

University of South Carolina

Educational Foundation

Strategic Plan

January 30, 2020



UNIVERSITY OF
South Carolina

Introduction

The University of South Carolina Educational Foundation (the “Foundation”) was formed in 1956 to serve as the mechanism to receive cash, securities, life insurance, and other gifts to provide scholarships, chairs, and other benefits to the students and faculty at the University of South Carolina (the “University”). The Foundation has played an important role in the growth of the University, and itself has experienced unprecedented growth from 2014-2018. This growth was primarily due to the University’s \$1 billion capital campaign which resulted in several large gifts from private donors. The increase in donors’ gifts led to an increase in the overall investment pool and the endowment. The endowment increased from \$596 million at June 30, 2014 to \$810 million at June 30, 2018.

A change in leadership at the Foundation in 2018 and at the University in 2019 led the management team at the Foundations to consider developing a Strategic Plan with the Board in 2020. While many of the developments that occurred in 2014-2018 were strategically beneficial to the system, they were not part of a systematic strategic plan. We believe the opportunity exists to work with the University to evaluate and understand its needs and appropriately plan for the anticipated growth that is expected at the University.

While our overall mission and vision as a Foundation has not changed, the Foundation’s ability to impact students positively, faculty programming and the overall experience at the University through the Foundation’s financial and investment activities is unlike any other time in the history of the Foundation. This period of growth experienced by the University presents a unique opportunity to support the University during the current period of low state funding.

This document has been prepared with input from senior University officials, Foundation team members and by the Board of the Foundation. This Plan will change, as will the plans of the University, but should serve as a point of reference to our mission, vision, and strategic goals for the foreseeable future.

Our Mission

To support the University of South Carolina in its academic, research and charitable endeavors by managing and stewarding donor gifts, providing financial resources to support students and faculty now and into the future, and assisting in promoting a culture of philanthropy.

Our Vision

To be a partner focused on providing financial support and advocacy to the University of South Carolina.

Strategic Goals Summary

1. **Philanthropy.** The Foundation will support the University development team by providing the necessary leadership and infrastructure, including support in terms of personnel, volunteers, and network connections for fundraising activities.
2. **Donor Experience and Stewardship.** The Foundation will work with the University to provide an exemplary donor experience through receipt and management of their contributions and by stewarding the donor relationship going forward to ensure optimal donor satisfaction.
3. **Investment Management.** The Foundation will select an investment committee, prepare an investment policy statement and ensure that donor funds are invested in a safe and prudent manner that result in a reasonable rate of return to support the payout of endowed funds and their growth to provide sustained support into the future.
4. **Corporate Governance.** The Foundation will ensure that its board is comprised of qualified individuals to provide the necessary fiduciary oversight and represent the University and the Foundation with the highest degree of ethics and integrity.
5. **Support of the University.** The Foundation, through its board members, will be actively engaged in providing support to the University through advice, relationships, and its financial resources.

Strategic Goals

1. Philanthropy.

The Foundation will support the University advancement team by providing the necessary leadership and infrastructure, including support in terms of personnel, volunteers, and network connections for fundraising activities.

Strategies:

- The Foundation will seek to educate its board members, with guidance from the University development team, on a culture of philanthropy and by providing periodic updates to assist them in supporting the development team.
- The Foundation leadership team will meet with the University advancement leadership team on a monthly basis to ensure ongoing analysis of the needs of the development team.
- The President of the Foundation will work closely with the Chief Development Officer on large cash gifts (greater than \$1 million) and non-cash gifts to ensure compliance with then current Foundation policies, procedures, and due diligence.
- The Foundation will evaluate its ability to provide financial resources on an annual basis and seek to provide some level of financial support to assist the development team.
- The Board of the Foundation will support the development team, when called upon, by serving as a resource for building relationships with existing donors and seeking ways to establish new relationships with potential donors.

Strategic Goals

2. Donor Experience and Stewardship.

The Foundation will work with the University to provide an exemplary donor experience through receipt and management of their contributions and by stewarding the donor relationship going forward to ensure optimal donor satisfaction.

Strategies:

- The Foundation leadership team will work with the development team to draft gift agreements for large cash gifts (greater than \$1 million) and all non-cash gifts to ensure that contributions are structured in the specific manner intended by the donor.
- The Foundation will serve as a resource to donors and development officers for appraisers, attorneys, and other advisors to assist with the gift process.
- The Foundation, in cooperation with development, will provide an annual report to donors on the endowment and on the impact of donor gifts on students' lives.
- The Foundation will provide an employee that serves as a liaison to the University development team and donors to assist with questions related to donor gifts.
- The Foundation will continually work with the development team to evaluate best practices in donor relations and seek ways to enhance those relationships.

Strategic Goals

3. Investment Management.

The Foundation will select an investment committee, prepare an investment policy statement and ensure that donor funds are invested in a safe and prudent manner, balancing protection of asset values with the need to grow its assets to provide support not only for current needs but also future generations.

Strategies:

- The Foundation board will select an investment committee of individuals who have significant knowledge and skills in institutional investing.
- The Investment Committee will review the Foundations' investment policy statement on an annual basis to ensure the investment strategy and asset allocation is in line with best practices and the needs of the University.
- On a quarterly basis, the investment committee will meet and evaluate overall investment performance and measure against the investment policy statement and on an annual basis, formally evaluate the performance of the investment consultant.
- The Foundation will evaluate the adequacy of the assumed spending rate outlined in the Investment Policy Statement on an annual basis as it relates to the investment assets managed by the Foundation.
- On an annual basis, the investment committee will evaluate the overall investment portfolio performance, the balance between risk and returns, and benchmark the portfolio against published peer data.

Strategic Goals

4. Corporate Governance.

The Foundation will ensure that its board is comprised of qualified individuals to provide the necessary fiduciary oversight and represent the University and the Foundation with the highest degree of ethics and integrity.

Strategies:

- The Foundation will maintain board members who are knowledgeable and possess expertise in business, investing, and operations.
- The Foundation will ensure honesty, integrity, accountability and transparency in all operations and transactions.
- The Foundation will review by-laws, policies and procedures and other operating agreements on an annual basis to ensure they are appropriate and in alignment with the overall strategy of the Foundation.
- The Foundation will review board succession on an annual basis and ensure that new board members are added who possess the necessary core competencies and attributes and who represent an inclusive composition.
- On an annual basis, the Foundation will evaluate the overall committee structure to ensure that the fiduciary responsibilities and development objectives of the Foundation are being met.

Strategic Goals

5. Support of the University.

The Foundation, through its board members, will be actively engaged in providing support to the University through advice, relationships, and financial resources.

Strategies:

- The Foundation will continually seek to engage its board members in Foundation and University matters to allow opportunities to provide advice and counsel to the University.
- The board members of the Foundation will be ambassadors of the University and will represent the university in a positive and impactful manner.
- The Foundation, through its budget process, will evaluate the needs of the University and, on an annual basis, seek ways to enhance funding for scholarships, faculty chairs, and faculty supplements.
- The Foundation will align and collaborate closely with other foundations at the University, the Alumni Association, and the development team to continually evaluate and seek ways to improve the alumni and donor experience.
- The Foundation will be highly responsive to the needs of the University and will be available with personnel and financial resources to assist the University when called upon.