



DEVELOPMENT ACTIVITIES AND COOPERATIVE EXTENSION

Gifts and contributions are an increasingly significant source of funds for Extension programs. It is important to understand the policies and procedures around the receiving and acknowledging of gifts to ensure that the university is in compliance with regulations and the donors know they are appreciated and feel pleased with their experience.

Each college and branch campus of Washington State University has its own Alumni and Development office that reports jointly to the dean of their college and to the WSU Foundation. As an agent of WSU, the WSU Foundation promotes, accepts, and manages private gifts to WSU. Overseen by a board of trustees and through the provision of services by the University, the foundation treats all gifts in a business-like manner in accordance with the donor's wishes within applicable state laws. When gifts are received they are forwarded to WSU's Office of Advancement Services, which is the centralized facility for gift processing, accounting and records management of donations and collection, maintenance and management of the University's advancement information.

FUNDRAISING FOR WSU COOPERATIVE EXTENSION

The CAHE Alumni and Development Office works to advance the teaching, research and Extension endeavors of the College of Agriculture and Home Economics by generating private contributions to supplement the College's state and federal revenues for capital, operating, and student assistance funds. As part of this mission, they support and promote development activities for Extension.

As a team effort between departments, county offices and the development office, faculty, staff and administrators play an important role by identifying people who might be interested in giving a gift to Extension, cultivating those prospective donors and communicating regularly with the development office in the solicitation and stewardship of the gift.

Fundraising Cycle:

- Identification: Think about people in your area who have the ability and might be interested in giving a gift to help promote the work of Extension or of the university in general.
- Cultivation: Involve prospective donors with county or department programs, advisory boards, research activities and so on, and discuss needs of various projects.
- Solicitation: Match the prospective donor with a project that they want to fund, find out what their intent is for their gift. Talk to the CAHE Development office for help.



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- Stewardship: make sure there is recognition, attention, thank you's at all levels, and inform the donor where the money was used (progress reports, scholarship letters, etc.)

The number one reason that people make a charitable gift is because they were asked.

DIFFERENCE BETWEEN A GIFT AND A GRANT

A gift is a voluntary contribution to the University. A contribution is defined as a gift when all of the following conditions apply:

- Funds are given irrevocably.
- The donor does not require that goods or services be forthcoming from WSU as a condition (implied or otherwise) of the contribution.
- Rights to any publications, inventions and patents resulting from use of such funds reside with WSU.

If, according to these criteria, a contribution is determined not to be a gift, it should be processed through the CAHE Business and Finance Office as a grant. Grants are charged a percentage for indirect costs, whereas 100% of gift money is given to the area it is designated for.

TYPES OF GIFTS

Gifts to WSU can be made in three forms:

- 1) outright;
- 2) conveyance of the gift in such a way that the donor retains income from it for his or her lifetime, such as a charitable remainder unitrust; and
- 3) in the form of a bequest through the donor's will or living trust.

The term, "gift or donation" can apply to any of the following:



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- Cash (currency, coin, checks, money orders, bank drafts, etc.)
- Securities (stocks, bonds, life insurance, etc.)
- Noncash gift (books, equipment, animals, collections, etc.)
- Real property (homes, farms, land, etc.)
- Inventions, patents and copyrights
- Mineral rights (oil wells, etc.)
- Fractional or remainder interests
- Deferred arrangements (life income, contracts, charitable remainder unitrusts, etc.)
- Wills, bequests, living trust and devises.

WHEN YOUR OFFICE RECEIVES A DONATION

- Complete a gift transmittal form, obtainable from the CAHE Development Office as an on-line form in Excel
- Attach a copy of all correspondence that was received with the gift or sent by the donor explaining the gift.
- Attach the check.
- Make a copy of the gift transmittal and the attachments for your records.
- If you are on the Pullman Campus, hand-carry the gift transmittal, check and attachments to CAHE Alumni and Development in Hulbert Hall Room 223. Off campus offices can mail to PO Box 646228, Pullman, WA 99164-6228. CAHE Alumni and Development will record that they received the donation, make copies for their files, and deliver the donation to Advancement Services for processing. For cash donations, a receipt is sent by Advancement Services to the donor as proof that the gift was received and deposited as requested.



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NON-CASH GIFTS (in-kind gifts)

Non-cash gifts, such as equipment, books, animals, etc. must have a brief gift description as well as an actual date received typed on the non-cash gift transmittal form. There should also be a letter or documentation from the donor describing the item and stating the value. On the gift transmittal be sure to specify the 17A (Development) account the non-cash gift should be credited to. Gifts of \$5,000 and less will be reported at the value declared by the donor or determined by a qualified expert on the WSU faculty or staff. Gifts with fair market values of more than \$5,000 will be credited at the values placed on them by qualified independent appraisers, paid for by the donor. All gifts \$100,000 and above require a completed Non-cash Gift Agreement.

OTHER DONATIONS

Contact the CAHE Alumni and Development Office if you have any questions on donations received or a person has contacted your office regarding donating securities, property, etc. or is leaving cash or assets to WSU through their will or living trust.

DONOR RELATIONS

Once the gift has been processed:

- For cash donations, a receipt is sent by Advancement Services to the donor as proof that the gift was received and deposited as requested.
- For non-cash donations, the donor is not sent a receipt, but should complete an IRS Form 8283 for their tax purposes.
- All donors, no matter what the amount of their donation, are sent a thank you postcard or letter from the Dean. Donors with continuing payroll deduction or who sent partial pledge payments are sent thank you notes annually or at the completion of their pledge.
- WSU Foundation and the WSU President sends a thank you letter for all gifts of \$1,000 or more and all gifts made in memory or in honor of someone.
- The department or county chair is encouraged to send acknowledgments to donors who have given to their unit. A copy should be sent to the development office.



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STEWARDSHIP

Attention to good stewardship enables Extension to:

- develop repeat gifts from satisfied donors
- make new friends from relatives and associates of the donors and from others in the community who observe the University's stewardship activities
- ascertain that the intentions of the donors are followed
- involve students, faculty, staff and other administrators and volunteers in the process of expressing thanks and appreciation

GIFT CLUBS

Gift clubs have been created as a means of appropriately recognizing the generous contributions of donors and ensuring University-wide consistency.

Lifetime Cumulation Gift Clubs:

- The Laureates (\$1,000,000 and above)
- The Benefactors (\$100,000 - \$999,999)

These generous donors are publicly recognized at the Foundation's annual recognition dinner/dance, named on the benefactor board in the French Administration Building, given a benefactor plaque and medallion, honored at a reception at the President's home, profiled in the annual report and given all privileges of a President's Associate.

Annual Gift Clubs (President's Associates):

- The Silver President's Associates Club (\$10,000 and above annually)
- The Crimson President's Associates Club (\$5,000 - \$9,999 annually)
- The President's Associates Club (\$1,000 - \$4,999 annually)



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All members of the President's Associates receive special recognition in various WSU publications, recognition as guests of honor at the annual President's Convocation, invitation to pre-game receptions and other events hosted by the president and WSU Foundation, special parking privileges, a membership card and auto decal. Crimson and Silver Associates receive additional recognition and invitations to special events.

Deferred Gift Club:

- Legacy Associates (pledges through wills, bequests, deferred gifts)

Legacy Associates receive a letter from the president and a WSU pin.

17A (DEVELOPMENT) ACCOUNTS

A development fund (17A account) may be established for any worthwhile purpose that is within the University's mission and that meets the WSU/WSU Foundation minimum requirements for creation of a separate fund. A Gift Uses Agreement (GUA), formerly known as an Establishment of Fund Document (EOF), signed by the donor, dean, department chair or district director, and president of WSU Foundation is used to formally establish the account and assure that the funds will be used for the purposes intended.

Types of Accounts:

- Unit Development Fund: Each department or county office can establish one 17A account for deposit of unrestricted donations to their unit for which the donor has not specified a particular use, or has specified a broad and undefined use.
- Expendable Fund (current use): used for discretionary or restricted use within a department or county may be established with a minimum of \$5,000 plus evidence of perpetual funding. To reduce the number of gift accounts to be administered, new contributions can often be placed in existing accounts and still fulfill the intent of the donor.
- Endowed Fund: permanent fund, with a percentage of income used to annually carry out the donor's stated purposes. Excess income over the amount paid out each year is retained in the endowment for enhanced growth.



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Each endowment consists of a principal account and a separate income account. Endowed gifts are placed in the principal account and held in perpetuity for investment. A proportion of income from the principal account is transferred to the income account on a quarterly basis, which then becomes available for current or future use.

Minimum principal for establishing a named endowment fund:

- Endowed scholarship \$25,000
- Graduate Fellowships \$25,000
- Distinguished Lectureship \$50,000
- Emeritus Professor Fund \$100,000
- Distinguished Professorship \$250,000
- Endowed Chair \$1,000,000

There are various endowed accounts that can be established.

Expenditures from 17A Accounts:

- Gift funds (17A accounts) shall be expended through the use of standard University forms and procedures for the expenditure of public funds (e.g. purchase requisitions, travel expense vouchers, invoice vouchers, etc.) Contact CAHE Business and Finance Office for more information. Contact the CAHE Alumni and Development Office for assistance in any context concerning gifts or establishing new 17A accounts.

FOR MORE INFORMATION

Address questions regarding fundraising, acceptance and management of gifts, gift transmittals, and acknowledgments to the CAHE Alumni and Development Office, Hulbert Hall Room 223, PO Box 646228, Pullman, WA 99164-6228, (509) 335-2243, Fax: (509) 335-9213.