

THE UNIVERSITY OF ALABAMA IN HUNTSVILLE
GUIDELINES FOR FUNDRAISING AND GIFT SOLICITATION

Number **04.04.03**

Division **Office of the Vice President for University Advancement**

Date **July 14, 2021, Revised October 1, 2021**

Purpose The purpose of this policy is to define the guidelines for soliciting private gifts by faculty, staff, students/student organizations, colleges, departments, or any other entities affiliated with The University of Alabama in Huntsville (“UAH” or “University”). By establishing and placing into operation professional best practices of gift solicitation, UAH is better positioned to meet university charitable objectives, to foster strategic and coordinated compliance among campus units, and to ensure a positive donor experience.

Policy Scope – Those seeking to solicit funds from private sources in the University community are expected to follow the guidelines set forth in this policy. This policy allows UAH and its Office of the Vice President for University Advancement to ensure that:

- Fundraising is consistent with University branding and standards
- Duplication of approaches and submissions is reduced or eliminated
- Donors are properly recorded and acknowledged
- Solicitations receive the support and endorsement of UAH
- All UAH and affiliated entities coordinate to ensure we appear and operate as a cohesive institution

Additionally, Board Rule 411 of The Board of Trustees of The University of Alabama (the “Board”) specifies certain categories of gifts that must be approved and accepted by the Board. All further Board Rules are incorporated into this policy in entirety by reference. UAH follows Board requirements for acceptance of all gifts intended for UAH in accordance with the provisions set forth by applicable Board Rules. Donors who prefer to support UAH through gifts to the UAH Foundation may donate

directly to that organization. This policy does not address the relationship between UAH and the UAHF, or supplant the terms of any affiliation agreement between, or other agreement involving, UAH and the UAH Foundation.

This policy does not apply to agreements for research purposes or sponsored grants and contracts. Contracts, grants, and research agreements are handled through UAH's Office of Sponsored Programs, an office reporting to the Office of the Vice President for Research and Economic Development.

Procedures and Guidelines:

The UAH Office of Development ("Development Office") is responsible for overseeing the entire development process, including the identification, cultivation, solicitation, and stewardship of sources of support for the University, and the acknowledgment and documentation of this support. All efforts to raise funding from private sources, including corporations, foundations, and individuals must be coordinated with the Development Office.

Anyone seeking to approach potential funding sources must speak to the Development Office prior to initiation of a written request for solicitation approval. This office will assess the timing and appropriateness of the solicitation, as well as which dean, department chair, supervisor, or student advisor to contact to make certain that the request has received approval at the appropriate level.

The University and its staff do not provide legal, accounting, tax, or other advice to prospective donors. In all cases, donors wishing to make a gift to the University should consult with their tax advisor to ensure that the terms of the gift conform to Internal Revenue Service regulations regarding tax-deductible charitable donations.

All gifts made to the University are subject to the institution's giving policies available on the UAH website.

Seeking sponsorships:

Sponsorships are financial contributions given in support of an event, activity or project. If the company receives what constitutes advertising due to the donation, the funding is not tax deductible. Simple name or logo

placement is not advertising. (*Due to the complex nature of differentiating between a gift and a sponsorship, please seek the advice of the Development Office prior to any discussions or creation of materials.*)

Seeking grants:

Grants that can be classified as gifts do not have any deliverables attached to the funding and would come through the Development Office rather than through the Contracts and Grants Office. These grants could include but are not limited to grants from private foundations or corporations. Many of these grants have restrictions on application cycles and funding opportunities. Prior to initiation of a grant request, please contact the Development Office to see if there is an active solicitation in progress.

Crowdfunding:

The Office of the Vice President of University Advancement does not support the use of crowdfunding platforms such as GoFundMe, Network for Good, Crowdrise, etc. UAH has a Give Online page that can be utilized by faculty, staff, clubs, and organizations to complete online giving. Unlike crowdfunding platforms, the Development Office does not remove any fees from online gifts, so the full amount of the gift is applied to the program, project, or organization. UAH is also able to record the gift and provide a receipt for tax purposes.

Gifts from UAH Faculty and Staff:

UAH employees and members of their families may make tax-deductible gifts to the University to support approved University priorities, including student financial aid, faculty and research support, and the construction or renovation of facilities.

The University refrains from accepting gifts from employees or their immediate family members for accounts directly controlled by those employees, or for accounts for which the employee is fiscally responsible. Alternative avenues for giving to the University may be available; please contact the Development Office for details. Additionally, please contact the Development Office prior to giving or receiving in-kind donations to the University.

To qualify as a charitable tax-deductible donation, a donor must relinquish dominion and control over any gift. Thus, certain restrictions placed on a donation may impair the donor's ability to qualify for a tax deduction. This

is particularly an issue if a gift is earmarked for a particular individual; if there is a commitment or understanding that the gift or contribution will only be used for a designated beneficiary; or if the intent of the donor is to benefit himself or herself and not the University.

Registered Student Organization Fundraising:

All registered student organizations with annual fundraising needs/goals of more than \$5,000 must follow the procedures set forth in this policy. Before soliciting funds, registered student organizations are required to contact UAH's Office of Student Life to share their intentions to fundraise and ensure adherence to the fundraising guidelines issued by Office of Student Life. When approval is given by the Office of Student Life to seek funding, a student organization must complete the [Fundraising Request Form](#) and receive subsequent approval from the Development Office before the organization can approach the designated individuals or companies. This requirement is to eliminate any potential conflict with current funders or potential outstanding solicitations. For information about restrictions on crowdfunding, please see the Procedures and Guidelines section above.

Solicitations cannot be made for external 501(c)(3) organizations using the UAH name; provided that the UAH Foundation may use the UAH name for fundraising activities for the benefit of UAH pursuant to a written affiliation agreement. This includes national chapters of sororities/fraternities and external charitable organizations. Fraternity/sorority fundraising efforts for their individual philanthropies do not come through UAH, and UAH cannot accept gifts from student groups when those gifts will be directed to other 501(c)(3) organizations.

Media Coverage/Publicity for gifts:

Prior to submitting a request to the Office of Marketing and Communications for media coverage or publicity of a UAH donor gift or donation, contact the Development Office to discuss donor requests for check presentations, photos, or news article.

Giving Levels:

President's Council: Individuals and families who give annually at a specified amount become members of the President's Council.

Corporate and Foundation Partners: Businesses and foundations that give annually at a specified amount become Corporate and Foundation Partners.

Richardson Shaver Thrasher Society: The Richardson Shaver Thrasher (RST) Society is named in honor of UAH's founders and the members comprise those who plan to invest in the future of UAH by including UAH in their will or estate plans.

Please see the Office of Development [Donor's and Partner's website](#) for the most current information.

Departments, programs or organizations cannot create their own giving levels for donors. If you have approval from the Development Office to ask for gifts, you are required to align your amounts with our current giving levels so that donors can be recognized on the UAH website, in publications, and at events.

Terms/Definitions:

Acceptance: An agreeing, either expressly or by conduct to the act or offer of another party to give a gift. Any act signifying consent to give a gift is an essential element to a completed gift. Acceptance on behalf of UAH can only be made by those officials authorized to do so in this policy which is governed by the rules of the Board of Trustees of The University of Alabama.

Solicitation: Written or verbal request for funding from an individual, corporation, foundation, or other source.

Gift: A voluntary transfer to the University of an item of value, usually in the form of cash, checks, securities, real property, or personal property in return for which the donor receives no compensation or significant benefit or value for the gifts. Gifts may come from individuals, corporations, foundations, and/or other sources. All aspects of gift administration must be conducted in full compliance with Board Rule 411.

Restricted Gift: Gifts intended to be used for a specific purpose, project, scholarship, endowment, or otherwise specified area as stated by the donor.

Unrestricted Gift: Gifts undesignated to any specific area that can be used for any purpose.

In-Kind Gift: A non-cash donation of materials, securities, or real estate must be directly related to the mission of the University and will be reported at the fair market value.

Annual Giving: Annual gifts are gifts given on a yearly basis. The Development Office solicits annual gifts through personal visits, phone calls, e-mail solicitations, direct mail, online giving, and publications. Because these take place at various times of the year, coordination with all departments and colleges is vital to ensure that multiple solicitations are not taking place at the same time. Plans to solicit individuals, alumni, corporations, or foundations for annual giving must be approved by the Development Office.

Major Giving: Gifts made outside of and above the level of annual gifts are considered major gifts. This can include a one-time gift to a specific program or purpose, or an endowment. (See Board Rule 411 naming policy for endowment-level information.) Plans for major gift solicitation should be discussed in advance with a member of the Development Office.

Legacy or Planned Giving: Gifts that are received at a future date based on the present decision of a donor are referred to as legacy, planned, or deferred gifts. Plans for legacy gift solicitation should be discussed with a member of the Development Office or the Vice President for University Advancement to ensure that processes are in place to accept gifts through the channel designated or preferred by the donor.

Types of Legacy/Deferred/Planned Gifts:

Bequest, Charitable Gift Annuity, Charitable Lead Trust, Charitable Remainder Trust, Insurance Policies, Retirement Assets, IRA Charitable Rollover, Securities

Matching Gift: A gift made that is contingent on another donor's gift is a matching gift. Most often, matching gifts are made by companies that agree to match gifts made by employees, but they can also be made by individuals who agree to match all or a portion of gifts by other donors.

Memorandum of Agreement (MOA): An MOA is a University document that describes a mutual agreement between the donor and UAH regarding a gift to the University. Its main purpose is to outline the details and use of

the gift including any restrictions, directions, purposes, or intentions of the donor(s) and the policies of the University. Where a person or entity other than the donor and UAH is involved in the gift arrangement, such as the UAH Foundation or other third-party, the agreement shall include all interested parties.

Contract: A contract is an agreement between UAH and another party in which the University agrees to provide specified goods or services in exchange for funding. Contracts are not gifts or philanthropic grants.

Philanthropic Grants: Grants are the voluntary award of funds to an organization to support a particular project; they are generally awarded as a result of a written proposal. There is often a written report due at the end of the grant cycle, but no expectation of economic benefit or services granted.

Pledge: A pledge is a promise to pay specified amounts of money over a period of time. Pledges to UAH typically will not be made over a period longer than five (5) years.

Quid Pro Quo: A quid pro quo is something granted in expectation of a return on investment. Funding received cannot have any expectation or deliverable attached, only routine stewardship reports on how funding was used. If something is received in the transaction, the value is deducted from the amount of the gift. The donor should receive a tax receipt outlining the amount given less the value received by the donor. In some situations where the quid pro quo is in the form of marketing, the gift cannot be considered a donation, rather, it is a sponsorship to be accepted by UAH's Bursar's Office and not the Development Office.

Stewardship: Stewardship is the process that occurs once a donor has supported an organization. This can include thank-you letters and acknowledgements, visits, phone calls, invitations to events, making sure donor intent of gift is met, and a follow-up report on the impact of a gift.

Review

The Vice President for University Advancement is responsible for the review of this policy every three years or sooner if circumstances require.