

The background of the slide features a large, modern, multi-story white building with many windows, identified as the UC Davis Medical Center. In the foreground, there is a signpost with a map of the campus. The signpost is white with a blue map and a black base that reads "UC DAVIS Medical Center". The map shows various buildings and their locations. The sky is blue and there are some trees and flowers in the foreground.

Create Long-Lasting Relationships
Accelerate Progress
Succeed in Building Endowments
Excel in Donor Stewardship

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University of California, Davis, Health System

THE
CAMPAIGN FOR
UC DAVIS

Session Overview

This session will cover four main topics and a case study of UC Davis Health System.

- Understand endowments and endowment stewardship
 - Understand what your donors want to know
- How will you report your financial information and where will you obtain this information?
 - How will you communicate difficult financial times, underwater funds?

*Case Study: UC Davis Health System
Endowment and Gift Oversight Committee*



Understanding Endowments

- What are endowed funds/funds functioning as endowments?
- What is the difference between endowed funds and current use funds?
- What are endowed chairs and professorships?



Financial Management

- The first step to being able to provide excellent stewardship to endowment donors is for the institution to have sound financial management practices in place, all parties concerned must be able to articulate these practices.



Financial Management



- What do you need to know about endowed funds?
- How are endowments invested?
- What is “total return payout?”

Teaching About Endowments

- Education and outreach to appropriate audiences

Topics: What is an endowed fund?
 Endowed Chairs and Professorships
 UC Regents/UC Davis Foundation
 investment policy
 Total Return Payout

Audiences:

- Brown bag lunches – faculty and staff
- Workshops – faculty and staff
- Collaborative presentations with central campus – faculty and staff
- Health Sciences Advancement internal education to colleagues



Making Your Case For Support

Why do donors give to endowed funds?

- Memorial
- Tribute
- Perpetuity
- Income stream for the long term

What Do Donors Want?

- All donors are not the same, be prepared to have a standard portfolio that is provided to all donors, but also understand what your donor wants to know, this will help you be more prepared to provide in depth financial information when asked. Utilize your Development Officers and departments, they know the donors best.

What Do Donors Want?

- Have a standard portfolio for all donors, but be prepared to customize when necessary.
 - Customize by adding a glossary of terms, more detailed analysis of trends, gifts to the fund, etc.
 - Develop a comprehensive stewardship plan and discuss with all parties involved.
- **Tell donors how their funds were utilized. This is the most important aspect of all stewardship.

Attachment “A”

Reporting the data

- How will you obtain the financial data?
 - Who will report the financial data?
- How will you obtain the expense/spending data?
 - Who should be a member of your team?



Be Collaborative!

Attachment “B”

Communication is the Key

- How do you relay information about underperforming funds, information about “underwater” funds and not-so-positive news to donors?

Provide

- Statistics, benchmarking data from other institutions
- Articles about economic performance that may relate
- Have talking points prepared in advance
- Don't shy away from difficult discussions
- Be forthcoming, give suggestions and/or solutions for the short term

Attachment “C”

A Case Study with UC Davis Health System

- How does endowment stewardship work at UC Davis?
- What is the Endowment and Gift Oversight Committee?
- How does UC Davis utilize their Endowment and Gift Oversight Committee?
- How can other types of organizations/institutions benefit from such a committee?

University of California, Davis Health System

Endowment and Gift Oversight Committee (EGOC)

Purpose

The Endowment and Gift Oversight Committee is an advisory committee to the Vice Chancellor, Human Health Sciences with the Executive Associate Dean serving as the chair. The committee is to be comprised of at least one representative from School of Medicine, School of Nursing, academic departments, centers, Medical Center, finance and Health Sciences Advancement. The committee's main function is that of oversight of Health System department's in matters pertaining to donor intent and stewardship. The committee's role is to ensure that endowment funds and gift funds are expended in an appropriate and timely manner. In addition, the committee is charged with the responsibility to oversee, advise and ensure that all units are communicating regularly with their respective donors for stewardship purposes. The committee will facilitate processes and options for use of funds to enhance the mission of UCDHS.

General

The Committee and the Department must understand what the donor's expectations are for the donated funds. Endowment Funds and Gift Funds may only be expended as the donor designated. The UCDHS Health Sciences Advancement Department should be contacted for assistance in determining the donor's intent, for clarification on the donor's intent, or for documentation on endowments or gifts. If it is determined that the intent of the donor is too restrictive to be expended by UCDHS, the Dean's Office or the Department should contact the UCDHS Health Sciences Advancement Department for assistance in requesting a change to the endowment or gift language. Endowment Funds and Gift Funds should be expended annually as they are received. If circumstances require those funds to be expended over a longer period of time, there should be appropriate documentation to support the extension. These funds cannot be accumulated more than five years. When funds are accumulated for 4+ years, the Committee and the Department Chair will determine if or where the funds could be reassigned.

Reporting

An annual report on the status of all the endowment funds and gift funds meeting specific criteria will be prepared by UCDHS Finance and the UCDHS Health Sciences Advancement Department and will be sent to the Endowment and Gift Oversight Committee and the Department Chairs and Managers. The Departments will submit an annual report to the Endowment and Gift Oversight Committee on the use and planned use of funds. If payout of funds has accumulated up to 5 years, the Committee will require a report outlining specifically how and when each of the Funds/Accounts will be expended and brought below the 5 year level. Information from the report will be integrated into stewardship letters to all endowed fund donors by departments in conjunction with Health Sciences Advancement. APM-191 requires annual approval of budgets for endowed professorships and chairs. This call is managed by the Associate Dean for Academic Personnel. The call is released in the spring for the upcoming fiscal year, coordinated with the budget cycle for academic departments.



You've got questions, we've got answers.....