

2005-2006 :: Endowment Compliance

1. Mission Statement:

The mission of the University of Texas Development Office – Endowment is to support the University's effort to create and maintain a strong endowment in its endeavor to achieve excellence in student education, teaching, research and quality campus life, as it becomes one of the nation's best public research universities.

2. Objectives:

2.1 Pursuing opportunities to maximize endowments: To be prompt and responsive to fund raisers, faculty and others in regard to creating endowments and obtaining the necessary approvals from the UT System and local university levels of authority required. To familiarize the campus stakeholders with the endowment process and staff support for creating endowments.

2.1.1 Related Strategic Plan Item(s):

I-1 Research Enterprise Initiative; I-2 The Bio-World; I-3 Nanotechnology; II-1 The Education of Leaders; II-2 Living-Learning Communities; II-3 Investment in People; II-4 Enhancement of Diversity and Inclusion; III-1 Dynamic Change Management; III-2 Innovative Centers and Institutions; VI-1 K-16 Education; VI-2 The Arts; VI-3 Business Leadership; VI-4 Community Outreach; VI-5 University Village

2.1.2 Related Institutional Priority Item(s): SP-1 Double the Size of the Faculty; SP-2 Add 5,000 New Students; SP-3 More than Double Research Funding; SP-4 Tell UTD's Story Better; SP-5 Improve Annual Giving and Endowment; SP-6 Increase Number of PhD's Granted; SP-7 Enhance Graduation Rates; SP-8 Reduce Costs; COM-1 Reallocate Existing Resources to Preserve Quality in Teaching and Research Programs; COM-2 Protect Enrollment Gains, Access and Student Quality as part of moving toward Tier One Status; COM-3 Sustain Progress toward Tier One Status in terms of programs, research and faculty quality; COM-4 Enhance research, graduate education and technology-driven economic development; CPT-3 Significantly improve quality of UTD's graduate students; CPT-4 Enhance student diversity; CPT-5 Increase retention and graduation rates; CPT-6 Expand degree profile

2.1.3 Standards and Associations: CASE, Association of Professional Researchers for Advancement

2.2 Develop and maintain effective monitoring:

Provide annual comprehensive review as well as ongoing monitoring of endowment distribution management and use of funds as required by the terms of the endowment.

2.2.1 Related Strategic Plan Item(s):

I-1 Research Enterprise Initiative; I-3 Nanotechnology; II-1 The Education of Leaders; II-2 Living-Learning Communities; II-3 Investment in People; II-4 Enhancement of Diversity and Inclusion; III-1 Dynamic Change Management; III-2 Innovative Centers and Institutions; VI-1 K-16 Education; VI-2 The Arts; VI-3 Business Leadership; VI-4 Community Outreach; VI-5 University Village

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2.2.3 Standards and Associations: CASE, Association of Professional Researchers for Advancement

3. Measures & Findings:

3.1 Report on endowment growth:

Provide Reports on endowment growth and performance to all endowment principals and development officers.

3.1.1 Success Criteria:

Provide annual endowment reports to each endowment principal(s), reporting on investment activity, distribution and use of funds.

3.1.2 Related Objective(s): Pursuing opportunities to maximize endowments

3.1.3 Results Related To Success Criteria: Reports were produced and distributed successfully in 2006.

3.1.4 Achievement Level: Met

3.1.5 Further Action: Yes

3.2 Create and distribute university policy:

Create and distribute university policy on process for establishing an endowment and provide training as needed to dean, faculty and development officers as appropriate.

3.2.1 Success Criteria:

Establish written policy and procedures for the necessary steps in creating an endowment. Distribute same to deans and related faculty and development officers.

3.2.2 Related Objective(s): Pursuing opportunities to maximize endowments

3.2.3 Results Related To Success Criteria: Policy/procedures were drafted in summer 2006. Plan for distribution during fall semester.

3.2.4 Achievement Level: Partially Met

3.2.5 Further Action: Yes

3.3 Provide annual report:

Provide annual report of the number and quality of meetings with faculty and others in creating endowments or training personnel. Annual report for overall Endowment results may be found at: <http://www.utimco.com/funds/allfunds/2006annual/index.asp>. Report on number and quality of meeting with faculty and others provided August 31, 2006. For FY 2006 number of meetings held equals 79. The quality of the meetings was acceptable to excellent. Annual report to UT System is filed every December 1, and is available from the Development office upon request.

3.3.1 Success Criteria:

Expectation of one to two meetings for each Endowment created during the fiscal year, plus additional meetings with new faculty, Deans, and Development personnel. Estimate of 30 meetings for training and 50 meetings for establishing new endowments.

3.3.2 Related Objective(s): Pursuing opportunities to maximize endowments

3.3.3 Results Related To Success Criteria: Director is providing prompt training and in- person as well as by phone for assistance calls as needed.

3.3.4 Achievement Level: Met

3.3.5 Further Action: Yes

3.4 Report on unexpended balances:

Report on level of unexpended balances annually with any above an acceptable rate being brought to the attention of the appropriate parties.

3.4.1 Success Criteria: All assessment and evaluation completed by summer 2006; to be repeated annually.

3.4.2 Related Objective(s):

Pursuing opportunities to maximize endowments; Develop and maintain effective monitoring

3.4.3 Results Related To Success Criteria:

An over all assessment and evaluation of this area was completed by the Director of Endowment services and Compliance annually.

3.4.4 Achievement Level: Met

3.4.5 Further Action: Yes

3.5 Report on items not in compliance:

Report on any items which are not in compliance with terms of endowment agreement or other rules or laws.

3.5.1 Success Criteria: Quarterly the university compliance committee shall review any high risk items of concern.

3.5.2 Related Objective(s):

Pursuing opportunities to maximize endowments; Develop and maintain effective monitoring

3.5.3 Results Related To Success Criteria: Improvements were identified for legal and policy compliance as well as for efficient and effective use of funds.

3.5.4 Achievement Level: Met

3.5.5 Further Action: Yes

5. Closing the Loop:

5.1 Annual Report: Director of Endowments will continue to plan and implement this activity each year.

5.1.1 Related Objective(s): Pursuing opportunities to maximize endowments

5.1.2 Related Measure(s): Report on endowment growth

5.1.3 Responsible Person: AVP and Director of Endowment Services

5.1.4 Target Date: Reports mailed annually in January

5.1.5 Priority: High Priority

5.2 Distribute policy to Dean`s each year:

Director of endowments will ensure that policy and procedures are distributed and reviewed with users. In Fall of each year, distribute policy during one-on-one meetings with each dean. Provide training annual in the fall to all development officers.

5.2.1 Related Objective(s): Pursuing opportunities to maximize endowments

5.2.2 Related Measure(s): Report on endowment growth; Create and distribute university policy

5.2.3 Responsible Person: AVP and Director of Endowment Services

5.2.4 Target Date: Fall each year

5.2.5 Priority: High Priority

5.3 Provide report to VP Development:

Director to continue to provide high level of service in this area. In early fall of each year, provide report to VP of the quantity and quality of training and service provided.

5.3.1 Related Objective(s): Pursuing opportunities to maximize endowments

5.3.2 Related Measure(s):

Report on endowment growth; Create and distribute university policy; Provide annual report

5.3.3 Responsible Person: Vice President of Development, AVP & Director of Endowment Services

5.3.4 Target Date: Fall each year

5.3.5 Priority: High Priority

5.4 Review and assess:

Continue to assess recruit new additional alumni volunteers; work with newly hired director to strengthen organization. Review and assess annually in the summer. And provide quarterly reports to the university endowment compliant committee.

5.4.1 Related Objective(s):

Pursuing opportunities to maximize endowments; Develop and maintain effective monitoring

5.4.2 Related Measure(s):

Report on endowment growth; Create and distribute university policy; Provide annual report

5.4.3 Responsible Person: VP and AVP for Development and Director of Endowment Services

5.4.4 Target Date: Annually the summer

5.4.5 Priority: High Priority

5.5 Continue to assess :

Continue to assess acceptable level of compliance and provide correction mechanisms. Review and assess status of compliance items annually in the summer and quarterly prior to each university compliance meeting.

5.5.1 Related Objective(s):

Pursuing opportunities to maximize endowments; Develop and maintain effective monitoring

5.5.2 Related Measure(s):

Report on endowment growth; Create and distribute university policy; Provide annual report; Report on unexpended balances; Report on items not in compliance

5.5.3 Responsible Person: AVP and Director of Endowment Services

5.5.4 Priority: High Priority

6. Analysis:

6.1 Program/Unit Strengths:

6.1.1 Objectives/Outcomes Exceeded or Met: The assessment of Endowments was completed in this last summer. We are on track with the review and evaluation of compliance items annually in the summer and quarterly prior to each university compliance meeting.

6.2 Program / Unit Weaknesses:

6.2.1 Objectives / Outcomes Partially or Not Met: On going annual assessment, in the summer of each fiscal year.

7. Report:

7.1 Executive Summary:

: During 05-06 the primary goals were to hire a professional fund raising staff and build the infrastructure to support a dynamic funding raising team to support the strategic plan of our university. By the end of FY 05-06, we were almost fully staffed and the remaining vacancies were filled early in FY06-07. Review of practices, policies and procedures was completed and improvements were made where it was deemed appropriate. Significant emphasis was placed on building and analyzing our database so that the information could be used efficiently by our fund raisers and executives.

7.2 Top 3 Program/Unit Accomplishments:

Increase in number of principal gifts and in number of endowments established, along with successful recruitment of a professional fund raising team and management.

7.3 Research Activities or Publications: n/a

7.4 Instructional/Training Activities (presented or received): n/a

7.5 Public Service: n/a

7.6 Other External Activities: n/a

7.7 Contributions to UTD:

The development team contributed to the overall effort of improving community awareness of UTD and our strategic plan. We hired exceptionally talented and experience staff, increased gift income and put into place an aggressive plan for raising alumni participation rate to 5% from 2%.

7.8 Top 3 Program / Unit Challenges:

Greatest overall challenge is to accomplish aggressive fundraising and participation goals with a relatively young institution and undeveloped alumni base.