



SWEENEY
— PHILANTHROPY —

PROPOSAL

OPERATIONAL ASSESSMENT/ON-GOING COUNSEL

For

FLORIDA A&M UNIVESITY



September 4, 2020



INTRODUCTION

Sweeney/Philanthropy assists institutions in planning and performance assessments similar to that contemplated by Florida A&M University (FAMU). As the University and its Foundation analyze the potential for a vibrant philanthropy program, FAMU stands poised between the historical significance of its past and the emerging funding opportunities of the present and future as the nation addresses racial inequality and a greater awareness of the significance of HBCU's. A comprehensive analysis from outside counsel will be an essential step in evaluating the Foundation's operating structures, along with the opinions and giving potential by the University's constituents. To assist the staff and administration of FAMU in achieving their fundraising goals, it is critical to review, analyze (using best practice comparisons) and provide recommendations concerning organizational structure, staff resources, policy matters, budget, prospect cultivation methods, program potential/opportunity and both near-term and long-term goals and objectives of the FAMU Foundation

Any proposal for an operational assessment/planning study must not only meet the requirements of the University but should provide FAMU with the very best counsel, information and tools for planning and executing a successful long-term fundraising program.

UNIQUE QUALIFICATIONS OF SWEENEY/PHILANTHROPY, LLC

Bob Sweeney, principal of Sweeney/Philanthropy is uniquely qualified to provide counsel to FAMU. This belief is based on:

- 45 years in higher education philanthropy
- Extensive experience in public higher education including 26 years as Senior Vice President at the University of Virginia and 4 years as Associate Vice Chancellor and Campaign Director at the University of North Carolina at Chapel Hill

- Success as architect of two of the largest campaigns in public higher education history during UVA tenure (\$1.5B and \$3B)
- Responsible for programs that raised over \$5 Billion
- Have a deep understanding regarding the operating structures, politics and best practices of foundations (UVA has 27 501C3 foundations)
- Several clients, past and present, operate out of university-related foundations (University of Colorado Boulder, University of Missouri-Kansas City, University of Central Missouri, University of South Florida, Florida State University)
- Have significant contacts (as clients or having them work for me at UVA) with heads of Florida public university foundations (Florida International; University of Central Florida; University of Florida; Florida State University; University of South Florida)

PROJECT SCOPE

S/P recommends a comprehensive Operational Assessment/On-Going Counsel plus weekly follow-up consultations with S/P for a period of 12 months to help guide the FAMU Foundation in the implantation of Operational Assessment recommendations. Taken together, these two elements will form and provide an executable strategy that will allow FAMU to embark on a successful fundraising program. Hopefully, this will lead to the largest capital campaign in FAMU history, with a well-defined aggregate capital goal and a strategy and approach to achieve that goal.

Operational Assessment

- The Operational Assessment, is an evaluation of past and present Foundation operations and fundraising success including how the FAMU Foundation:
 - ✓ Receives gifts made in support of the University
 - ✓ Manages the investment of the University's endowments
 - ✓ Ensures that gift funds are kept separate from state funds and used consistent with donor intent.
 - ✓ Strives to promote, nurture and expand the culture of support for Florida A&M University
 - ✓ Identifies the strengths and weaknesses of current programming and to determine areas that allow significant enhancement and future growth

- ✓ Evaluates program activity, policies, procedures, organizational structure, support systems, management, performance metrics and professional staffing.
- Through careful analysis of this information, the Assessment evaluates advancement program resources, recommends ways to improve and augment the existing structure and enables fundraising and engagement programs and overall Foundation management structures to be more efficient and productive. This Operational Assessment will prepare FAMU for the increased demands of a comprehensive advancement program.
- The Operational Assessment process consists of two distinct yet related procedures:
 1. S/P will provide Foundation personnel with a detailed Request for Information/Materials similar to an accreditation/self-study questionnaire. This Request requires that the Foundation researches and catalogues its current fundraising and engagement resources, both technical and staff, in order to assess internal readiness to respond to the rigors of sophisticated advancement program. S/P will review and analyze the materials generated in response to this Request and include these findings in the subsequent report.
 2. S/P conducts personal interviews (20-24 interviews anticipated) with program staff, selected Foundation officers and institutional leaders (in particular the President, Provost and Vice President for Administration and Finance), selected Deans, key volunteer leaders and senior Foundation staff, as well as a few past and potential donors. These interviews provide an understanding of the readiness of "core" personnel for a high performing Foundation.

In order to provide a comprehensive analysis of FAMU Foundation, S/P will investigate, evaluate, and make recommendations in six areas:

- ✓ Alignment of the FAMU Foundation Mission
- ✓ The Case for Private Support
- ✓ Fund-Raising Progress
- ✓ Major Program Components
- ✓ Volunteer and Institutional Leadership
- ✓ Records, Research and Systems Support Functions

Alignment of the FAMU Foundation Mission

The Assessment will answer key questions regarding alignment of the Foundation's mission and the needs of the University. Does the FAMU Foundation:

- Provide volunteer training and leadership in engagement and fundraising activities?
- Motivate alumni and friends to provide private resources the help the University become a stronger regional leader and enhance its reputation among the nation's HBCU's?
- Maximize private-sector support for FAMU?
- Invest those assets for maximum return consistent with acceptable risk?
- Continuously monitor and contain the cost of managing its endowments to provide to provide maximum available resources in support of FAMU's mission?
- Build and sustain a broad range of expertise and experience by recruiting Foundation directors of varying backgrounds and skills that enhance its ability to generate significant philanthropic support?
- Embrace and champion the FAMU brand and act as "influencers" with alumni, political and community leaders?
- Provide fiduciary care for the assets of the Foundation and provide advice, consultation and support of the FAMU administration?

The Case for Private Support

- What written documentation exists to define FAMU's unique purposes and constituencies? To what extent do current publications reflect University policy and the University's long-range goals?
- How much long-range planning has been done regarding FAMU's long-term and short-term goals and priorities? How well does the long-range plan integrate with the goals targeted by the FAMU Foundation?
- Do public relations and publications programs successfully support fundraising and engagement efforts?
- Do current fundraising priorities fit into the context of the University's overall needs assessment and to what degree has the University sought input and cooperation in defining this assessment?
- What materials describe special giving opportunities and their importance to the vitality of FAMU?

- Who are the University's closest constituencies of donors and friends? How can the case for institutional support be tailored to meet their special interests?
- How persuasive and comprehensive has FAMU been in articulating its case for private philanthropic support? Has the State of Florida and the Florida panhandle been sympathetic to FAMU's case for private support? How have past levels of giving reflected this awareness?

Fundraising Progress

- Is an experienced, competent team in place who will lead the staffing of an aggressive advancement program? Is there an on-going training program and is growth potential evident in recruiting and retaining staff?
- Are strategies and implementation processes for fulfillment of both short-term and long-range fundraising goals, clearly established?
- What is the compound growth rate for philanthropy over the past five years? Is the trend-line positive in supporting an aspirational goal for the campaign?
- How does the fundraising progress of the University compare with other similar institutions, based on current CFAE data?

Major Program Components

- How is the Foundation staff at FAMU structured and organized? How do they presently coordinate their efforts with the University?
- What is the likely potential for all programs, including size, scale, resources, budgets, and support requirements?
- What are the past achievements of the overall alumni engagement programs of the University, including alumni philanthropic participation in terms of both percentage and overall dollars?
- How strong are the major gift cultivation and solicitation programs among both alumni and non-alumni prospects?
- Is there a dedicated principal gifts program in place headed by a senior staff person? Is there an established pipeline to focus principal gifts efforts?
- Are performance metrics in place that measure the productivity, effectiveness and ROI of major/principal gifts officers?

- What is the extent and range of solicitation progress with local, community, state, and national corporations and foundations? Has volunteer-based activity been utilized effectively with these corporations and foundations?
- Are deferred giving, bequest and gift planning (life income) strategies successfully incorporated into FAMU's advancement programs?
- How thorough and wide-reaching are direct response strategies, such as e-mail, social media, direct marketing and personal calls?
- What is the current status of the donor relations/stewardship program, including acknowledgement strategies, cultivation events, gift clubs, and donor recognition activities?
- How much value well does the annual giving program provide to the fulfillment of institutional objectives and campaign goals?
- How effective are the annual operating goals of the Foundation (specifying monthly, quarterly, and annual metrics), along with reporting mechanisms and management review methods?

Volunteer and Institutional Leadership

- What are the fundraising and promotional strengths and weaknesses of selected key volunteers and significant administrative leaders of the University?
- Are the FAMU Foundation's existing fundraising committees and volunteer boards prepared to serve the University's short and long-term philanthropic needs? What leadership structures are contemplated going forward?
- What involvement in, and understanding of, solicitation activities and alumni engagement are exhibited by the President of the University, the Vice President for University Advancement, the Foundation Board of Directors, key administrators, the faculty, selected volunteers, and community leaders?
- Is there a formal process for Board orientation and training program?

Records, Prospect Research and Systems Support Functions

- What quality and range of information are maintained in individual, foundation, and corporate donor records?
- What are FAMU's analytics capabilities?

- How advanced are efforts to expand and update alumni and other donor information (surveys, screening tools, predictive modeling and prospect research) along with procedures for prospect evaluation and rating?
- How efficient are the gift processing and financial record keeping procedures?
- What is the current status of the other data processing support services (prospect and donor tracking; corporate and foundation proposal tracking; daily, monthly, quarterly, and fundraising progress; management reporting)?
- How advanced is the system for the preparation, internal review, and approval of proposals?
- Does gift processing and acknowledgement meet or exceed industry standards

Conducting Foundation Business in Adherence with High Standards and Values

An important part of the Operational Assessment will be to ensure that the FAMU Foundation with the highest integrity and creates the opportunity for the Board and the Advancement staff to create a high performing organization. The Assessment will look at the following:

- **Commitment**-Enhancing private sector resources in support of FAMU's pursuit of excellence in teaching, research, outreach and service
- **Community**-Pursuing the Foundation Board's mission in a welcoming, supporting atmosphere that fosters partnerships and enhances success
- **Integrity**-Building upon the bonds of trust among the Board and with the University administration, donors, alumni and other partners in accordance with the highest ethical standards
- **Excellence**-Embracing the opportunity and responsibility to perform the Board's work in support of Florida A&M University to the best of its ability and to explore avenues for personal and professional growth of the staff
- **Leadership**-Seeking to be a national leader among HBCU institutionally related foundations and serving as an exemplar of outstanding performance, effectiveness and accountability for the philanthropic investments made in support of FAMU's mission
- **Stewardship**-Consistently and conscientiously honoring the Foundation's obligations and responsibilities as ambassadors of the Foundation and the University, demonstrating accountability to FAMU's donors through timely provision of information, responsiveness and appropriate and authentic expressions of appreciation

Investment in Feasibility/Planning Study

The Operational Assessment will be reported in a comprehensive, documented report of internal findings and recommendations. This report will be submitted confidentially, initially in draft form, to the Chairman of the Florida A&M Foundation, President of the University, the Vice President for University Advancement and any other appropriate recipient deemed by the FAMU Foundation.

Thoughtful leaders recognize that certain investments produce exponential ROI. Investing in a comprehensive effort to properly prepare Florida A&M University to secure millions of dollars through a restructured fundraising program is potentially more significant than any other resource generator (including institutional research or endowment performance). Positioning the University for a fast start when the economy rebounds can be a “game-changing” proposition and is certainly worth the financial investment.

The fee the complete Operating Assessment and Monthly Consulting Retainer is \$48,000 and includes:

- ✓ Review of all appropriate documents
- ✓ Analysis of all giving data
- ✓ Review of all programs, organizational structure and reporting lines
- ✓ 20-24 Operations Assessment interviews; report writing and preparation
- ✓ Report(s) production and mailing expenses
- ✓ Four consulting sessions per month over a 12-month period of time (generally in the range of 45 minutes-1 hour)

- ✓ All travel and project related expenses will be billed at cost with receipts provided to the client institution. Great effort will be made to find the most cost-efficient means for each expense. This includes: airfare; in-flight wi-fi; parking; ground transportation; hotels; use of personal vehicle for at \$.56/mi.; report preparation and formatting; presentation preparation and materials