athletic scholarships	2.0 million	1.2 million
10% faculty/student leadership	<u>.5 million</u>	<u>.3 million</u>
	\$7 million	\$4.1 million

3 annual payments have been made.

C:\MyDocuments\Faculty Senate Updates - 02-26-02



Vice Chancellor for Administration and Finance
East Carolina University
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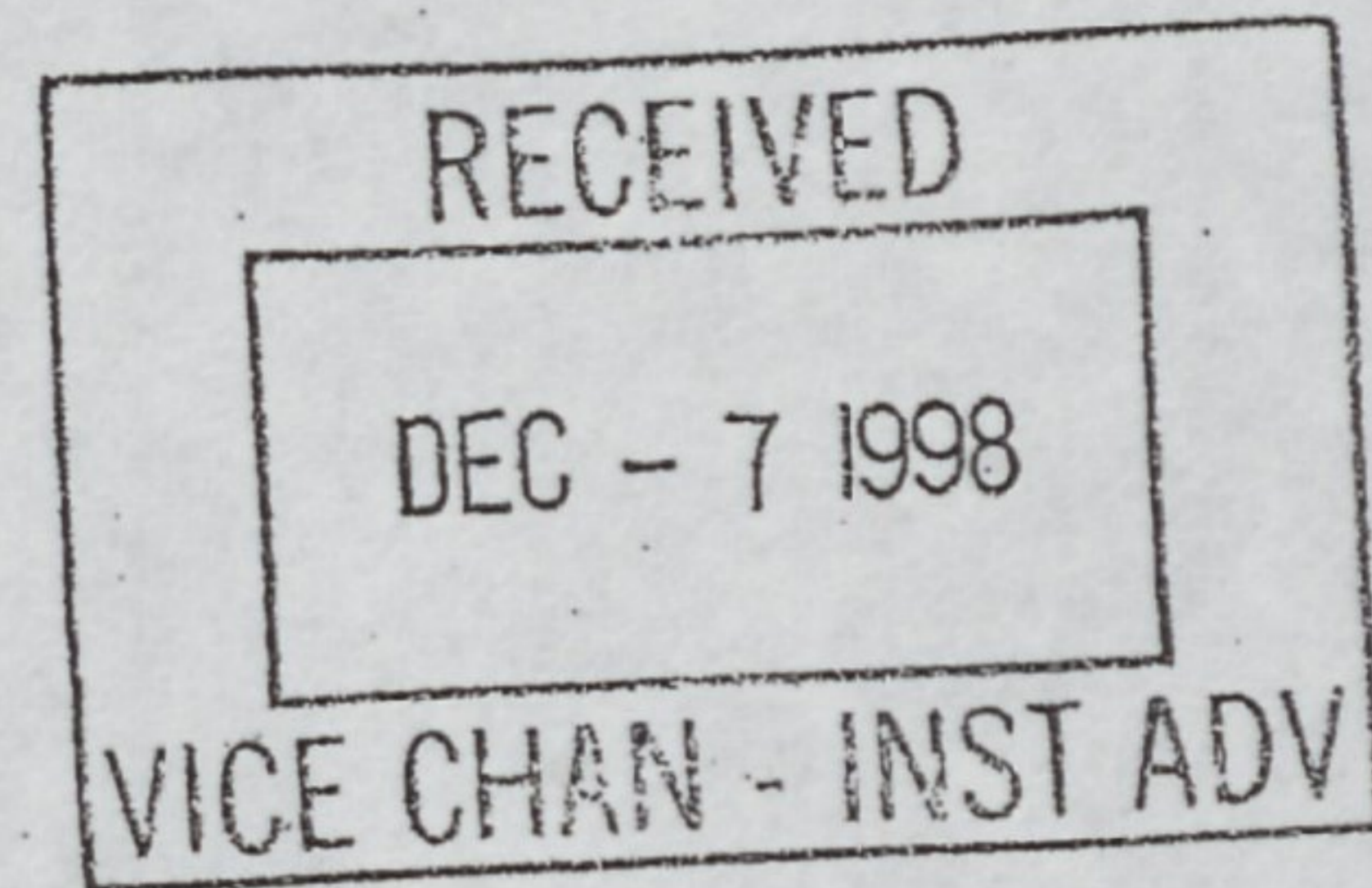
MEMORANDUM

TO: Sherrilyn Johnson

FROM: Richard Brown *R. Brown*

DATE: December 4, 1998

RE: Distribution of Pouring Rights Proceeds



There is now full agreement on the distribution of the proceeds from the Pepsi Pouring Rights Contract by all parties. A schedule for all distribution over the 10 year period is attached. We are in a position to move the \$3.2 million of monies received into appropriate accounts for either expenditure or investment purposes. To do so you will need to establish several new accounts. Please take the following actions:

- within the Endowment Fund group, establish the "ECU Merit Scholarship Endowment" account. This account is to receive an initial deposit of \$1.5 million dollars.
- within the Endowment Fund group, establish an account entitled "Faculty/Student Leadership Endowment" and deposit \$300,000.
- within the Endowment Fund group, establish an account entitled Athletic Grants-in-Aid Endowment" and deposit \$1.2 million dollars.
- within the Institution Trust Fund group, establish an account entitled "Athletics-Capital Fund" and deposit \$200,000 dollars.

The balances of funds remaining (interest provided by Pepsi during the period awaiting the signed contract and interest earned on the account subsequently) will remain in the current account and will be used to offset the additional costs of Dining Services for the current fiscal year as previously agreed. That cost will be approximately \$60,000 - \$70,000 dollars for the year. We may need to recover some of the future earnings in the endowment accounts to balance that off if there is not sufficient money from interest earnings.

In accordance with university policy, please initiate the transfer of the \$3 million dollars of endowment funds to the ECU pooled investment account (distributed among the various money managers in accordance with policy) as soon as possible. This can be done with the start of the new quarter if my memory serves me correctly. Please confirm to me when all of this has been accomplished. Please also make sure that the accounts are appropriately coded by division so the accounts appear in the appropriate section of the fund balance reports you provide me on a monthly basis. Thank you.

cc: R. Eakin
M. Hamrick
J. Lanier
R. Ringeisen

EAST CAROLINA UNIVERSITY
Cash Flow Analysis on Pouring Rights Contract
SUMMARY

Category of Incremental Revenue:	Year #1	Year #2	Year #3	Year #4	Year #5	Year #6	Year #7	Year #8	Year #9	Year #10	Ten Year Total Value
Signing Award	3,000,000										3,000,000
Exclusivity Fee	200,000	225,000	275,000	300,000	350,000	500,000	500,000	500,000	550,000	600,000	4,000,000
Total Pouring Rights Financial Benefits	\$ 3,200,000	\$ 225,000	\$ 275,000	\$ 300,000	\$ 350,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 550,000	\$ 600,000	\$ 7,000,000
Distribution of Cash Flow:											
Athletics - \$2 million for capital projects (off top of \$7.0 Million)	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,000,000
Of Remaining \$5 million:											
Merit Scholarships Endowment (50% = \$2,500,000)	1,500,000	25,000	75,000	100,000	100,000	100,000	100,000	100,000	150,000	250,000	2,500,000
Faculty/student Leadership Endowment (10% = \$500,000)	300,000					50,000	50,000	50,000	50,000	-	500,000
Athletics Grants in Aid Endowment (40% = \$2,000,000)	1,200,000				50,000	150,000	150,000	150,000	150,000	150,000	2,000,000
Total Distribution	3,200,000	225,000	275,000	300,000	350,000	500,000	500,000	500,000	550,000	600,000	7,000,000

Note: Contract requires prorata refund of \$3 million signing bonus if ECU breaches contract during the ten year period so these funds should be retained as endowment and not expended up front.

For more information contact:
 Kathryn Yandell - Director
 Terry Little - Medical Foundation
 Jim Lanier - ECU Foundation
 Dennis Young - Educational Foundation (Athletics)

ECU CENTENNIAL CAMPAIGN PLANNING TIMETABLE

Planning Elements (Quarter)	Initiated	Completed	2000				2001				2002				2003				2004				2005				2006				2007			
			1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th				
1. Trustees Approve ECU Strategic Plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	→																															
2. Create a joint planning team among the Educational, the Medical and the ECU Foundations to lead the operational planning efforts and to identify and implement policies and procedures that facilitate cooperation and effective execution of plans during the campaign	<input checked="" type="checkbox"/>		→																															
3. Based on long-term strategic principles, the chancellor in collaboration with the cabinet, deans, trustees, foundation and alumni boards defines primary and secondary priorities for the campaign	<input checked="" type="checkbox"/>		→																															
4. Update alumni and donors databases	<input checked="" type="checkbox"/>		→																															
5. Begin consistent prospect research	<input checked="" type="checkbox"/>		→																															
6. Develop a consistent plan for selecting and valuing naming opportunities for the campaign			→																															
7. Deans, faculty and advisory boards in cooperation with advancement staff develop individual school and college plans based on the chancellor's priorities and the units' strategic plans	<input checked="" type="checkbox"/>		→																															
8. Establish a University Advancement Planning Council to be chaired by the chancellor to meet quarterly to discuss campaign related issues and to report on progress for each school	<input checked="" type="checkbox"/>		→																															
9. Conduct an internal study to assess readiness for a major campaign and develop a plan to address real and perceived problems that are identified	<input checked="" type="checkbox"/>		→																															
10. Identify potential campaign leadership	<input checked="" type="checkbox"/>		→																															
11. Secure council to audit fundraising operations across the campus and address identified issues that would negatively affect the campaign	<input checked="" type="checkbox"/>		→																															

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12. Involve Foundation Boards and Advisory Councils in major Stewardship & Relationship building effort	<input checked="" type="checkbox"/>																																					
13. Begin major prospect strategy sessions for individual donors among the 3 Foundations																																						
14. Prepare and use pre-campaign video - Planned Giving with regional focus	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																																				
15. NEW CHANCELLOR ARRIVES		<input checked="" type="checkbox"/>																																				
16. Secure outside Campaign Council -- To guide the development of the Campaign Plan To conduct an Internal Readiness Assessment To conduct a Campaign Planning Study To assist leadership in providing oversight for the Campaign	<input checked="" type="checkbox"/>																																					
17. Vice Chancellors and Deans resubmit campaign priorities by division and school.	<input checked="" type="checkbox"/>																																					
18. Conduct a campaign Feasibility Study with 50-75 personal calls																																						
19. Add Deans Advancement Council Chairs as honorary members of the ECU Foundation Board	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																																				
20. Begin regional case review sessions for leadership gift prospects																																						
21. Secure endorsement for the case and tentative goals for Alumni Board, Board of Visitors, and school-based Advancement Councils																																						
22. Select a Campaign Planning Team to plan and lead initiated campaign efforts																																						
23. Recruit chair and co-chairs and key leaders																																						
24. Start official campaign counting period																																						
25. Begin silent phase of the campaign for lead gifts to build a nucleus fund																																						
26. Convert Campaign Planning Team to a Steering Committee																																						
27. Trustees approve final decision on public goals and objectives																																						
28. Prepare final print and video materials																																						

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29. Public announcement and begin public phase																																										
30. Continue leadership gifts efforts																																										
31. Build major gifts efforts through regional campaign and involve alumni and Pirate Club chapters and schools																																										
32. Develop a telemarketing effort to communicate, cultivate and solicit all alumni																																										
33. Victory celebration																																										
34. Post-campaign plan and follow-up																																										