

Board Meeting
March 6, 2014

ROLL CALL

AMEND FISCAL YEAR 2014 SERVICES AND MANAGEMENT AGREEMENT FOR THE UNIVERSITY OF ILLINOIS FOUNDATION

Action: Amend Fiscal Year 2014 Services and Management Agreement for the University of Illinois Foundation

Funding: State Appropriated Funds and Institutional Funds

At its May 29, 2013, meeting, the Board renewed a Services and Management Agreement (“Agreement”) with the University of Illinois Foundation (“Foundation”) for Fiscal Year 2014 to provide fund-raising services and other assistance to attract private gift funds to support University programs. At its November 14, 2013, meeting, the Board amended the Agreement to provide additional direct support estimated at \$4.5 million toward management and supervisory services for the maintenance of donor records and improvements in systems related to the Foundation’s Advance Illinois project. The Foundation and the University seek to further amend the Agreement to provide an additional \$870,000 in support of certain costs of the Road Map Strategic Plan designed to implement best practices in development and philanthropy at the University. The action recommended in this item will increase the University’s support for these activities from \$11,282,000 to \$12,152,000 for Fiscal Year 2014.

The Foundation assesses a management fee to the Foundation endowment

pool as a means to support private gift fund-raising, administrative, and stewardship operations. The Foundation shall inform the University of any change in this management fee or gift distribution formulas and provide the University with its annual operating budgets and quarterly budgets to actual results. In addition, the Foundation shall report quarterly key benchmark performance and at least annually present peer comparison metrics to the Board. The hiring of additional campus development and support personnel shall be in accordance with the human resources practices and approval processes at the respective campuses and shall be charged to the campuses' respective operating budgets.

The Board delegates authority to the University Chief Financial Officer to make required payments to support certain costs of the Road Map Strategic Plan during the course of the fiscal year based on actual costs incurred. The Board directs the University Chief Financial Officer to draft and execute, in accordance with applicable University policies and procedures, any documentation necessary to effectuate this action.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President/Chief Financial Officer recommends approval.

The President of the University concurs.