**YOUR ORGANIZATION**

Institutional Fundraising Policy

DRAFT (DATE)

**Summary**

This paper defines the YOUR ORGANIZATION’s policy regarding philanthropic fundraising [**and forms part of the staff handbook**], as it is relevant to every member of staff and provides information for staff relating to fundraising, and contact information.

It is important that it is understood that the development team has been charged with the co-ordination of all philanthropic fundraising across YOUR ORGANIZATION. This co-ordination function is important and central to YOUR ORGANIZATION’s plan to build broad-based income generation and to create a sustainable and growing fundraising culture within YOUR ORGANIZATION.

This document is intended for internal use only and where monetary values are shown they are for guidance only.

**President’s Statement**

In common with many – if not most – non-profit organizations, YOUR ORGANIZATION seeks to raise unrestricted and restricted funds. In part we wish to become more independent of traditional research funding for strategic reasons, but also we look at the non-profit environment and we simply see that those who can add private and earned funds to key institutional activities tend to be in a position to create better outcomes.

I am now determined, therefore, to position YOUR ORGANIZATION as an organization which engages with all kinds of audiences, including donors and prospective donors, in mutually beneficial ways and to raise more money in gifts and grants to help us move forward. I also wish to engage in new ways with our growing community of interested donors and future donors.

Among the activities which we are undertaking is the building of a professional team with institutional responsibility assisting the whole process. This policy is intended to create a framework, which supports growth in fundraising and clarifies the do’s and don’ts for all of us.

Name

Title

**1. Role of the Development team**

**1.1 Development and Donor Relations**

The core function of the development team is to facilitate more external relationship building with donors and potential donors and to help us maximize the generation of philanthropy.

The Office has, therefore, been given the key job of coordinating fundraising across YOUR ORGANIZATION.

This does not mean that the development team will simply seek to raise funds for any and every need at YOUR ORGANIZATION. Rather their main focus is to help secure significant sums of money for the key institutional priorities identified in the Institutional Strategic Plan. The reality is that our team is small and so must focus most attention on these major initiatives which it has been decided are core to the future vision of YOUR ORGANIZATION.

It is vital that fundraising is professionally coordinated across YOUR ORGANIZATION, and so the development team must be contacted before any individual member of staff intends approaching an external funder to appeal for funding of any kind.

The development team will also provide advice and support on preparing grant applications and background material on potential grant makers. In most cases, the development team will also be responsible for writing and managing grant applications and grants made.

The development team will manage relationships and approaches to all funders so that we are making the most efficient and effective approaches possible. At times this may mean that we must focus proposals and activities on certain projects which we feel are more likely to raise the most. Further, we cannot allow multiple approaches to funders and donors from several parts of YOUR ORGANIZATION simultaneously.

The main activities undertaken and managed by the development team are:

**1.2 Leadership in Fundraising**

* Creation and management of the strategy for philanthropic fundraising for YOUR ORGANIZATION
* Cultivation of key prospects – by creating personal relationships and involving alumni and others in the life of YOUR ORGANIZATION and its aims
* Working closely with the executive director, president, key staff leaders and members of the board on the cultivation of top prospects
* Maintaining effective links with key service teams in YOUR ORGANIZATION e.g. public relations, marketing, communications
* Being aware and sensitive to operational and research needs that might be met through philanthropic activity
* Managing high level volunteer involvement e.g. on a Advancement council
* As a team to be on the cusp of YOUR ORGANIZATION: facing out towards high level prospects as ambassadors;
* Facing inwards, presenting the requirements and views of those prospects to YOUR ORGANIZATION

**1.3 Prospect Research**

* Accessing and manipulating available data on potential prospects for YOUR ORGANIZATION, whether on institutional databases (including existing donor records, on-line, in reference books or any other sources
* Assessing the value of those prospects for those using the prospect data
* Developing succinct, coherent targeted reports on good prospects for those asking for money
* Providing front-line fundraising staff and those asking for money with background about prospects.

**1.4 Database Management**

* Managing and maintaining records of various groups of people who are relevant to YOUR ORGANIZATION and to fundraising:
* Past donors

• program and board alumni

• parents of program and board alumni

• those in the local community that could be usefully involved in research and operational activity

• potential prospects who are not alumni: corporate contacts; key leaders/administrators of trusts and foundations;

• individuals that emerge as potentially helpful to specific projects or to YOUR ORGANIZATION generally

* Managing YOUR ORGANIZATION’s alumni cohort and coordinating with the Alumni Board
* Providing a contact with any other database managers in YOUR ORGANIZATION including research departments
* Managing data input

**1.5 Major Gifts Management**

* Supporting the tracking and cultivation of major donors and prospects
* Building relations with trusts/foundations and/or the corporate sector, getting to know key people, cultivating contacts in these organizations and maintaining contact

**1.6 Alumni Relations**

* Building a picture of the whole profile of the alumni of YOUR ORGANIZATION
* Getting to know key movers and shakers among the alumni community (within the US and beyond)
* Providing a service to the alumni, e.g. facilitating social back-up, internet functions, contact generally with YOUR ORGANIZATION
* Ensuring that regular communication is maintained
* Working to build opportunities for alumni to assist YOUR ORGANIZATION and to provide services appropriate to former students of YOUR ORGANIZATION

**1.7 Annual Fund and Legacy Work**

* Building up and managing a regular pattern of annual, sustainable giving to YOUR ORGANIZATION
* Analyzing and interpreting the data about giving patterns over a period of time and identifying opportunities for increased giving
* Creating and managing a legacy program
* Generally, to encourage giving from as many as possible of YOUR ORGANIZATION’s constituency with the medium and long-term intention of bringing in unrestricted money; but also in the belief that it is in the general good of the institution to maintain good relations with its wider constituency.

**1.8 Financial Function**

* Keeping close track of all the money (philanthropic gifts and grants) coming into YOUR ORGANIZATION
* Understanding all options for tax deductibility on donations
* Providing accurate reporting of gifts to donors
* Liaising with the team member responsible for each gift in order to ensure that it is used by YOUR ORGANIZATION appropriately to the wishes of the donor.
* Maintaining appropriate communications with YOUR ORGANIZATION’s Finance Department regarding all gifts, grants and pledges received

**1.9 Reciprocation (or thanking) & Stewardship Function**

* With other organization colleagues, providing appropriate means of thanking donors for their gifts and philanthropy
* Providing a bridge between the donor and the organization for this function
* Providing support for events that provide cultivation and stewardship opportunities
* Creating a program of contact and involvement (stewardship) to maintain strong and growing links with donors

**Appendix B provides contact information for the individuals in the Development team who you can call to discuss any of the above activities or tasks.**

**2. Accepting Gifts**

The development team is the sole unit within YOUR ORGANIZATION permitted to accept charitable gifts to YOUR ORGANIZATION or any constituent departments or units.

Therefore, all gifts (including notification of in-kind donations such as scientific or research equipment, as an example) are to be sent to the development team where they will be recorded on the central database, acknowledgement provided to the donor, tax implications determined and funds allocated to the appropriate project or account.

**2.1 Information Required**

The development team will ask for supporting information so that the gift can be properly recorded via a gift agreement and the donor thanked, but as a minimum the gift should be accompanied by:

* Name and address of donor
* Name of staff member(s) involved
* Project/department/unit gift is intended to support
* Copies of supporting letters, proposals, communications with and from the donor

**2.2 Gift Agreements**

When appropriate, donors will be asked to execute a Gift Agreement in relation to the use of and terms of their philanthropic gift or pledge. Such Agreement, a formal legally binding document, clearly outlines the intention of the gift and the responsibilities of both YOUR ORGANIZATION and the donor along with any specific terms of naming, including duration and conditions of termination.

This written agreement must be in place and signed by both parties before the gift is received to ensure a clear understanding of its purpose. Gift agreements should allow for a shift in the purpose of the gift if the original gift purpose ceases to exist at YOUR ORGANIZATION. This can prevent a situation in which YOUR ORGANIZATION has an endowment for which the income cannot be used because the original gift purpose has disappeared.

In all gift agreements, YOUR ORGANIZATION will reserve the right to terminate the naming rights of a donor at any time, if for any reason it considers the association with the name to be damaging to its reputation or if the donor is in breach of the gift agreement, for example through non-payment of agreed contributions. In the case of early termination, YOUR ORGANIZATION shall write to the donor outlining its intention, giving the donor a period of reasonable time to respond.

**2.3 In-Kind Gifts**

In the case of in-kind donations of equipment, materials or time (perhaps from professional advisers) provide the development team with the above information PLUS a valuation of the gift, as there may be tax implications.

**2.4 Counting Gifts**

ALL gifts to YOUR ORGANIZATION in cash and in kind will count towards YOUR ORGANIZATION’s overall fundraising goals and reports. This is intended to provide a true and complete picture and record of YOUR ORGANIZATION’s successes in attracting donations of all kinds and to ensure that all donors are appropriately thanked and managed by YOUR ORGANIZATION, its departments, and individual staff members as appropriate

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**3. Identification and Selection of Institutional Fundraising Priorities**

**3.1 Focus on institutional priorities**

The development team cannot actively take on responsibility for seeking and securing funding to meet all the needs and aspirations of every part of YOUR ORGANIZATION, though every component is certain to have needs for non-budgeted funding.

The development team will co-ordinate and advise, but its core duty is to raise funds for the key institutional projects and programs approved by the board within the Strategic Plan.

**3.2 Areas of fundraising focus**

Essentially, the YOUR ORGANIZATION’s fundraising strategy flows from the Institutional Strategic Plan and a number of key fundraising programs, goals and targets have been identified.

These priorities include raising funds in the form of gifts and grants to help YOUR ORGANIZATION:

* Continue to develop and improve the physical infrastructure of YOUR ORGANIZATION for teaching, working, study and research
* Over the long term to build endowment to provide some flexibility and ability to plan activities ahead of time

**3.3 How projects are selected**

The identification of the main fundraising targets lies with the executive director and the board of YOUR ORGANIZATION with input from lead staff.

**3.4 Volunteers**

Finally, the development team will seek the advice and input of external contacts before embarking on active fundraising projects or campaigns. Fundraising Boards will be appointed for each project, as required (see 6.5).

**4. YOUR ORGANIZATION Naming Policy**

Some gifts (especially larger ones) can be facilitated in return for appropriate naming rights.

YOUR ORGANIZATION requires a policy to manage this process and to raise more funds. We have established minimum gift sizes below. These figures will be reviewed in each instance, but are intended to provide guidance to ensure consistency within and across YOUR ORGANIZATION. The issue is also related to quality control and accepted best practice in this field.

For example, gifts which do not cover the full cost of a project or item must be carefully considered before YOUR ORGANIZATION agrees to accept the gift. Linked to this is the relationship between the size of the gift and the true cost to YOUR ORGANIZATION of creating the project or post. Before a name is attached by YOUR ORGANIZATION we must understand the relationship between these figures.

**4.1 Minimum gifts required**

Currently there are minimum gift levels required for the following:

5-Year term\* Department Chair (new or to name an existing post)

Fully endowed Department Chair named in perpetuity

5-Year term\* Lectureship

Fully endowed Lectureships named in perpetuity

5-Year term\* Program Grant

Fully endowed Program named in perpetuity

Part-funded Associate posts (minimum 50% of total cost)

\*YOUR ORGANIZATION does not accept externally funded posts for less than five years except in exceptional circumstances (The development team will advise). In some cases YOUR ORGANIZATION may accept gifts attached to existing posts for a minimum of three years. The name of the donor is attached to the post for the period of the gift only.

**4.2 When to use the name**

* It is expected that holders of externally-funded and named posts will use the full name of the post, including the donor’s name in all publications, website and social media
* The full agreed name will appear on business cards, letterheads and other appropriate printed material
* The full name should appear in all departmental materials
* The full name should appear on staff lists in departments etc.
* It is expected that the post-holder will use the full name when addressing conferences, giving lectures and seminars and in related promotional activities and material.

**4.3 Reciprocation & Stewardship**

It is expected that holders of named and externally funded posts will, in liaison with the development team, build appropriate links and communication with their sponsor/donor and provide at least an annual activity report and hold at least an annual update meeting. There should usually be an agreed (and written) note of the communication requirements with a sponsor or donor. YOUR ORGANIZATION expects the post holder to know the key individuals personally.

**4.4 Naming Buildings, rooms, laboratories etc.**

The executive director and board president in collaboration with the development team will make the final decision on names to be attached to physical assets. In the case of buildings, the executive director and board president will make recommendations to the board. In making these decisions, the advice from lead staff will also be sought.

**4.5 Pricing and the cost of naming physical assets**

Proposals on naming physical assets must be accompanied by a full explanation of the relationship between the size of the gift and the total cost of the asset (building, room, laboratory etc.).

YOUR ORGANIZATION will not normally accept a proposal to name a building or other asset in return for a gift of less than 25% of the total cost (usually more will be required).

Where less than 100% of the total capital cost is provided through the gift or gifts or sponsorship, the development team will be required to establish a clear plan setting out the source(s) of the remaining funds.

It is essential that the development team be able to provide advice in this area and to consider all proposals and to make informed recommendations to the executive director and to the board in this area.

YOUR ORGANIZATION may choose, from time to time, to name buildings and spaces for reasons other than financial support.

**5. Acknowledging Gifts and Donor Stewardship**

**5.1 The Role of the Development team)**

The development team has the task of ensuring that all philanthropic gifts are appropriately thanked, acknowledged by YOUR ORGANIZATION, in addition to any appropriate acknowledgement by departments. This should be a joint and co-ordinated process.

The development team will record all gifts and co-ordinate and track communications with donors and sponsors.

**5.2 Departments**

Where a gift is received in support of the work of a department, YOUR ORGANIZATION expects an individual member of staff to take responsibility for thanking and communicating with the donor or sponsor. It will be usual that the staff of the department will have been involved throughout the process and the thanking will be a natural extension of the relationships built up. The development team should still co-ordinate all such communications.

**5.3. Stewardship Plan**

For larger gifts, the development team will prepare a stewardship plan to clarify where responsibility lies for maintaining a relationship with and involvement by a donor or sponsor.

The plan will include:

* A note of the responsibilities and actions undertaken by the development team
* The activities undertaken by other central administrative units
* A note of the agreed responsibilities of a recipient department, research team, or member of staff in terms of communication with the donor or sponsor
* A list of institutional communications to be provided.

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**6. Structures**

YOUR ORGANIZATION plans to significantly increase fundraising activity and therefore, income from philanthropic gifts in support of the institutional mission. To achieve this we need to create a major gift culture of asking by YOUR ORGANIZATION and giving to YOUR ORGANIZATION. This will take time, but we need to start now by creating structures and activities in support of our ambitions in this area.

**6.1 Executive Director**

The executive director leads YOUR ORGANIZATION fundraising program, and works to build strong relationships with a growing number of external supporters and potential supporters.

Oversight of the development team is a core responsibility of the executive director, who has overall responsibility, and who will ensure these activities enhance the advancement of YOUR ORGANIZATION’s desired vision and reputation.

**6.3 YOUR ORGANIZATION Board of Directors**

The role of YOUR ORGANIZATION board is to ensure that philanthropic donations to YOUR ORGANIZATION are managed and distributed in a manner that meets the needs of YOUR ORGANIZATION’s financial regulations with regard to charitable donations, maximises income for YOUR ORGANIZATION and acts upon the specific wishes of donors in relation to expenditures.

**6.4 Fund-raising Boards**

Every significant project to be undertaken by YOUR ORGANIZATION for which a significant amount of philanthropic support is needed, must be guided and managed – indeed driven – by an appropriate group of individuals who will ‘own’ the task of raising support for project. This group will be called The Fundraising Board. It will consist of YOUR ORGANIZATION staff who are connected to and have responsibility for the project (notably the relevant department chair to ensure their commitment) and key external supporters who have an enthusiasm for the project and wish to be strategically involved in the project. The development team provides administrative support to the chair and members of these boards and are actively involved with them.

**Appendix A.**

**Institutional Fundraising Priorities are under discussion**

**Appendix B.**

**Contacts Relating to Fundraising at YOUR ORGANIZATION**

**8. Development Organizational Chart**

Development Officer

Executive Director

President of Board of Directors

Administrative Support

Corporate and Major

Gifts

Annual&

Giving