GIFT PROCESSING, PROOFING, AND REPORTING: PROCESS IMPROVEMENT LEADS TO AN ENHANCED DONOR EXPERIENCE

Introduction and Background

In the midst of the COVID-19 pandemic, the Gift Operations team developed and implemented a successful solution to an unexpected challenge. The initial need for a revised team communication procedure regarding gift batches being processed and proofed was in response to the Gift Operations team's transition to working remotely. However, despite the abrupt change in workplace operations and a database system conversion in July, the revised process contributed to an overall improvement in (a) average receipting times and (b) gift processing and proofing queue numbers when compared to prior years.[1]

For several years it has been a Texas Development leadership priority to improve receipting timeframes and bring the average receipt time at The University of Texas at Austin more in line with industry benchmarks. Best practice states that gift acknowledgements should be sent within 24-72 hours of receiving a gift.[2] Since the receipt begins the acknowledgement process, it has been a goal to bring UT Austin's receipting timeframe in line with what best practice stipulates. A number of factors contribute to the complexity of processing, depositing, proofing, and receipting gifts at UT Austin. The number of gifts (defined as hard credit transactions requiring a receipt) the university receives is relatively high (averaging approximately 144,000 gifts per year for the last three years, with an average of 395 gifts per day, excluding contributions made to the university's public radio station KUT), and the gifts arrive in many different forms and via a large number of campus partners, including more than 15 colleges and schools, several UT foundations, as well as units with large membership programs. Historically, almost all gifts at UT Austin were reviewed and proofed individually by a member of the Gift Operations team. This number has gone down recently as instant-receipting programs have been put in place for online gifts.

VIP, the database used to store alumni and donor information at UT Austin, is a homegrown, bespoke system, as is the (separate) system the university uses for accounting. Gift records are stored in VIP, and the applications the Gift Operations team uses for gift processing and proofing are also components of VIP. Manual uploads are required to transmit gift information to the accounting system; for gifts deposited by the Gift Operations team, the university's accounting department must approve the destination account designated by Gift Operations before the gifts can be proofed, finalized, and receipted. At the outset of this initiative in May 2020, UT Austin averaged 10.7 days to receipt a gift for the prior 12-month period, with a range of 3.11 average days in September of 2019 to 21.76 average days in March of 2020. Gift Operations at UT Austin is made up of 12 team members. For purposes of the discussion below, seven of those have gift ingestion in their area of responsibility, with each specializing in certain gift types. Two FTEs proof gifts.

Original Process

After a recent team reorganization, work was undertaken to document internal workflows and procedures. Several opportunities for improved efficiency were identified, some related to IT systems, and others to internal business practices. In the context of the improvements described above, the process that underwent the most change is internally referred to as the "batch roundup" process. In essence, the process is a way for the team to communicate which gift batches have been processed and are ready to be proofed. Prior to May 2020, this information was communicated via a daily email which listed batches in categories but without any material information beyond the assigned batch number. Even before the transition to remote work,

[1] Adjusted for any differences in gift numbers. Other factors likely contributing to the improvement in receipting times and queue size may include (a) an increase in the percentage of online and lockbox gifts, (b) process changes to proofing gifts for units with large membership programs, and (c) an increase in the submission of electronic documentation for gifts (as opposed to paper copies collected and sent via campus mail or dropped off at the Gift Operations office).

[2] https://cdn.ymaws.com/www.advserv.org/resource/resmgr/draft_best_practices/Gift_Acknowledgment.pdf

compiling the information for the email was a very manual and time-consuming task. Occasional typos, transposed numbers, and omissions required investigation and additional communication to identify the issues and update the team. Additionally, work hours were lost due to the need to wait for the email to be circulated each morning before review could begin. The process used to keep track of proofing was a physical clipboard kept in the Gift Operations team's office space, and proofers would sign out batches individually.

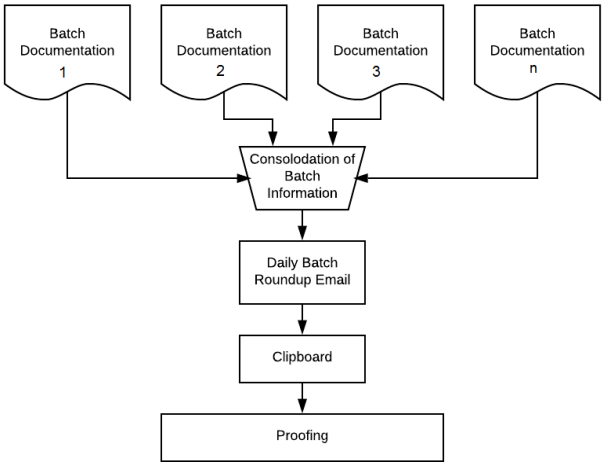

Diagram 1: Outline of the original batch roundup process.

Current Process

To replace the daily batch roundup email, a shared spreadsheet was developed and implemented in May 2020. The spreadsheet provides the opportunity for the team to collaborate much more effectively and gives gift processors more ownership of their workflow as well as the batches they have processed and added. Batches may now be added to the proofing queue as soon they are ready, instead of needing to wait for the following morning's email. The spreadsheet also incorporates other useful information for the team, including which colleague processed or proofed the batch, detailed date information, and whether the batch includes corporate matching, an IRA gift, or a gift above a certain dollar amount. The team also uses the notes section extensively to communicate regarding status and issues. Batches with missing documentation or that require additional attention are more efficiently identified; this information is also kept for future reference in a manner that is much more accessible. The fact that the shared document can be consulted by the entire team in real time has significantly reduced the number of emails being sent among the team to request updated information regarding specific batches.

Initially, the batch roundup spreadsheet comprised one tab that was added to each day. Soon after implementation, an "archived" tab was added and the process was revised. Once a batch has been proofed, the proofer now moves the row to the "archived" tab, making it straightforward for leadership and all Gift Operations colleagues to identify which batches remain in the proofing queue.

Concurrent to the batch roundup process adjustment, the cadence of reporting on queue status to leadership increased and the nature of the reports became more detailed. In mid-April 2020, Gift Operations began sending Advancement Strategy leadership a daily email update summarizing the status of the gift processing queue. In late June, the format of the daily email report was revised and standardized. Starting in early July the entire Gift Operations team were included on the daily emails, providing the team with an enhanced view of their collective performance and the priorities being set by the leadership team. This improved level of accountability and transparency allows for bottlenecks to be quickly identified and resolved.

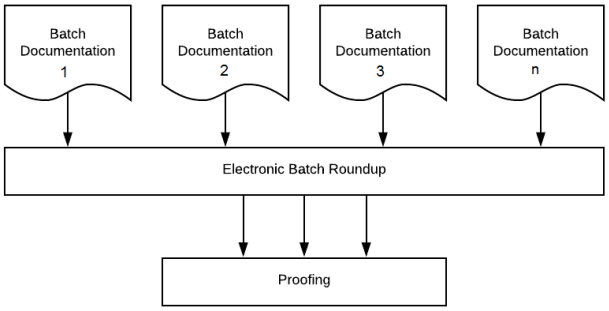

Diagram 2: Outline of the current batch roundup process.

Results

Though there is admittedly still work to accomplish to fully optimize the efficiency of our gift processing team, we have seen some significant and impactful results from these process improvements. July, August, and September 2020 have been successively

the best months on record for average days to receipt a gift (see Table 1). Likewise, July, and August have been the best months for average queue size in the last two years (see Table 2). Though total gifts received during July were down slightly, they were not down significantly, indicating the change in both queue size and receipt time had more to do with process improvement than a reduction in gift volume. Finally, the bottleneck in gift processing has been reduced as shown in Figure 1.

The improved process has resulted in an enhanced donor experience, helping the institution to improve trust with those who generously contribute to the mission of the university. The process has also increased visibility into the workflows that impact receipting and queue size, allowing leadership to better determine resource strategies going forward.

Finally, the team has now recovered an estimated 10 FTE hours per week distributed across two employees that were previously tied up in compiling the old email and/or lost waiting for the old email to be sent. This improved efficiency has increased the team's capacity to move through the queue quickly and freed bandwidth to focus on other key initiatives.

	Septem..	October	Novem..	Decem..	January	February	March	April	May	June	July	August
FY 2021	2.4											
FY 2020	3.1	9.8	5.7	6.6	8.7	18.8	21.8	4.6	7.0	3.9	2.4	2.0
FY 2019	9.7	4.1	4.2	9.3	7.5	7.7	14.7	6.1	12.4	18.9	10.8	7.6

Table 1: Average Days to Receipt a Gift by Month

This table gives the average days to receipt a gift by month. Best practice dictates that acknowledgements should be sent within 72 hours. For The University of Texas at Austin, these are sent in the form of tax receipts for cash gifts. Since implementation of the new process, the entire last quarter has met the less than 72 hour target.

	Septem..	October	Novem..	Decemb..	January	February	March	April	May	June	July	August
FY 2021	1,993											
FY 2020	4,816	4,599	4,160	3,052	3,164	3,607	7,262	7,055	2,513	1,642	789	776
FY 2019	2,618	2,861	1,890	2,623	3,565	2,749	5,129	7,798	3,183	4,686	3,767	3,524

Table 2: Average Queue Size by Month

This table summarizes the average queue size. Gifts included in the queue are those waiting to be batched, deposited, proofed, or receipted. Lighter colors on the table above indicate lower average queue size, while darker color indicates a higher average queue size for that month. The COVID-19 delayed UT Austin day of giving, *40 for Forty*, was held in September of FY21, accounting for the larger average queue size for that month.

	Septem..	October	Novem..	Decem..	January	Februa..	March	April	May	June	July	August
FY 2021	15,690											
FY 2020	9,576	10,577	11,934	16,260	10,069	11,725	12,198	10,239	10,524	13,603	9,020	10,422
FY 2019	9,416	11,050	11,469	15,342	11,294	14,646	18,595	20,197	15,060	10,020	10,704	10,283

Table 3: Number of Gifts Processed by Month

This table illustrates the fluctuations in gift numbers over the course of a given year. High gift numbers are routinely observed at the end of the calendar year and during *40 for Forty*, UT Austin's day of giving, which usually occurs in April but this year took place in September. These numbers exclude gifts made to the university's public radio station, KUT, as their gifts are receipted automatically.

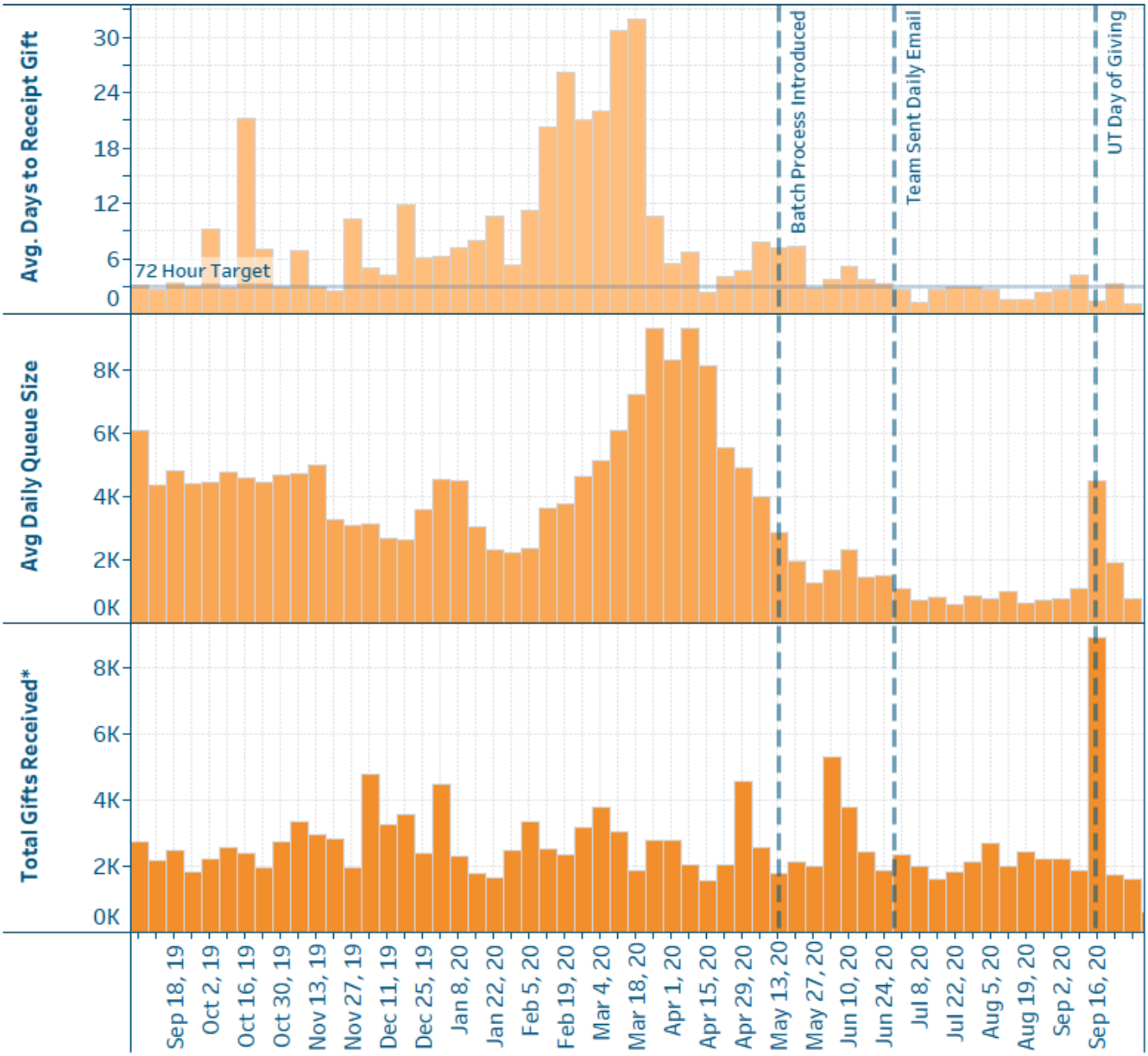

Figure 1: Gift Processing Trends by Week

This figure gives the weekly average trends for the number of days it takes to receipt a gift, the average size of the gift processing queue, and the total number of gifts received per week. A comparison of the weekly gift totals to the weekly average processing queue illustrates the backlog effect experienced by the gift processing team prior to the introduction of the new batch process. The exception to this in the quarter since launching the process has been the week during which the UT day of giving, *40 for Forty*, was held, however, even that large influx was worked down quickly and did not become a substantial backlog.

* This number excludes gifts made to the university's public radio station, KUT, as their gifts are receipted automatically. Also, not all tasks in the queue are directly receipt related, though all tasks have an influence on receipt times as they contribute to processor workloads.