

University Development, an Office of University Advancement

(This policy addresses University Development operations, including donor management, gift solicitation, records, and gift management. It contains provisions applicable to fundraising activities by all colleges, schools, units, and campus organizations.)

The Office of University Development raises private gift support for the colleges, schools, departments, and other units of the University of Arkansas, seeking to address and meet the campus' fundraising priorities. It carries out that effort by employing a staff of development professionals who work closely with other university units to manage the institution's interactions with benefactors and record, deposit, and issue tax receipts for gifts to the university and The University of Arkansas Foundation, Inc.

To ensure efficient, effective development programs capable of maximizing the university's potential for private sector support, the following policies and requirements have been established:

I. University Development Operations

The associate vice chancellor for development (or designee) will participate in or be apprised of all university-wide councils and committees dealing with fundraising and development. The associate vice chancellor for development (or designee) is responsible for coordinating all campus-wide fundraising activities, including major gifts, planned gifts, annual gifts, and Corporate & Foundation Relations gifts and for the official receiving, depositing, processing, disbursing, and acknowledging of gifts to the university. The associate vice chancellor for development (or designee) is also responsible for maintaining donor, prospective donor, and development volunteer records.

The associate vice chancellor for development (or designee) will chair all search committees for University Development positions and retains final approval in the hiring of all development professionals, along with the vice chancellor for university advancement (or designee) and, when appropriate, the dean or unit leader of the applicable college or unit.

All directors of development will meet regularly as a group with the associate vice chancellor for development (or designee) to report on past activities and accomplishments and to outline upcoming plans and objectives. This sharing of activities and programs is designed to help fundraisers avoid conflicts and assist each other in meeting the overall fundraising goals and objectives of the university. In addition, all-development staff meetings will be led by the associate vice chancellor for development (or designee) for the purpose of broadening awareness of development and university programs and activities.

II. University Development Policy regarding Advancement Data

The office of University Development adheres to Fayetteville Policies and Procedures 309.4 on Data Classification and 309.5 on Data Management, Use and Protection. Data files for mailings for the purposes of communication and solicitations should be requested through the office of

Advancement Information and Technology Services. The person making the request will be responsible for supervising the use of the data and ensuring that it will not be used for any purpose other than that stated in the original request. Subject to all applicable university policies and governing law, development data shall not be released to a third party or off-campus agency without knowledge and approval of the Director of Advancement Information and Technology Services. Data files provided to other university units or their contractors may not be kept more than 30 days and must be destroyed after the project is complete, subject to any pending Freedom of Information Act request or preservation notice. It is the responsibility of the person requesting the data to supervise the disposal of the files. In order to ensure that addresses are current and in compliance with U.S. Postal Service NCOA requirements, data for mailings should not be requested more than 10 days prior to that mailing.

Donor information stored in records utilized by University Development is confidential. All staff members in Advancement are required to sign and adhere to a confidentiality agreement stating they will respect donor privacy.

III. Records and Data Services

In cooperation with the Alumni Association, Records and Data Services engages in biographical and demographic updates in donor databases. Records and Data Services has responsibility for loading and updating high volume projects such as parents, faculty/staff, and non-degreed alumni. Additionally, records reviews various assurance reports on an on-going basis to ensure and strengthen data integrity. The department also undertakes numerous data cleanup projects, including the correction and merging of duplicate records relating to donors.

The assistant director of Records and Data Services leads bi-monthly Records Council meetings which include a representative from Information Services, Alumni, Gift Services, Annual Programs, and Constituent Relations. The council sets policies and procedures that affect and govern all groups involved in biographic or demographic updates. The Assistant Director also leads quarterly training sessions, mandatory for all staff involved in biographical or demographic updates.

IV. Gift Management

University Development, through its Gift Services office, in accordance with the University of Arkansas gift acceptance policy, and consistent with policies and procedures independently established by The University of Arkansas Foundation, Inc., will deposit, receipt, and disburse gifts into the proper accounts to the university and properly thank donors in a timely manner. Other Gift Services functions include maintaining a complete record of a donor's gifts and issuing timely pledge-payment reminders in cases where gifts are to be paid in installments.

To assist in this effort, for audit purposes, and consistent with Fayetteville Policies and Procedures 311.0, units of the university directly receiving gifts must transfer any gift received to the Gift Services office within one working day of receipt. To ensure proper crediting and acknowledgement, all gifts should be transferred to Gift Services rather than forwarded directly to the treasurer's office or The University of Arkansas Foundation, Inc. Gift Services will be responsible for proper deposit in cooperation with the treasurer's office or the foundation, as appropriate. To ensure that funds are disbursed into the proper accounts, each gift must be

accompanied by a complete deposit form and copies of all pertinent correspondence relating to the gift, including the gift agreement, which documents donor intent. If the gift is to be applied toward an existing pledge, the pledge name, amount, and date should be noted on the deposit form. If the gift is for a purpose for which an account does not exist, a new account request form should be completed and submitted with the deposit. Questions about the gift management process, including the deposit and new account forms, should be directed to the director of Gift Services.

V. Coordination of Donor Contacts and Gift Solicitation

All solicitations for private major gifts presented to a prospective donor and any other fundraising activity carried out by representatives of any college, school, or other unit of the University of Arkansas must be approved in advance by the associate vice chancellor for development or a designated agent of University Development. All development professionals are expected to adhere to University Development best practices/protocols on donor relations. All direct fundraising solicitations also must be approved by the dean or director of the soliciting unit. The purpose of this policy is to ensure that alumni and friends of the university are not overwhelmed with simultaneous, conflicting requests for support and, where possible, to make beneficial use of existing relationships established by University Development with the university's donors. Contact the associate vice chancellor's office for the current gift solicitation policy.

Access to data files for fundraising purposes also requires the approval of the associate vice chancellor for development (or designee).

VI. Important Gift Terminology

A. Major Gifts: a one-time gift commitment of \$25,000 and above from individuals, corporations, foundations, or organizations. The gift may be endowed or non-endowed.

B. Planned Gifts: A planned gift is any gift that is structured and integrates sound personal, financial, and estate-planning concepts with the prospect's plans for lifetime or testamentary giving as part of their overall financial and/or estate plans. A planned gift has tax implications and is often transmitted through a legal instrument such as a will, bequest, trust, or annuity.

C. Corporate and Foundation Relations gifts: Cash and in-kind contributions from corporations and foundations supporting students, faculty, research, facilities, and a variety of university outreach activities.

VII. Annual Gifts

All annual fund programs and solicitations for the university's colleges, schools, and other units are to be carried out by the Office of Annual Programs within University Development. (By definition, an annual fund gift is a gift of less than \$25,000 that is solicited annually.) Special or ad hoc annual fund mail, phone, or digital media solicitations must be requested through the Office of Annual Programs at least three months before the desired solicitation date and be approved by the associate vice chancellor (or designee). Approval will be based on a combination of fundraising priorities and a three-year unit rolling cycle.

Each gift received through the Office of Annual Programs is subject to a 15 percent fee to cover costs associated with planning and carrying out solicitations, operating, and maintaining the online giving site and processing, acknowledging and recording the gift. The assessment is applied after the full amount of the gift has been credited to the donor's record. Exceptions to the 15 percent fee are gifts to endowments, scholarships, engineering academies, and memorial funds. Gifts received directly by the various campus units are not subject to the 15 percent fee.

VIII. Matching Gifts

Some donors to the university are employed by or otherwise associated with companies that will provide funds to match the donors' gifts, although in general matching funds cannot satisfy personal commitments made by donors. These companies may require a university designee to sign a matching-gift claim form, confirming receipt of the company employee's gift and certifying that it was given in support of purposes allowed by that particular company. For the Fayetteville campus and the University of Arkansas Foundation, Inc., the associate vice chancellor for development (or designee) is the university official responsible for matching gift confirmation. Contact the Matching Gifts office for information on the university's current matching gift designee.

IX. Quid Pro Quo Gifts

In some cases, donors make a gift but receive a tangible benefit. For example, a donation may entitle the donor to attend an event or receive certain goods or services. Such donations are called *quid pro quo* (QPQ) contributions. Even though the contributions are in part payment for goods or services, the donations are clearly intended for fundraising purposes and should be processed through University Development in the same manner as standard gifts. University Development will issue appropriate QPQ receipts to the donors.

Units or departments planning events or programs with a QPQ component must apply for approval from University Development through the lead development professional in their unit and complete an application form and adhere to the fundraising event guidelines. If no lead development professional is assigned to the unit, application may be made directly to the associate vice chancellor for development (or designee).

X. Gifts-in-Kind

Gifts-in-kind are generally defined by the Council for the Advancement and Support of Education (CASE) as non-cash donations of materials or long-lived assets such as equipment. Service or time provided by an organization or individual is not considered a charitable contribution under IRS regulations. Gifts-in-kind must be directly related to the mission of the university and will be credited at fair market value or at the value the university would have paid for the item had an educational discount been offered.

XI. Non-Gifts

Non-gifts is a broad, encompassing term for funds received but not counted in fundraising totals and for which no tax receipt should be issued. This would include income generated from event registrations, auctions, and T-shirt sales. These funds cannot be deposited in The University of Arkansas Foundation unless there is a strong gift component to the funds or they are a direct reimbursement for expended foundation funds. In order for proceeds from an event intended to

generate private support for the university to be deposited in the foundation, the event must have advance approval of, first, the associate vice chancellor of development (or designee), then, the vice chancellor for finance and administration. Examples of such events include the Arkansas Business Hall of Fame, the Business Forecast Luncheon and the Red Tie Gala.

Revised July 28, 2014
July 2004