THE UNIVERSITY OF UTAH

MEMORANDUM:

TO: University Business Officers

FROM: Theresa Ashman, Controller

SUBJECT: Use of Endowment Supported Funds

DATE: April 12, 2007

The University Development Office, Health Sciences Development, and Financial and Business Services are working together on a project to deliver reports on endowment activity to donors. Key points involving this project are listed below:

- Reports will include financial information regarding the endowment and its expendable accounts as well as "impact" information regarding how the funds were used
- Investment information related to the performance of the endowment pool will be included
- A reiteration of the funds' purpose will be included – similar to what you will soon see on your management reports

For this project to be a success, it is important to recognize that accountability, transparency, and good stewardship are critical in helping donors feel good about their investment in the University. Our goal is to produce reports that are meaningful, relevant, accurate, consistent, and that reflect positively on the University.

The first reports will be prepared as of June 30, 2007, and will be distributed early this fall. The number of reports that will be issued in this first year is still under evaluation. Details on how the process will work are still being developed. We anticipate this will be the first of many communications you will receive on this topic. Please feel free to share with anyone you feel should know.

This memo is to help you prepare for these changes by describing actions you can take now to prepare for the first reports:

- Evaluate endowment expendable account balances – if awards have not been made or funds have not been spent, consider what might be done to utilize the funds before fiscal year end. Note however, that funds must still be spent according to donors' wishes.
- Consider what information you have available that can be provided to the Development Office for inclusion in the reports. Some examples might be: a listing of scholarship award recipients for the academic year; a statement from a principal investigator describing new discoveries during the year; a statement from a department chair describing new faculty who were recruited and their research focus. At this time, it's not necessary to gather the information, only to start identifying how it can be gathered when the time comes.

If you have questions, please contact me at either 581-5077 or via e-mail at theresa.ashman@admin.utah.edu.