



A Case Study: The Business Officer's Role in the Fundraising Process

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Connecting The Dots...

- Tuition and fee revenues under pressure
- Fundraising=key additional revenue source
- Opportunities for revenue enhancement

Starting point

Self-Assessment

Can't We All Get Along?

- Natural Tensions

- 1+1 = 3?!?
- You mean, you won't accept my moldy book collection?
- What's an 8283?

- Is this normal?

- Business Office Role
- Advancement Office Role

A Path Forward?

- Donor relations issues
- Audit concerns
 - Compliance with donor restrictions
 - Spending/distribution issues
 - Unitization challenges
 - Accounting and GL issues
 - Gift stipulations and interpretations
- Staffing resources
- Legal Considerations

University Case Study: Then

- Can't we do it all ourselves?
- Did someone say spreadsheets?
- Can you hear me now?

University Case Study: Needs Assessment

- Structure
- Communication
- Processes/Systems
 - Workflows
 - Consistency in documentation
 - GL Structure
 - Policies
 - Statements & Unitization & Spending Distributions

Step 1: Review current processes

- What do we have?
 - Key agreement data fields:
 - Agreement exists
 - Signatures (both donor and institution)
 - Restrictions (purpose)
 - Modification or termination dates
 - Spending terminology
 - Investment terminology
- Meet with stakeholders
 - Advancement
 - Financial Aid
- Review of Policies
 - Gift Acceptance policy
 - Investment Policy Statements (endowments, annuities, trusts)
- Review existing process for efficiencies & staff expertise

Step 2: Consult with Outside Experts

- Consult with peers
- Consult with auditors
- Consult with university attorneys
 - Examples of vague agreement language
 - No clear definition of “income” or “interest” (gains? losses? dividends?)
 - Fund can be “modified” (as to purpose? spending?)
 - Operational vs. scholarship spending (what %?)
 - UPMIFA

Step 3: Implementation

- Documentation
 - Standard templates for agreements (annuities, trusts, endowments)
 - Create written procedures for restricted funds process
- Workflows (ImageNow)
- Software (Fundriver)
- Net Asset Audit

Step 4: Education

- Meeting with Advancement
- Meeting with Financial Aid
- Meeting with Academics

Endowment Accounting Software

- Needs

- Automated statement production
- Minimal IT resources
- No Excel Spreadsheets
- Ease of Integration with ERP
- Speed of Implementation
- Reconciliation of investments
- Automated Unitization
- Automated Spending distribution
- Customization
- Unlimited Users
- Cost effective

Software Demonstration

University Case Study: Today

- University's fundraising stats as of June 30, 2018:
 - Endowment value: \$190 million (approximately 300 funds)
 - Annuity Pool: \$4.0 million (95 annuities)
 - Trusts: \$1.3 million (7 trusts)
 - Named Annual Non-Endowed Scholarship Funds: \$1 million (60 funds)
 - Annual fundraising: \$2.5 million



It's all about...

COMMUNICATION



Questions, Comments?