



# NDSCS ALUMNI / FOUNDATION

## POLICY STATEMENT

### **Background Information:**

The NDSCS Policy Statement was first adopted on December 7, 1988. This document is a working document that is added to by decisions made from input by the Executive, Investment and Fundraising committees which then goes to the full Alumni / Foundation Board for approval.

### **Additions / Changes / Deletions – history to this document are listed below:**

- 1) NDSCS Board Approved Policy Statement change of
  - a. Section II, Letter E, Number 1 - Scholarships - on September 27, 2006
- 2) NDSCS Board Approved Policy Statement change of
  - a. Section II, Letter D, Number 4 – Receipt Fee on January 1, 2008
- 3) NDSCS Board Approved Policy Statement addition of
  - a. Section III, letter A & B – Annual Reviews/Pay Merit Increases on January 25, 2010



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## POLICY STATEMENT FOR NDSCS FOUNDATION

The following pages outline the Policy statement for the activities and operations of the NDSCS Foundation development program, including solicitation, valuation, recording and acknowledgements of charitable gifts to the College Foundation. Policies set forth in this document are approved by the president as recommended by the Foundation Executive Committee. These policies are intended as a guide for the Foundation and alumni association board members, faculty, Foundation staff, and volunteers.

I. **The Development Concept** - In achieving the objectives set forth in the mission statement of the North Dakota State College of Science the development program of the NDSCS Foundation embraces the following:

- A. Public Relations – to build general acceptance for the college among all its publics, including alumni, parents, students, faculty, corporations, Foundations and individuals in general.
- B. Fundraising – to secure support for Foundation designated priorities which are above and beyond the realism of state funding. It is the intent of the Foundation to raise unrestricted funds, along with designated funds, to underwrite the operating budget of the Foundation.
- C. Recruitment – to provide the number and quality of students that the objectives of the North Dakota State College of Science envisions, and to recruit volunteer workers for fundraising activities to assist the Foundation staff in reaching its enrollment goals.
- D. The Annual Goal – of the Foundation is to raise sufficient money to fund the priority needs of the College established and identified in the annual report of the President of the College and his/her advisors and which have been approved by the Foundation Board of Directors.

## II. Mechanics of Receiving Gifts by NDSCS Foundation:

- A. What Constitutes a Gift? – a charitable gift, as recognized by the NDSCS Foundation is something which carries a monetary value, and is given to the NDSCS Foundation without expectation of any tangible compensation, except such as is approved by the IRS guidelines in effect at the time of the gift. Items which would not be considered as charitable gifts include: Contractual agreements, tuition payments for specified students, professional services, government grants, revocable life insurance policies (those not paid in full and not owned by the NDSCS Foundation). Charitable Gifts to the NDSCS Foundation may be made in the following forms: cash, securities, real estate, gifts-in-kind, as well as planned gifts such as trusts, pooled income funds, and gift annuities.

### 1. Value of a Gift

The value of a gift, particularly for cash and securities, is determined at fair market value on the day the gift is made. For securities the mean value is determined on the date the ownership of the stock is relinquished to the College. In the case of gifts other than cash and securities, the responsibility for determining the value of the gift is as follows:

#### a. The Donor

Donors should refer to IRS Publication 526, "Charitable Contributions," and No. 561, "Determining the Value of Donated Property." Donors also should be aware that the IRS now requires that they file Form 8283 if gifts of property are at least \$500 in value. The donor will be responsible for official appraisals.

#### b. The College

The College is responsible for maintaining accurate records of all charitable income, particularly as it pertains to the annual audit of revenue. The College generally considers gifts of property as unrestricted gifts. Their disposition depends on the type and purpose of the gift and the request of the donor. For gifts of real or personal property that have been accepted, the College will provide the donor with a Deed of Gift.

B. Solicitation of Gifts – Solicitation of gifts for the NDSCS Foundation will be under the direction of the Foundation Office. The Foundation shall be the official conduit for all gifts made to the college. The Foundation solicits the effort and support of the entire college family in its efforts to meet the priority goals established each year for the Foundation.

C. Reporting, Recording & Deposit of Gifts – all gifts must be directed to the Foundation Office for verification, valuation and recording before being taken to the College Business Office for deposit and the issuance of a receipt.

Gifts are processed (valued and recorded) according to the Management Reporting Standards for Fund Raising and Related Activities, a document of the Council for Advancement and Support of Education and the National Association of College and University Business Officers.

D. Specific Gift Requirements:

1. Gifts-in-Kind – all gifts-in-kind to the Foundation must be approved by the Foundation office before being accepted to avoid legal entanglements as pertains to tax laws, etc.

2. Acknowledgements – all gifts shall be acknowledged by the Foundation Office immediately upon final receipt of the gift. When appropriate, additional acknowledgements may be made by designated department personnel at the direction of the Foundation Office.

3. Gifts & Grants – Gifts and grants will always be welcome and will be received with much appreciation; however, gifts of more than \$100, especially those embracing special tax consideration and lifetime benefits to the donor, must be reviewed by the Foundation staff for proper recording and legal status.

4. Receipt Fee Policy  
Effective January 1, 2008 an 8% fixed receipt fee will be assessed for alumni/foundation operations, on any new monetary gifts given, in excess of \$500, outside of operations and annual scholarships. This policy will be reviewed on a bi-annual basis. The executive board has the right to review the receipt fee policy at their discretion.

E. Scholarships-Endowments:

1. Scholarships – Contributions made to scholarship funds that are given to colleges through their Foundations, and where the institution selects the recipient, are tax deductible under existing IRS guidelines. The College utilizes a scholarship committee to assist in providing guidelines for operation of the program. The College will cooperate with any sponsor in establishing a scholarship to see that it fits the wishes of the sponsor. Scholarships can be awarded to students based on any or all of the criteria listed: Talent – academic, athletic, music, drama and other activities. Geography – Designated by sponsor for students of a particular area or city of a state. Financial Need – Financial need is always a credible reason but it is important to note state and federal government programs are also available to these needy students.

The Director of Financial Aid at NDSCS is the Coordinator of the scholarship program. Scholarships are normally disbursed equally in ½ amounts. For example, a \$750 scholarship would be awarded at \$375 for each of the two semesters. (Revised from the quarter base and approved by the board, September 27, 2006.) If a student drops out of college, someone else could be awarded the scholarship, or the remaining balance can revert back to the fund, and can be awarded the following year.

2. Endowments – NDSCS Foundation policy for setting up named endowments is to hold to a minimum of \$10,000 with only the interest being expended. However, a named fund may be established which can be added to by family or others and when the fund reaches the endowment level, the named endowment will be established in the name of the designated individual or company. Until the fund is established as a permanent named endowment, the interest may be used for scholarship purposes as stated in the gift guidelines or if undesignated may be used as determined by the Foundation Scholarship Committee.

- F. Special Events – Fund raising events which involve participants from outside the North Dakota State College of Science academic community are approved through the Foundation Director and the Director of Administrative Services by the President of the College. Licenses and permits necessary to conduct such events need to be requested through the Foundation Director's office.
- G. Use of Alumni and Donor Information – The physical files and computer database of the Development Office contain both directory and confidential donor information.
  - 1. Donor Information - In most cases, donor records and correspondence are confidential. On an annual basis, however, the names of individual and corporation donors, with the exception of those named anonymously, are published by the College in the Foundation Report. Donor Lists are not provided or sold to any other organization or charity.
  - 2. Directory Information - Directory information about alumni includes name, address, occupation, and year of graduation from North Dakota State College of Science. Directory information about alumni is not supplied to any individual or business apart from the college without the prior written consent of the Foundation Office.

### III. Foundation Operations

- A. Annual Review / Performance Appraisals – The Foundation Director will annually review the performance of the Foundation staff in accordance with the current NDSCS college policies and procedures. The personnel committee consisting of Past Foundation President, Current Foundation President, Current Foundation Vice President and NDSCS College President will annually review the Foundation Directors performance in accordance with the current NDSCS college policies and procedures.
- B. Pay / Merit Salary Increase Procedures – The following procedures will be put into place for pay/merit salary increases. Increases will be determined by the Foundation Executive Committee based on performance and work plan. The Foundation Director will determine the amount of the pay/merit increase if warranted for Foundation staff members and will present to the Foundation Executive Committee for approval with a recommendation to the full board for approval. The personnel committee will determine the Foundation Directors pay/merit increase if warranted and present it to the Executive Committee and Full Board for approval.

