

Policy Title:	Charitable Gifts – Administrative Fee
---------------	---------------------------------------

Governing Body:	SOU	Policy Number:	FAD.075
Policy Contact:	Director of Business Services	Date Revised:	
Custodial Office:	Finance and Administration	Date Approved:	12/15/2017
Approved By:	President	Next Review:	
Related Policy:			

Revision History

Revision Number:	Change:	Date:
001	Conversion of assessment rate from 3% to 5% to match the new rate being assessed by the SOU Foundation	03-30-2017

A. Purpose:

Donors are encouraged to make donations directly to the SOU Foundation which, together with the Office of Development, represents the fundraising arm of the University. The SOU Foundation assesses an administrative fee as a percentage of the value of all donations received by the SOU Foundation. In FY2017, that assessment stands at 5%. The university will assess a similar fee in order to insure the Development Office receives the support from the resource, regardless of whether the donation is taken in by either the SOU Foundation or by the university.

B. Definitions:

Donation = Funds provided voluntarily by an individual, group, or organization, with no requirement or expectation of payments, with no exchange of services or products.

Gift = Donation.

Outside party = An individual, group, or organization which is independent of the university.

Restricted Fund = Separate fund where revenues and expenditures are recorded, based on restrictions placed on the use of the funds by an outside party.

C. Policy Statement:

If a donor makes a specific gift or donation directly to the university (rather than directly to the SOU Foundation), the university shall still accept the donation, and deposit it directly to a university restricted gift fund (exceptions for when the donor makes an unrestricted donation). The university shall assess an administrative fee against restricted charitable gifts/donations coming directly to the university. The administrative fee will be equal to the same fee used by the SOU Foundation when donations are received directly by the SOU Foundation. The fee is assessed to help cover the management and development costs associated with fundraising activities, and the proceeds from the fee will be placed in the Development Office General Fund index to offset expenses associated with those activities. The assessment will be made at the time of the deposit.

Policy Title:	Charitable Gifts – Administrative Fee
---------------	---------------------------------------

For charitable gifts/donations of real or personal property assets (including gifts of equipment), the fee shall be assessed only upon conversion of such assets to cash or cash equivalents, and will be assessed only on the net proceeds at the time of conversion.

The following donation funds are exempt from this policy:

1. Gift account revenues from faculty publications donated in lieu of faculty receiving royalties.
2. Donation and gift amounts transferred from the SOU Foundation or from the JPR Foundation, to avoid duplicate assessment of administrative fees.
3. Earning on endowment funds.
4. Deposits into the SOU “Miscellaneous” Scholarship Fund. These are where the donor selects the recipient, and represent direct pass-through funds for which the university incurs no additional expense beyond the recording of the deposit, and the disbursement of the funds to the student’s account.

This policy may be revised at any time without notice. All revisions supersede prior policy and are effective immediately upon approval.

D. Policy Consultation: Business Affairs Council; Provost’s Directors Council; Policy Council. Policy was posted on November 20, 2017 for community comment.

E. Other Information: Refer to the SOU Foundation policy on assessing administrative fees on donations being received.

The Policy Contact, defined above, will write and maintain the procedures related to this policy and these procedures will be made available within the Custodial Office.