1. **New Endowment Software - FUNDRIVER**

2. **Summary**

   Treasury and University Relations have been exploring new software to track and unitize our Endowment Funds that will provide better reporting for owners of the funds, for donors, and other users.

   At present, Treasury uses a large spreadsheet to track and unitize the endowments, Development/University Relations uses their own spreadsheets and files, and Financial Aid uses their own spreadsheets too. We have a decentralized system to track our endowment funds. We have over 780 funds in the endowments and this number will grow with the new campaign.

   FUNDRIVER makes reporting available to donors and other users. Funds can be grouped, so a donor can see all of his/her funds. It will allow easier and more frequent reporting to donors.

   Unitization is a very manual and cumbersome process and is spreadsheet-driven and prone to human error. FUNDRIVER would allow us to automate and streamline the unitization process.

3. **Proposal**

   We propose implementing FUNDRIVER software for FY15. The cost is $1500 - $2000 for initial setup. The annual cost starts at $6000/year and would be charged directly to the endowment as part of the management fee. Additionally, we have hired a part-time employee to implement the new endowment management software and to ensure proper setup and training for all users.

   After seeing demos of this software we agree with this summary from FUNDRIVER’s website.

   “FUNDRIVER brings accuracy, simplicity and security to the management of endowed and other pooled investment funds by automating tracking and reporting, no matter how many funds or accounts. ... FUNDRIVER is web-based. No additional hardware or software is required, so that makes it a lower-cost option as well as a simple and intuitive one to use.

   Organizations choose FUNDRIVER for its flexibility, ease of use and the many benefits it brings to endowment administration, including:

   1. *Improved endowment stewardship and compliance with UPMIFA*
   2. *A manageable process resulting in a reduction of costly errors*
   3. *Improved audit experience*
   4. *Time saved preparing reports*
   5. *Easy and accurate administration of spending rules*
   6. *No IT resources needed to implement or maintain the system*

   The reporting features and automation of unitization make this software a very attractive package, along with the fact that no IT resources are needed. Customer support will be provided by FUNDRIVER.
The system has security, so users, both internal and donors, can be restricted to information that they own. Security will be assigned by the Administrators, which in this case, would be the Assistant Treasurer and most likely someone from Development.

4. Alternate Options

1. Banner Endowment Module
   a. PRO
      Is part of our ERP system
      No additional costs of the module as it is already included
   b. CON
      Banner does not provide alternatives to the spreadsheet method. Would still have to work with spreadsheets to calculate share price, which is the primary determinant in unitization and then input information into Banner. This is prone to human error and provides little to no time savings.
      We do not report market values in Banner, so at present we would still need to use spreadsheets to calculate market value and to track and unitize the endowments. This information would not be readily available to fund owners, donors or University Relations.
      Has few options for reporting.
      Cannot group funds by type and purpose. This would be done in spreadsheets.
      No UPMIFA information produced for Financial Statements. This would still be done in spreadsheets

2. Endowment Solutions (KPM)
   a. PRO
      Web Based – can keep local copy
      Microsoft Sequel Server or they host
      Performance Reports
   b. CON
      Will need updating when new versions of Banner are implemented
      Does not have the flexibility of FUNDRIVER
      Were not responsive on first contact
Yearly subscription basis: $7500

Implementation Cost 20-30 hrs at $150/hr   -   40 hrs = $4500

5. **Recommendation**

We recommend implementing FUNDRIVER to manage and track our Endowment funds and provide donor reporting. This program does not require the University’s IT support and the cost of the software will be charged directly to the endowment funds.