

## Fundraising and Gift Acceptance

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### OPERATIONAL POLICY STATEMENT

The Community Relations division at Yavapai College (the College) is charged with oversight and supervision of all fundraising undertaken by the College and Yavapai College Foundation, Inc. (the Foundation).

All private donations to the College or Foundation will be received by the Foundation and distributed to advance the mission and goals of the College. Foundation activities and support include but are not limited to:

- Supporting the academic programs of the college;
- Helping to foster a better public understanding of the College and secure wider participation in cultural and community activities;
- Encouraging potential students to attend the College;
- Raising money for student scholarships, educational programs and capital priorities of the college;
- Enhancing the quality of education through the acquisition of state-of-the-art equipment for academic and occupational/technical programs;
- Recognizing and promoting outstanding teaching and leadership in college activities;
- Undertaking any other activities that may be to the benefit of the College and its community, within the terms of the Foundation Articles of Incorporation and Bylaws.

### I. Coordination of Fundraising Activities

The College President, the Vice President of Community Relations & Student Development and the Executive Director of the Foundation provide the leadership for all fundraising activities on behalf of the College. All gifts from private sources are received and processed by the Foundation on behalf of the College, unless otherwise stipulated by a grantor.

- a. **Donor Solicitation:** College administrators, faculty, staff and students must seek approval of any and all donor solicitations. If the proposed solicitation comports with the fundraising

priorities of the college and Foundation, the Executive Director of the Foundation will approve and assist in the solicitation. Faculty and staff who are interested in seeking program funding from government or private corporations or foundations must proceed in compliance with the College [Grants Office](#). Administrators, faculty and staff must notify the Foundation of any unsolicited donations that come to their attention and promptly send them to the Foundation for processing.

- b. **Requests for Foundation Funds:** The Foundation (a separate 501(c) (3) tax-exempt organization) will consider internal requests by College administrators, faculty and staff for direct financial assistance that supports college priorities.
- c. **Crowdfunding:** The Foundation administers a crowdfunding program through a Foundation selected secure giving platform. Crowdfunding is a 30-day online fundraising campaign in which a passionate group of project advocates, with assistance from the Yavapai College Foundation, tell their story to solicit online donations.
- d. **Special Fundraising Guidelines:** Certain fundraising activities, such as auctions and phone-a-thons have special guidelines. IRS and legal requirements must be considered before planning these types of fundraising activities. The College is not permitted to participate in raffles or any other form of gaming. The Foundation will not facilitate raffles by faculty, staff or student groups, with the exception of sanctioned Athletics fundraising events that are managed by the Athletics Major Gift Officer.
- e. **Gift Acknowledgement:** The College President, Foundation Board and staff maintain active contact with all who support the Foundation. The Foundation coordinates all communications with donors and donor prospects. Acknowledgements are drafted by the Foundation and signed by the Executive Director of the Foundation or his/her designee.
- f. In certain cases, it may be appropriate for College administrators, faculty, or staff to send a thank-you letter in addition to the Foundation's official acknowledgement for special gifts received by a particular department or faculty member. Copies of this correspondence are to be forwarded to the Foundation for retention in the donor files.
- g. **Reports and Donor Record Files:** Reports of gift income by source and purpose are maintained by the Foundation Director of Finance and Operations and other accounting staff. All these activities are performed in keeping with the strictest levels of confidentiality by the Foundation staff.

## II. Gift Policies

The Foundation depends on the financial support of Board members, corporations, foundations, organizations and individuals for a substantial portion of its gift income. Gifts and the income from former gifts held as endowments provide important resources for the operating and capital budgets, and other enterprises of the College.

- a. **Solicitation Fees and Expenses:** The Foundation does not accept nor pay finder's fees or commissions for fundraising. Fundraising expenses are set based on the budget approved by

the Foundation Board of Directors each year. Upon the recommendation of the College President, the Vice President of Community Relations & Student Development, the Executive Director of the Foundation, and with the approval of the Foundation Board, fundraising consultants may be selected, retained and funded by the Foundation.

- b. **Donor Gift Designation:** Donors will direct all gifts to the Foundation. Donors may designate and restrict their gifts to specific programs of the College or Foundation. Any restrictions placed on donations will be maintained in the Foundation's official records. The Foundation Board may redirect a gift to other Foundation purposes if, at any time in the future, the original purpose of a gift is no longer feasible.

For scholarship gifts, the donor may not participate in the selection of the recipient but may designate specific criteria for selection of recipients.

- c. **Donor Recognition:** Gifts will be recognized in accordance with the gift level recognition guidelines of the Foundation. Annual and endowed funds may be named for individuals, businesses or organizations.
- d. **Gift Acceptance or Refusal:** All cash and gift-in-kind donations will be directed to the Foundation. The Executive Director of the Foundation will consider accepting gifts in accordance with the Gift Acceptance criteria of the Foundation, including its Windfall Gifts Policy. The Foundation will comply with donor-established guidelines, local, state and federal laws, and IRS requirements.

The Foundation maintains the right to refuse a gift, which, in the view of the Board of Directors, is not in keeping with the Foundation's mission or purpose or would endanger the Foundation's non-profit status. No gift will be accepted where there is not obvious charitable intent on the part of the donor. If the charitable intent of the donor is questionable, this fact will be strongly noted, and all action pertaining to the gift will be taken with that knowledge in mind. Complicated potential gifts involving multiple donors, multiple transactions, operating businesses, or unusual assets or conditions will generally be avoided, as the time requirements often involve more expense than the potential gain.

- e. **Non-cash or In-kind gifts:** All non-cash or in-kind gifts to the College will be accepted through the Foundation only after receipt of documentation that the item(s) are needed from the appropriate campus dean, and the approval of appropriate College leadership. Valuation of any such gifts will be the responsibility of the donor in compliance with IRS regulations.

- f. **Gifts of Real Property:** The Foundation will consider accepting on behalf of the College donations of real property, including land and/or buildings. All such contributions are the property of the Foundation. Such gifts may be held as investments, used or sold or disposed of as deemed necessary by the Foundation Board. If a gift of a building is usable by the College, the Foundation will generally retain ownership and allow the College to use it through a written agreement. However, if it is more prudent to transfer ownership to the College, the Foundation Board may authorize that transfer. Proceeds from any sale of such property will be invested in the appropriate Foundation account. The acquisition or sale of real property by the Foundation requires a vote by the Foundation Board.
- g. **Planned Gifts:** Planned gifts are defined as those donations that do not pass simply and quickly from the donor to the receiver, such as contributions made through gift annuities, life insurance policies, trusts, wills, bequests and other such gift vehicles. Planned gifts to the Foundation are accepted and very much appreciated. To avoid any appearance of impropriety or potential conflict of interest, the Foundation will not pay the fees charged by any professional advising a potential donor to the Foundation.
- h. Potential planned gifts involving real property, securities, life insurance policies, trusts, wills, bequests and other such vehicles will be handled by the Executive Director of the Foundation or his/her designee and the Foundation Treasurer acting on behalf of the Foundation.
- i. **Endowments:** An endowment is a permanently invested fund that provides annual income through investment earnings generated by the principal. A minimum of \$10,000, which may be contributed through a multi-year pledge, is required for a fully endowed fund. The amount distributed from an endowed fund in any given year will be in accordance with the Foundation's Spend Policy for Endowed Funds. All endowment funds will be invested in accordance with the Foundation's Investment Policy.
- j. **Windfall Gifts Policy:** The Board of Directors ("the Directors") recognizes its responsibility to manage all funds entrusted to the Foundation in a prudent manner, with the understanding that donated funds will be put to use as designated by the donor. If the donor does not specify a restriction, the Directors recognize the need and responsibility to make appropriate and wise decisions regarding the use of these funds. In light of these responsibilities, the Directors wish to establish a policy specifying how "a Windfall" should be applied to meet the various priorities.

For these purposes, "a Windfall" will be defined as an unrestricted, unbudgeted "Bequest" or outright gift of any amount greater than "the Threshold Amount." A "Bequest" will be defined as any gift, intended to take effect at or after death, by a donor, through a Will, a Trust, and an IRA, pension plan or similar benefit plan, an annuity or insurance policy of any type, any type of survivorship account, or similar wealth transfer document or plan.

The threshold amount shall be \$50,000. Generally, any unrestricted gift or bequest below the threshold amount may be used as needed to meet the needs of the Foundation as determined and approved by the Vice President of Community Relations & Student Development and the Executive Director of the Foundation through the normal budgeting process.

It is the Foundation's policy that not less than fifty-percent (50%) of all Windfall gifts received during any budget year be allocated to the Endowment Fund. Exceptions to this policy will require a majority vote of the Directors.

### **III. Administrative Fee Assessment**

To help defray the administrative costs associated with fundraising operations and gift administration, all gifts received by the Foundation are assessed a modest administrative fee which is approved annually by the Foundation Board of Directors. The Foundation also imposes an annual administrative assessment on restricted endowed funds to recoup costs incurred in carrying out the purposes of those funds.

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#### **RELATED INFORMATION**

[Business Donation and Agreement Form](#)

[Fundraising for an External Beneficiary](#)

[Gift Acknowledgement](#)

[Non-cash Donation and Agreement Form](#)

[Pledge Form](#) (for Yavapai College employees only)

[Requesting Foundation Funds](#)

[Third-Party Fundraising](#)

[Third-Party Fundraising Proposal and Agreement Form](#)

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#### **RELATED INFORMATION**

[IRS Publication 526-Charitable Contributions](#)

[Yavapai College Grants Office](#)

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#### **POLICY HISTORY**

Adopted 9/18/1984

Revised Procedures 4/4/1988

Revised 11/3/16

Renumbered from 6.14 to 8.02 11/8/2016

Revised 5/30/2018

Revised 5/15/2021