


Andrew J. Acker
Vice President for University Advancement

April 28, 2022

MEMORANDUM

TO: M. Katherine Banks, Ph.D.
President

FROM: Andy Acker 
Working Group Chair

SUBJECT: Implementation Memo – Working Group # 29

Recommendation to be Implemented:

Establish a new centralized system for shared oversight of endowment funded expenditures and stewardship-related activities with the Texas A&M Foundation (TAMF). The following modification was added: These processes should apply to all endowment and gift accounts.

Executive Summary:

The new office of gift oversight will add value to the Texas A&M philanthropic community as an oversight hub for (1) fiduciary spending - properly awarding charitable gifts and (2) stewarding gifts.

A key consensus item from the working group was that the “centralization” for the office of gift oversight is not about centralization of *people*, but more about the centralization of *accountability* and *processes*. This office will increase alignment between the TAMF and University via better coordination and standardization (best practices), while allowing for individualized stewardship. The consistency in donor experiences should lead to better long-term outcomes for the Texas A&M philanthropic community.

In terms of organizational structure, our working group came to an agreement to keep scholarship administrators and other professionals that currently manage fiduciary spending and steward gifts, in their current units. One of our working group members believes that keeping professionals in their college/department/unit/program, “would keep the historical knowledge/familiarity with the awards within a department by specialized staff (especially when it comes to Professorships).”

Strategic Considerations:

Background

Why is the new office of gift oversight critical?

Currently, the gift awarding and stewardship process in each unit – college/school/department/program – is inconsistent and fragmented. Since many donors give to numerous areas at Texas A&M, this fragmentation has led to some issues and raised questions from donors and staff regarding uneven stewardship and gift usage.

It is essential for a fundraising operation to be able to award and steward gifts accurately and predictably to internal and external partners. The ability to report accurately builds trust with donors and is simply the right thing to do. Properly awarding gifts, and stewarding them with accuracy, imbues confidence; failing to do so creates skepticism, doubt, and suspicion.

When a university has a strong handle on gift database design, awarding gifts properly, and reporting impact/stewardship, everybody wins. The donors feel great about their investment in the university; our faculty feel like our donor-driven resources are being fully leveraged; and our fundraisers can raise more money since their best prospects – those who have given before – are being stewarded properly.

The critical partnership with the Texas A&M Foundation

This newly formed office will work very closely with TAMF. As background information, the TAMF already has an established stewardship plan with the three major scholarship programs: Endowed Opportunity Awards, Foundation Excellence Awards, and the President's Endowed Scholarship. It will be essential to use what the TAMF does as a guide to carryover in this new office. In addition, the new office should review gift agreements that have criteria too restricted. This will involve the TAMF gift agreement team, as well as its general counsel.

Further, the TAMF accounting office will be crucial in working with the new office to provide projections for scholarships. Some of the units utilize this, but many do not and that is a main reason many scholarships go unawarded or may be awarded too soon.

Logistical Issues Initially Addressed:

At the beginning of the working group's charge to create an implementation plan, we sought a better understanding of current awarding and stewardship practices. The group categorized logistical issues in four areas: discovering differences, data, consensus building, and centralization. Under each of the four categories, we outlined the challenge and investigated solutions:

Discovering Differences

Challenge:

Each unit (college, school, department) operates with different methodologies. Understanding the operation of each unit is critical to centralizing its flow.

Investigation:

- How and/or will the workgroup survey these units to find the current systems?
- How is scholarship data currently being created to issue awards?
- What are the "homegrown" systems currently used?
- What method will we deploy to capture these differences?

Data

Challenge:

Data required to forecast a department's available scholarships lives in three different systems (SOLAR/SPARTA, TAMF, FAMIS), and all three of these pieces run on different yearly cycles. The inconsistencies between the datasets can cause multiple errors in awarding.

Investigation:

- Do all pieces in each area listed above match each other?
- Are all pieces in the data set current?
- How and can all pieces talk to each other?

Consensus Building

Challenge:

From the above exploration, there will be inconsistencies in source information within each unit. We must consider this a given; the discrepancies are ground zero in the awarding process.

Investigation:

- How are we going to sync/standardize data with unit variances?
- Will this need to be done by departments before centralization, or will the office of gift oversight oversee the move to a standardized process?
- Should the office of gift oversight start with reconciled data, or will it manage the standardization on its terms?
- How will standardization progress be monitored?
- How will data be checked in the future to avoid the current issue?

Centralization:

Challenge:

This workgroup is tasked with constructing a new office of gift oversight for TAMU.

Investigation:

- What does this office look like (reporting structure)?
- Where is this office located?
- What is going to happen to the units Scholarship Committees (if anything)?
- What is considered the business of this office?
- How does the business of this office get completed?
- How will the partnerships between TAMF, SFAID and other units change?

Major Challenges Encountered and Resolutions:

Our working group came to a consensus that the “centralization” for the office of gift oversight (note that this is a working title) is not about people, but more about the centralization of accountability and processes. As outlined earlier, we also have a consensus to keep scholarship administrators and other gift-related professionals who manage fiduciary spending and stewarding gifts, in their current units.

We believe that the office of gift oversight should serve as an oversight hub for (1) fiduciary spending - properly awarding charitable gifts and (2) stewarding gifts.

The new office of gift oversight will add value to the Texas A&M philanthropic community through seven primary responsibilities:

1. Serve as an oversight hub for (a) fiduciary spending - properly awarding charitable gifts and (b) stewarding gifts.
2. In partnership with the Texas A&M Foundation and colleges and units, report to donors the impact of their gifts through fund reports, scholarship programs, and other written donor information through comprehensive and integrated stewardship reporting. This office will be responsible for monitoring and evaluating these reports and programs while striving for continuous improvement.
3. Compliance-related, work closely with the designated “gift administrators” in each unit or college to ensure gifts are properly utilized.
4. Systematically examine awards to ensure the stipends are properly allocated.
5. Centralize all data (gift agreements, recipients, impact reports, etc.) for awarding and stewardship functions.
6. Create reports to consistently bring awareness to underutilized accounts; and increase communication to help bring awareness to the “underutilized funds” issue.
7. Serve as a resource for donors and development professionals; answer questions, as requested.

All these duties will help us achieve our mission to establish a new centralized system for shared oversight.

Key Logistical Issues to be Completed and Timeline:

As outlined in the attached organizational chart, the working group believes the new office needs to create five new roles, and partner with both TAMUS general counsel and IT. The attachment outlines recommended roles and job descriptions.

Below are key milestones:

1. Define primary responsibilities of the office and create a job description for the leader of the new office of gift oversight by March 1. (completed)
2. Determine how many need to be hired; create an organizational chart by March 25. (completed)
3. For communication purposes, identify professionals impacted by the formation of the newly formed gift oversight unit, via a customized report from Wes Wynn.
 - o Note: Our customized report to identify individuals impacted with the formation of the new Office of Gift Oversight may have limitations. There is a concern that existing job descriptions may not include philanthropic words/phrases used to search for and identify the philanthropic community. Our group realizes that, over time, the original office of gift oversight listserv will need to be edited to include individuals possibly overlooked.
4. Finalize implementation and communication plans on May 6.
5. Communicate to those affected by changes by June 1.
6. Post AVP for gift oversight job description by June 8.
7. Leader of the new office starts by August 1.

In terms of space, five working spaces will need to be set aside for the new office.

Cost Estimates for New Office:

- Associate Vice President- Commensurate: \$150,000
- Director (Administrative)- Pay Grade 15: \$85,000-100,000 x 3 directors
- Executive Assistant I- Pay Grade 9: \$45,000-55,000
 - o Subtotal office salaries: \$450,000-\$505,000 in salary X .28 (for fringe benefits)
 - o Total for salaries and fringe = \$576,000-\$646,400
 - o Equipment & supplies = \$50,000
- **Total cost estimate = approximately \$700,000**

Approved:

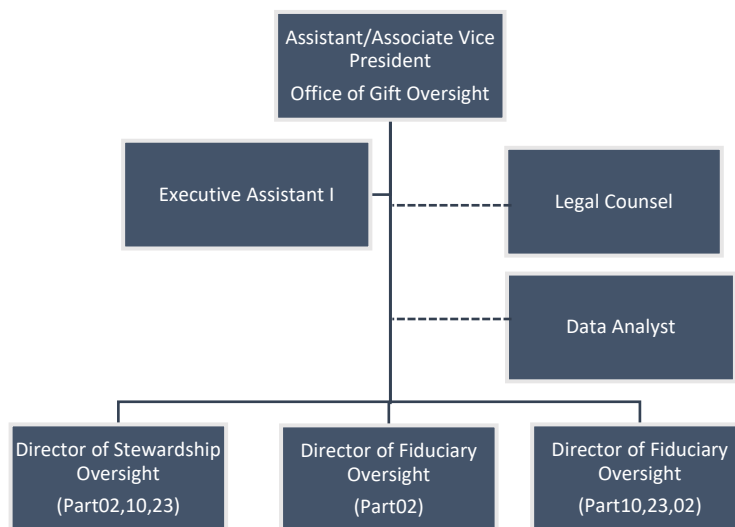


M. Katherine Banks, Ph.D.
President

May 23, 2022

Date

Texas A&M University-Office of Gift Oversight



Assistant/Associate Vice President: Reports to Vice President of Finance (J. Crawford). **Responsibilities:** AVP oversees all system part gift management, ensures quality control between all parts processes, possible donor interaction/liason with TAMF Development Officers and/or University Advancement for donor related issues. Leads and manages Office of Oversight team, with focus on process and people development. Assist the VP for Finance in the development and administration of policies, procedures, strategic plans, performance metrics and other initiatives.
Commensurate

Executive Assistant I: Reports to Assistant Vice President. **Responsibilities:** Executive Assistant is the primary support employee for the Assistant Vice President for the Office of Gift Oversight, responsible for all calendar, time management, and travel management of the AVP. This position also supports other essential office employees, gift-related processes, and coordinates key events and programs.
Pay Grade 9

Legal Counsel: Reports to General Counsel (TBD). **Responsibilities:** Legal Counsel works with TAMUS and TAMF General Counsel on resolving donor-related issues related to gift agreements; with TAMUS and TAMF on new gift agreement language when needed. This is a support/dedicated position either under TAMUS or Office of Gift Oversight.
Contracted As Needed

Data Analyst: Reports to TAMU IT. **Responsibilities:** Contract with TAMUS IT for creation, and templates for accounting/gift reports for System Parts 02,10,23. Helps establish reporting system to track gift-related activity.
Contracted As Needed

Director of Stewardship Oversight: Reports to Assistant Vice President. **Responsibilities:** Coordinates with TAMF Donor Relations Engagement, TAMF Marketing, and College Chief Development Officer on all donor engagement activities, to create and offer best in class stewardship (events, videos, letter, etc.) across all System Parts. Will be liaison between University Advancement, TAMF and AVP on providing consistent TAMU messaging and donor relations for Part02, 10,23.
Commensurate

Director of Fiduciary Oversight Part02: Reports to the Assistant Vice President. **Responsibilities:** Performs cyclical audit checks to ensure proper spending of gift accounts, develops process improvements, reporting (development & submission), liaison between TAMF and individual units to certify donor endowments are fully utilized as outlined in gift agreements. Director maintains clear communication and continuity of care regarding all Part02 gifts. Establishes and maintains consistent spending guidelines and policies across Part02 campuses/units as it relates to the philanthropic monies. Works with TAMF on cash balance buildup of accounts, and handles issues related to chairs, professorships, and other gift awarding practices.
Commensurate

Director of Fiduciary Oversight Part10,23,02: Reports to the Assistant Vice President. **Responsibilities:** Performs cyclical audit checks to ensure proper spending of gift accounts, develops process improvements, reporting (development & submission), liaison between TAMF and individual units to certify donor endowments are fully utilized as outlined in gift agreements. Director maintains clear communication and continuity of care regarding all Part10,23,02 gifts. Establishes and maintains consistent spending guidelines and policies across Part10,23,02 campuses/units as it relates to the philanthropic monies. Part02 portion of oversight will be established after compatibility review/matrix to offset load. Works with TAMF on cash balance buildup of accounts, and handles issues related to chairs, professorships, and other gift awarding practices.
Commensurate