Rackham Student Government Board Meeting: April 2, 2014

Agenda

I. Call To Order
II. Approval of Agenda
III. Approval of Previous Minutes
   a. March 26, 2014
IV. Special Guest: E. Royster Harper, Vice President for Student Affairs
V. Officer Reports
   a. Graduate Student Body President, Phil
   b. Graduate Student Body Vice President, Vacant
   c. Graduate Student Body Treasurer, Chuky
VI. Committee Reports
   a. Academic Affairs
      i. Lunch with the Deans, Monday Recap
      ii. Friday Preparation
   b. Budgetary
   c. Communications Committee
      i. New Gazette
   d. Elections Committee
      i. Election Results
   e. Legislative Affairs
      i. SAGE Preparations
   f. Student Life
      i. Red Wings
      ii. Bowling
VII. Open Discussion
VIII. Adjourn

Included in packet:
RSG Board Minutes March 26 (p. 2)
[Draft] Taxation White Paper (p. 8)
[Draft] Immigration White Paper (p. 10)
[Draft] Research Funding White Paper (p. 12)
Rackham Development Presentation (p. 18)
I. CALL TO ORDER: 7:16pm

a. Present: Representatives Pier Davis, Adam Duran, Dave Malewski, David Barton, Michael Benson, Malcom Tariq, Chris Tom, Sidney Ellington, President Saccone, Treasurer Mbagwu, Julian Bahr, David W.

b. Absent:

c. Excused: Erin Sullivan, Ryne Peterson, Alex Gutierrez

II. APPROVAL OF THE AGENDA

Motion to approve by Julian, seconded by Chris. Approved unanimously.

III. APPROVAL OF THE PREVIOUS MINUTES

Motion by Adam to approve, seconded by Julian. Approved unanimously.

IV. OFFICER REPORTS

a. President Phil Saccone

Phil: We'll begin with our guests this evening, and then open it up to questions.

Guests Jill McDonough discusses Rackham Graduate School campaigns for fund-raising, etc. The main priority in the campaign is for graduate student support. The applications range from fellowships to travel grants, professional development, diversity initiatives, everything across the board. Who is considered for the Rackham funding? Masters, PhD. Most of the donors are older, in the 60s and 70s which is typical among alumni donor stats. We do have younger donors, but the majority are in the higher age brackets. We are somewhat worried that that may decrease, based on the landscape of how philanthropy is changing. Younger donors are giving less to campaigns and more to individual initiatives, and is just the trend that has been seen over the years.

The fund-raising focuses on the 3 why's of giving to Rackham (detailed in the presented slides). Sheila has joined the team with a communications background to better support the fundraising initiatives. Would like to do a better job communicating 'What is Rackham' and 'Why is it important to support'. They would like to do that accounts of personal experiences and anecdotes, as well as tangible impacts of research funding in the lives of students, summer stipends, etc. They want to provide a range of options for smaller donation amounts (travel grants, etc) to larger, recurring, or gifts in individual's will. Sharing the value of Rackham as a wholistic support platform with our alumni and donors. These stories are shared through social media and other means to reach the most alumni and provide a snapshot of fund-raising and the impact of their
dollars. What stories would like to be told? We want to current students with the alumni and create connections through the similarities and differences of their stories and experiences on campus.

We also want to create an opportunity for alumni to network with each other as well as current students and better provide those resources across the board. We have a huge alumni support network to tap into!

On average, it takes about 13 years to reach the $1000 donation mark from alumni. We believe a better way to engage alumni with students will improve funding, donations, as well as professional connections. Rackham strives to be collaborators for support of the student body, and we do this by interacting with our constituents and informing them of who Rackham is, and how they are supporting them.

There are 90,000 alumni, but only have contact emails for 55,000. We are making efforts to have emails opened and read. However, we would also like to make a print-version of a newsletter that can be accessed by the remaining 35,000. Social media (specifically Facebook) is a new frontier that we are seeking to connect, but we do not see much alumni engagement there. LinkedIn seems to be the avenue to which they are getting the most response. We want to involve them more and more, and target younger demographics there.

We would also like to engage with our international alumni, which has vast potential. Current Rackham students are also a target audience such that they can take a sense of community, brand, and engagement and carry that on as they become alumni.

Student philanthropy is also a sector that we would like to emphasize and focus on. A few blog posts have gone out on Rackham website with good information regarded philanthropic opportunities at the University. We really want to engage in this area and provide a desire to give back.

Goals of $30 Million by ~2019. This is all part of a long term cultivation effort and goal for giving and involvement in the University as alumni.

Now open to discussion and questions by the Board:

Phil: I believe that RSG can be of most service in terms of developing donor base within current Rackham students to carry that forward. Office of Graduate Student Success puts together many social events/gatherings for graduate students. One idea was a 'graduate student gala' was a great initiative that didn't come to fruition. I think that things like this will help create and develop the Rackham brand. Secondly, professional development is a huge area and is a great motivator down the road for the desire to give back to those that helped you get where you are. The Student Life component cannot be over-emphasized, and the social events we provide and access to the student body emails, we can share that effort with you guys.

David W.: Adding to that, having events in the Rackham Building brings the focus of Rackham to the forefront and impossible to ignore.

Chris Tom: Are there efforts to move into other spaces such as Kickstarter, making a fund-raising push for something targeted, but this would be a great area to look into.

Jill (response): The School fo Information has done something similar for their 'alternative spring break' event. It had a bit of traction getting started, but I believe that patience is the key for a space like Kickstarter.

Shiela (response): I haven't seen much success of that on campus yet, I think it could be a good thing to experiment with, but also would need to figure out where the target audience would be and if it would be alumni.
Julian/Phil: How about project specific ideas/initiatives for donors and donations. We think we could match projects and ideas with shared interests.

Jill: M-cubed, there is the opportunity to people to provide money for specific initiatives that a few graduates students could take advantage of, etc. Donors are becoming much more thoughtful and directed in where they would like their money applied to.

Sheila: I've seen a social program like Kickstarter that offers students an opportunity to raise money. It would be funding a students creativity, ideas, projects, and has a great chance to support shared ideas and connect donors to their recipients. It's really nice for students to meet and connect with their donors, and is deeply beneficial for both parties.

Benson: I want to focus on Division 2 at the moment. Engineering and Physical Sciences tend to make more money in the earlier portion of their career. I'm concerned that the CoE might be harming our ability to connect with these donors. For example, the CoE student government was given money to assist students (both undergrad and grad), but the stud gov focuses mainly on undergrads. Rackham is not necessarily as visible such that it is specified for grad students. Need to push the brand of Rackham a bit better. There are many things that Rackham students have access to, but there isn't enough awareness.

Jill and Sheila: Agreed, and it's something that we are working on and want to improve. To be honest, I'm not sure that Rackham will ever be in a position to displace that primary affiliation/relationship with the faculty/department/CoE. What Rackham is providing is the wholistic support platform and funding. That notion of all the University groups playing well together is what is strived for, but the colleagues realize that the primary relationship/affiliation will be exploited. Rackham is not the primary, and it is our job and goal to create space in their (donors) mind for where Rackham fit in in their graduate experience.

David W: Sometimes there has been a communication breakdown in terms of the luncheons and other events where students can actually meet the donors.

Jill (response): As our fund-raising efforts have been increasing and we've been able to get more donors, we are needed to get larger spaces for the luncheons and make sure to get more of the students that have received those awards/donations, etc. involved.

Phil: We could also include potential donors for those events. I think RSG can support you in terms of bringing students in to discuss why what they are working on is important.

Phil: I can tell you right now that we can commit to partnering with you on the Gala (which only did not happen for minor technical issues), as well as other future initiatives.

Benson: We can easily solicit students as well for speaking to the donors at luncheon events and the like, or to make a video or be featured to potential donors. Creating all these changes will not be immediate, but we can break it down into short, medium, and long term goals. We would like to work on development themed events and the like for the short term. Medium term would be to reach out the departments and faculty and pushing the Rackham Brand, and potentially creating partnerships. If Rackham can also support the faculty in the context where they engage with the students.

Sheila: Presenting those ideas in the right light will definitely be appealing for the faculty, supporting the graduate students so they can focus on their research and faculty-student relationship.

Phil: Rackham 5K run. Rackham golf outing. These type of ideas I think we should pursue and can share jointly with you.

Jill: We do a good job of putting students in front of our current/major donors, but we could do
better at presenting them to prospective donors. The best thing we can do is create the environment for those interactions to take place, but not doctor them. It could be in-person or virtual, or a variety of ways. We want to connect them on the basis and context that the students and alumni are connect by Rackham.

Sheila: In terms of the brand on campus, we're trying to work with our partners across the university to share our graduate students' stories. Grad students are not in the forefront of university advertising and outreach, and we want to make them and their contribution more visible.

Jill: Dean Janet Weiss gave a great presentation to the Regents regarding graduate student support and we have been forwarding that to the donors. It would also be a good thing to share something like that with the student body.

Phil: I have not seen it yet, but we definitely think that is important to get the word out.

Jill and Sheila: We thank you for your support and your energy, and we appreciate the opportunity to come and discuss some of these initiatives with you.

Phil: Thank you for coming in and speaking with us! Please let us know if you are trying to put things together for graduate students, and need things in the advertising space – we would really like to work with you on that!

Adam: When I got admitted, I did not receive any communication from Rackham— are there any initiative to improve communicating with admitted students?

Jill and Sheila: That is actually something that we recently had a discussion and meeting about improving and we are definitely making an effort in that space. We have work to do there. And that also has a lot do with marketing.

Phil: Thanks all for the input and questions. We have Vice President Harper coming to speak with next week, and we are looking forward to that. Myself and a couple other reps met with university president-elect Schlissel. It was a productive discussion and all the right things were said. Eager to see how things will play out in the coming months. Regarding VAWA, we are being proactive and looking into what happens and what is the course of action for a student or faculty that fails to go through with the VAWA training. SAGE is just around the corner, and more will be said when we get to LAC. Michigan has taken the lead on the taxation white paper and it is in draft form. Elections are currently on-going, please encourage your constituents to vote! If you have people that you think should write-in, inform and encourage them, etc.

Please send me any outstanding minutes that you have.

b. **Vice President (Vacant)**

c. **Treasurer Chuky Mbagwu**

$~26,000 in the account. We have paid a few student organizations upon receiving event reports.

V. **COMMITTEE UPDATES**

a. **Elections Committee**
Chris Tom: Polls are open! Go and vote. Chris provided an update regarding numbers of candidates for open executive committee and representative positions. Minimum number of votes to be elected is 2. For the winners of the election prizes, will be done via random generator.

b. Academic Affairs Committee

Chris: Town halls coming up next Monday and Thurs. Everyone is required to come to one of these two events, so please come to the one on your campus. Encourage others to attend and register through the email! We want to get an email out tomorrow.

Motion by Chris to approve minutes, seconded by MB. Approved unanimously.

c. Budgetary Committee

Chuky: We have 1 application under deliberation at the moment, waiting to hear back from the student org. 1 other application pending, will get that out to the committee meanwhile.

Benson: What happened to the appeal?

Phil: I've communicated with them, and they don't seem to be following up with that.

d. Bylaw Review Committee

e. Communications Committee

f. Elections Committee

g. Legislative Affairs Committee

Benson: SAGE is coming up very soon. There are opportunities for virtual participation during the conference, so we will be sending out that information as it becomes available. No minutes this week, will get them to the Board next week.

Phil: Reads off a list of the individuals we will be meeting with on the Hill, as well as some itinerary details.

Julian: Do the white papers that have been written represent RSG and/or Michigan, and do we get to vote on it?

Benson: Yes, there is an opportunity to vote on it. The committee will review it first, and it will be presented to the Board. However, the actual coalition SAGE directs the approval of the papers. That said, each campus does have veto powers. Per the bylaws, the university president (Phil) has those powers.

Phil: There's no reason for the Board to vote on it, however the members should definitely be engaged and provide feedback on the papers, etc.

h. Student Life Committee

Ben: We had a meeting today. Further events: planning a trivia night at Pizza House, poker night at Heidelburg, and maybe bar/happy hour at Dominic's.

Benson: Ongoing is the RSG bracket challenge. We have 490 participants, record numbers. We
have prize money set aside for the top 3 winners. Good work all.

VI. OPEN DISCUSSION

Benson: Since there is no VP, and there are a number of reps that are leaving the Board, someone needs to organize the end of year RSG banquet. Not mandatory but encouraged!

Benson: Last night CSG held a long meeting. They heard a resolution that they had initially postponed indefinitely. They voted down the resolution. I bring this up because RSG has not dealt with as heated an issue as this in some time. They chose to conduct the vote as a secret ballot, via provisions in their bylaws. I would like to inform the Board that we also have similar provisions to protect the Board members, and that we shouldn’t shy away from the tough/controversial issues.

Motion to adjourn by Ben, seconded by David. Meeting adjourned.

VII. ADJOURNMENT at 9:30PM.
Student Debt and Taxation Policies
How to Support the Next Generation of Innovators and Educators

Education Taxation Policy and Student Debt: An obstacle for graduate education

Advanced higher education empowers individuals to become the innovators, job creators, educators, and word leaders that provide the basis for the economic and intellectual advantage that the United States maintains across the globe. As Congress debates the most effective strategy to manage the nation’s financial health, graduate students across the country are committed to helping grow the economic and innovational edge of the US by applying our training to the meet the demands of the 21st century global economy.

In order to fulfill this promise, current and future graduate students are asking Congress to support the completion of their education and to invest in the nation’s future. The continued decline in graduate student aid programs coupled with an increase in the cost of education makes the financial burden of graduate education overwhelming. More than any other time in our nation’s history, students are required to finance a large share of their education, resulting in over $1 trillion of outstanding student loan debt. While the commitment of individuals to graduate education remains strong, the regulatory and tax infrastructure that supports education has not kept pace with the increasing financial stress encountered by students. These issues are interfering with the ability of universities to recruit the best and the brightest, and preventing current students from completing their degree in a reasonable time frame.

SAGE Recommends:

- **Simplify the tax code to make it easier to claim education related deductions**
  - Support the Student and Family Tax Simplification Act, HR 3393
- **Make permanent expiring Higher Education Tax Provisions**
  - American Opportunity Tax Credit (AOTC), IRC Sec. 25A
  - Student Loan Interest Rate Deductions, IRC Sec. 221
  - Employer Provided Education Assistance Benefits, IRC Sec. 127
- **Support Income Dependent Educational Assistance**
  - Modifications to existing IBR programs
  - ExCEL Act, HR 1716.
- **Support legislation that limits the debt liability for struggling students**
  - Student Loan Fairness Act, HR 1330
  - Student Loan Borrowers Bill of Rights Act, HR 3892

Optimizing the tax code to address affordability in higher education

Financing education in the face of escalating tuition costs, and declining student aid programs is challenging. Yet, we cannot afford to allow this problem to disincentivize advanced education if the US is to remain a leader in the global economy. There are several measures Congress can take in updating the tax code to ameliorate these issues. First, the complexity of the tax code makes it hard for students to recognize existing financial support for their education. The Student and Family Tax Simplification Act will consolidate the Hope Credit, the current AOTC, the Life Time Learning Credit, and the tuition deduction into a single, easy to apply, deduction.

Additionally, Congress should make permanent the Student Loan Interest Rate Deduction that allows students to reduce the amount of income that is subject to tax by up to $2,500 for qualified education expenses.
This deduction is particularly important as students’ transition to the work force, and making ends meet is the most challenging. Lastly, the Employer-provided Educational Assistance Benefits program allows individuals who are working while pursuing additional education up to $5,250 in tax-free educational assistance per year. Given the current student loan debt crisis, we must do everything possible to encourage people to work their way through a degree.

Lastly, to ensure that these incentives achieve the highest impact, SAGE Recommends Amending the tax code to define “Qualified Higher Education Expenses” and “Qualified Tuition and Related Expenses” to match the definition of “Cost of Attendance” in section 472 of the Higher Education Act of 1965 (HEA). In 1986, changes in tax law limited this definition making portions of fellowship and student aid ineligible for higher education tax incentives. These include the lifetime learning credit and tax deductions on scholarship and fellowship monies. Current tax law limits “qualified higher education expenses” to tuition and registration fees only. By excluding income used for basic living expenses such as room and board from a qualified educational deduction, this limitation has a direct impact on the affordability of graduate education.

**Improving student loan programs and protecting struggling students**

Evidence suggests that the high amount of student loan debt incurred by many individuals does not exceed the value of their education, and yet the default rate on student loans is at an all time high\(^1\). This has led some to conclude that the nation faces a repayment crisis rather than a debt crisis in terms of student loans. One mechanism to make student debt and repayment more manageable is Income Based Repayment (IBR)\(^2\). However, the success of this program has been limited as a result of low student enrollment, the lack of regional sensitivity in calculating payment plans, and limitations on which loans are eligible. SAGE recommends that current IBR programs be modified to address these issues.

Going forward, we further recommend support of the ExCEL Act which combines all existing federal student loans into a single Income Based Educational Assistance (IDEA) Loan program. This will greatly reduce the complexity of the current program, afford greater protection to borrowers, and streamline payments by linking them to federal withholding. Moreover, because enrollment would be automatic, everyone is required to participate. Perhaps most importantly, it is estimated that this program will save the federal government money by reducing the number of defaults and fees associated with debt collection.

**(Graduate)** Student Aid is in Decline.

Graduate students face cuts and elimination of funding in multiple need-based programs and a narrowing of benefits for those that do still exist. Indeed, the merit-based Javits Fellowship program (awarded to some of the highest achieving graduate students) has been suspended due to congressional cuts ($9.7 million), while awards for existing Javits Fellows will now be shared with the $31 million Graduate Assistance in Areas of National Need (GAANN) fund.

**Support for students with suffering from financial hardship.**

We also ask for support in passing the Student Loan Borrower’s Bill of Rights Act, which removes educational loans from the list of debts that are non-dischargeable in bankruptcy. And lastly, we encourage passage of the Student Loan Fairness Act. This law will limit repayment for qualified borrowers to 10% of their discretionary income and limit the interest capitalization to 10% of the principle. After 120 eligible months, the loan is forgiven tax-free. Under current loan forgiveness programs, those who qualify are left with an unreasonable tax burden when the loan is discharged which is exactly the type of financial burden these individuals cannot afford. Loan forgiveness would also be capped under this new legislation to encourage borrowers and colleges to utilize loans more judiciously.

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\(^1\) Hamilton Project—will get more specifics later

\(^2\) We use “Income Based Repayment” (IBR) as the general term for all income based programs including the 2009 and 2014 versions of IBR, Income Contingent Repayment (ICR), and Pay as You Earn.
Student Immigration Reform Will Keep World’s Best in U.S.

As the U.S. economy globalizes and high tech industries continue to grow, restrictive visas policies limit our ability to retain the level of high-skill workers and innovators that such an economy demands. SAGE supports comprehensive immigration reform, and believes that changes to high skill occupation and student visas are critical for U.S. economic advancement and intellectual property retention. The export of some of the best and brightest American educated and often federally funded students is a wasted investment and hampers our economy and our standing as global leaders.

- More than half of Ph.D.s in many STEM fields are awarded to foreign students
- In 2013 the number of H1-B visa applications exceeded the yearly limit of 65,000 in a single week
- An estimated 25% of all U.S. patent applications are submitted by no-citizens
- Between 1995 and 2005 25% of new engineering and technology companies in the U.S. were founded by immigrants, many of whom were educated in the U.S.

I. Highly-skilled visa reform: Allow world’s brightest to fill and create American jobs

High skill temporary H-1B visas are heavily dependent on the business cycle and their cap should be adjusted to meet demand. On the other hand, employment-based (EB) visas offer permanent residency and provide a long term solution to knowledge retention. Employment based immigrant visas should be the route of choice for international students by exempting them from numerical limits.

SAGE recommends:

Include the following provisions in any comprehensive visa reform:

- Non-immigrant visas:
  - Establish a moving cap for H-1B visas based on demand
  - Grant work permits to spouses of H-1B visa holders
- Employment-based immigrant visas:
  - Exempt students earning a master’s or higher degree from an accredited institution in a STEM field in the U.S. from numerical limitation

II. F-1 Visa Reform: Remove work restrictions and authorize dual intent

The F-1 visa is the primary visa for foreign, full-time students in the U.S. To continue attracting the world’s best students in the face of rising tuition costs, it’s particularly important to allow international students to hold jobs to help support themselves and their families. In an effort to retain these students, it is also important to allow dual intent status so that they may apply for immigrant visas upon graduation.

SAGE recommends:
• Authorize dual intent for F-1 student visas
• Remove off-campus work restrictions for F-1 visa holders
• Authorize employment for spouses of F-1 visa holders (F-2 visa holders)

Notes:
Should we lobby directly for passage of HR15/S744?
Need to add something about the DREAM act, or DREAMer related initiatives
Federal Funding for Research

Introduction

Research, along with teaching and public service, is one of the core missions of the University of North Carolina. Federal support of research at our campuses is indispensable as 68% of our research support is provided by the American taxpayer. History has long shown that the long-term competitiveness of our country has been linked to the strength of our academic research foundation. By one estimate, 80% of leading industries have resulted from research conducted at colleges and universities.

Basic Research

Basic research is considered to be important to long-term national interests, through supporting technological advancements and maintaining the growth of new industries, however it has not been significantly supported by the private sector. Colleges and universities conduct the majority of basic research in the United States – 60% in 2008, business and industry only account for 20%. “Game-changing” innovations tend to come from basic research conducted at colleges and universities, innovations that lead to new patents, new technologies, and eventually new companies and industries. Companies spun out of university research have a far greater success rate than other companies, creating good jobs and driving economic activity.

The federal government is the primary source of funding for basic research in the United States, providing 60% (51.9 billion in 2008). The second largest source of basic research funding comes from colleges and universities themselves.

UNC and Federal Funding for Research

In FY 2012, the UNC system was competitively awarded $1.2 billion dollars in external funding for sponsored programs and research, 69% ($910 million) of that funding came from the federal government. North Carolina currently ranks 21st in federal funding for research and our state ranks 5th nationally in academic research and development performed per $1,000 of Gross State Product. It is estimated that for every $1 million investment in sponsored research supports an average of 17.25 jobs, meaning that more than 22,000 jobs were supported through UNC research funding last year.

UNC Strategic Plan, 2013-2018

Earlier this year, the UNC Board of Governors approved a new five-year strategic plan for the UNC system after a 6-month planning process that included input from the state’s business and higher education leaders. UNC is currently in the process of implementing the plan and one key component is strategic investment in “game-changing” research areas:
1. **Advanced Manufacturing** integrates information technology, design methodology, rapid prototyping, automation, computation, software, sensing, networking, and new materials in the production of products, as well as the systems that support and enable them. (e.g. robotics and other automation, additive and traditional machining, exotic and mundane materials, computation and visualization equipment) to produce factory environments, industrial processes, and supply chains that can respond to customer needs, adapt to changes in production technology, and sustain energy and material resources.

2. **Coastal and Marine Science:** With hundreds of miles of ocean beaches, thousands of miles of estuarine coastline, and millions of acres of sounds, creeks, and marshes, the coast is extremely important to North Carolina. For these reasons and many more, it is incumbent on UNC to be at the forefront of understanding our coast. Our coastal and marine resources are varied; thus, we need a variety of academic, research, and outreach programs to fully understand and intelligently utilize them. In addition to several academic departments in marine sciences across the system, UNC has a number of related centers and activities that focus on research, teaching, and outreach.

3. **Data Science:** The volume of data available to us has increased exponentially over the past ten years, creating a corresponding need to make sense of and take advantage of that vast data to inform decision-making in scientific research, security, defense, energy management, and many other fields. Because nearly every sector of the U.S. economy is struggling with growing data volumes, “big data” has become an increasingly important research field.

4. **Defense, military, and security:** North Carolina has a robust and growing military community, with the third-largest military population in the United States distributed among six military installations, including Ft. Bragg and Camp Lejeune. North Carolina also is home to more than half of all U.S. Special Operations Forces, including three of the five subordinate commands of the U.S. Special Operations Command: the U.S. Army Special Operations Command (USASOC), U.S. Marines Corps Forces Special Operations Command (MARSOC), and Joint Special Operations Command (JSOC). UNC has established unique partnerships with these North Carolina-based military entities, which have a range of science, technology, and educational needs.

5. **Energy:** Touches the lives of every person every day. Critical activities ranging from transportation to operation of factories and offices to heating and cooling our homes hinge on our ability to produce and consume energy. Recognizing that most sources of easily accessible energy are limited and that many are non-renewable, UNC must be at the forefront in making discoveries that will fuel our state and the world in the future, and we have a robust foundation on which to build.

6. **Pharmacoengineering:** Potential solutions to the world’s biggest challenges increasingly are hidden in the space between disciplines (such as medicine and engineering, or material science and biochemistry), and discovering the answers that will enable us to make breakthroughs must come through cross-disciplinary and cross-institutional work.
Pharmacoengineering is the science behind the development of materials and technologies to improve the delivery of therapeutic and diagnostic agents, and it lives in that interdisciplinary space.

According to preliminary analysis, with these new investments the state can expect to see about 30 patents generated in these areas, about $70 million in new grant funding and approximately 40 new companies with nearly $70 million in external start-up funding, activities generating more than 4,300 jobs, all by 2017-2018.

The real pay-off for the investment comes over time. By 2025, projections show revenues of $1.45B (more than $900M in new grants and contracts, $14M in revenue from approximately 375 patents, and more than $500M invested in about 200 new companies) from a total state investment of $453M, a ratio of 3.5:1, with nearly 23,000 jobs being created. And returns continue to escalate: by 2028, projections show the state’s ROI increasing to 5:1, with more than 33,000 jobs created through a combination of new company start-ups, research funding, and construction.

Return on Investment

Below, please find some excellent examples of the return on investment from federally funded research at our campuses:

- CREE Inc. is a multinational manufacturer of semiconductor materials and devices, headquartered in Durham, NC. CREE is known for their improvements in LED (light-emitting diode) technologies. CREE was founded by a group of researchers at NC State Universities after years of work on research funded by the Department of Defense Office of Naval Research. For more information: [http://www.sciencecoalition.org/successstories/company.cfm?companyId=169](http://www.sciencecoalition.org/successstories/company.cfm?companyId=169)

- Dr. Myron Cohen HIV research at UNC Chapel Hill has proved definitively that early and effective treatment with antiretroviral drugs could essentially prevent those with HIV from spreading the disease. Dr. Cohen’s decades long research was funded primarily by the National Institutes of Health. His discovery was named “Breakthrough of the Year” by the Science magazine. For more information: [http://globalhealth.unc.edu/2011/12/unc-hiv-prevention-research-named-scientific-breakthrough-of-the-year/](http://globalhealth.unc.edu/2011/12/unc-hiv-prevention-research-named-scientific-breakthrough-of-the-year/)

- SAS Institute is one of the world’s largest private software companies specializing in developing analytics software headquartered in Cary, NC. SAS was founded by a group of NC State graduates working on research funded by the Department of Agriculture and the National Institutes of Health. For more information: [http://www.sciencecoalition.org/successstories/company.cfm?companyId=213](http://www.sciencecoalition.org/successstories/company.cfm?companyId=213)

- Dr. Joseph DeSimone, the Chancellor’s Eminent Professor of Chemistry at UNC Chapel Hill and his team have been conducting groundbreaking research on PRINT (Particle
Replication in Non-wetting Templates) technology. They believe that their discoveries could lead to the creation of artificial or synthetic blood. His research has been supported by funding from the National Science Foundation and the National Institute of Health. For more information:
http://www.chem.unc.edu/people/faculty/desimone/index.html?display=research_display &show=all

F&A (Facilities and Administrative) Cost-Reimbursement Rules

Recognizing that research carries necessary administrative, facilities, and other expenses above and beyond the direct costs of the project, federal agencies have included in research grants and contracts a portion of funds to help offset these related costs – commonly called "indirect costs," "overhead receipts," or "facilities and administrative (F&A) receipts." Under federal guidelines, F&A receipts reimburse for costs associated with supporting grants and contracts based on a formula negotiated between a campus and the federal government.

Examples of F&A expenditures include but are not limited to the following: personnel services, supplies, utilities, fixed charges, renovation and capital improvement projects, educational and computing equipment, and library materials.

F&A receipts are expended to support costs associated with maintaining an environment conducive to research and scholarly advancement and ensuring competitiveness for attracting additional research funds. Specifically, these funds support the staff and operating costs for research functions, audit and compliance related to grants and contracts, facilities and equipment repairs and maintenance, debt service for facilities that provide research space, maintenance and operation of the physical plant and offices that provide support to the universities’ research endeavors, and investment in the libraries to maintain current research related collections and services. F&A funds are increasingly important as University research is a critical and growing economic driver for the State of North Carolina.

Conclusion

We believe that federal investment in research programs and infrastructure are fundamental to our national security, economic recovery, and prosperity. Further, we believe that the University is a producer and not a consumer; we produce students, medical treatments and cures, ideas, technology and leaders for government, industry, education, and more. UNC will continue to partner with the federal government to promote and enhance American competitiveness and capturing and accelerating innovation. Finally, we believe that the federal government must continue to make strategic investments for future economic growth even as it seeks to control spending.
UNC specifically supports the following priorities:

- **Preserve current funding levels for National Institutes of Health (NIH), National Science Foundation (NSF), Department of Defense (DOD), Department of Agriculture (AG), Department of Education (ED), and Department of Energy (DOE) research grants and contracts with Universities.**

- **Enforce existing Facilities and Administrative (F&A) cost-reimbursement rules for federally funded grant awards and ensure consistent application by all federal agencies across all universities. Oppose effort to arbitrarily cap cost reimbursement associated with federally funded university based research.**

- **Cost Sharing:** Work to minimize the number of federal research grants at NSF and other agencies that require cost-sharing. Cost sharing requirements in research grant solicitations disadvantage universities and faculty members with small endowments or other research resources and discourage the best research proposals from being funded.

- **Open Access to Research:** Support legislation or regulatory action to mandate public access to taxpayer-funded research at the NIH and other federal agencies without diminishing copyright protection currently accorded scholarly work.

- **DOD & DHS Research Contracts:** Support efforts to reinforce DOD & DHS policy that basic research, unless classified, should not be burdened by clauses that restrict the dissemination and sharing of scientific information.

- **Comprehensive Energy Policy:** Support legislation that authorizes energy research opportunities.

- **Export Controls Reform:** Support efforts to revise and simplify the federal government ITAR and Export Controls rules to update and limit the technologies that are subject to ITAR restrictions and clearly protect technologies that are a threat to our national security.

- **Reform and Improve Grants.gov:** Urge federal agencies and Congress to improve the grant and contract submission process known as “Grants.gov” to facilitate the grants and contracts process with the federal government.

- **Extend the Research and Development (R&D) Tax Credit:** Permanently extend the R&D credit to encourage commercial R&D investment that enables American companies to bring new and improved products and services to the market.

- **Patent Legislation:** Monitor the implementation of Public Law 112-29, the Leahy-Smith
America Invents Act of 2011 as it applies to University patents and technology transfer.

- Bayh-Dole Refinements: Support the role of universities in the innovation process and continuation of Bayh-Dole provisions that allow universities to own and license the results of federal research.
Victors for Michigan Campaign

Goal: $4 billion

Includes $1 billion goal for student support

Counting period began July 1, 2011

End date likely December 31, 2018
Rackham Graduate School Campaign

Goal: $30,000,000
Raised to date: $13,169,403 [43.9% of goal]

Rackham in Michigan Difference Campaign (2000-2008)

Goal: $20,000,000, then increased to $29,000,000
Raised: $35,297,741

Rackham Campaign History: Sources of Support

Campaign for Michigan, 1990-97--$20 million raised
Foundations 50%
Individuals 33%
Corporations 17%

Michigan Difference, 2000-08--$35 million raised
Foundations 43%
Individuals 53%
Corporations 4%

Victors for Michigan, 2011-18 (projected)--$30 million goal
Foundations 17%
Individuals 81%
Corporations 2%
Rackham’s sole priority is graduate student support

- Fellowships for Ph.D. and Master’s students
- Summer support for research and professional engagement
- International travel and research
- Professional development and career exploration
- Discovery and creativity
- Building inclusive communities for graduate students

Who is a Rackham donor?

- Master’s and Ph.D. alumni of Rackham programs
- Multiple affiliations with other U-M units
- May have received Rackham funding or services as a grad student
- Most of our donors are in their 50’s, 60’s, and 70’s
- Received their degrees between 1969 and 1985
- Bequest intentions from alums in their 60’s and 70’s
- Realized bequests from elderly alums, no advance notice
Rackham’s fundraising challenges

“Why should I support graduate students?”

“Why should I give to Rackham?”

“What is Rackham anyway?”

Messages and collateral materials to address challenges

Tell stories of graduate students and their impact on the world

Show how donors’ gifts make a difference to Rackham students

Provide flexible options for donors

Demonstrate value that Rackham brings to graduate experience
What is Rackham’s best message?

Student stories
  Research
  Ways students participate with Rackham
  Ways students engage in the community
Rackham programs and initiatives
Alumni stories
Alumni connections to Rackham and Rackham students

And how much does this vary by audience?

How to expand Rackham’s donor base?

Increased efforts to identify and engage donors
  Rackham alumni pipeline
  OUD and s/c/u partners
  Volunteer opportunities
  Rackham Graduate Student Success
How to expand Rackham’s donor base?

Robust communications
- Electronic and print newsletters, mailings
- Facebook
- LinkedIn alumni page

To specific audiences
- Alumni by age, discipline, award recipients
- International alumni
- Current Rackham students
- Undergraduate alumni?

Student Philanthropy

Beginning a dialogue around philanthropy with students

Held Grad Student Day of Thanks
- Over 70 students attended to write thank-you cards to donors
- Positive feedback and request for more

What’s next?
Questions?