

Policy #5101
Fundraising - Private

Date of Current Revision: February 2020
Responsible Officer: Vice President for University Advancement

1. PURPOSE

This policy establishes guidelines for the solicitation of private funding and the coordination of engagement activity with alumni, donors, parents and friends.

2. AUTHORITY

The Board of Visitors has been authorized by the Commonwealth of Virginia to govern James Madison University. See Code of Virginia § 23.1-1600; § 23.1-1301. The Board has delegated the authority to manage the university to the president.

3. DEFINITIONS

Advancement System of Record

The university-approved information system for contact, prospect and giving information about alumni, donors, parents and friends of the university is the advancement system of record. Advancement Information Services (AIS) is responsible for maintaining the system of record, as well as the university's information on alumni, donors, parents, prospect and private gifts.

Athletics Development

The Athletics Development office manages the internal and external relationships involving the engagement and solicitation of constituent groups to raise funds in support of the Athletics Department. Under the supervision of the Director of Athletics and the university President, Athletics Development raises private donations for and recognizes donors to the Athletics Department in coordination with the policies, procedures and guidelines set forth by University Advancement and with ultimate approval by the university President.

Engagement Activity

Activity designed to identify, inform, involve or cultivate relationships with alumni, donors, parents and/or friends in order to increase the connection with the university, department, program or area.

Fundraising Inventory

The university's fundraising inventory is the comprehensive list of approved fundraising priorities for the institution. Priorities are 1) compiled by department heads and other program heads within each college or major area of the university in conjunction with the Development Office; 2) are vetted by Deans and unit heads; and 3) are then submitted as an inventory of private funding priorities for approval by the university's President and Vice Presidents. Once approved, the inventory is delivered, coordinated and managed by the Vice President for University Advancement.

Gift Acceptance Committee

This committee is an advisory committee co-chaired by the Vice President for University Advancement and the Chief Executive Officer of the JMU Foundation, who is the final authority regarding matters of gift acceptance.

JMU Foundation (JMUF):

A not-for-profit corporation, exempt from federal taxation under U.S. Internal Revenue Code Sec. 501(c)(3) and eligible to receive charitable contributions under U.S. Internal Revenue Code Sec 170(b)(2), established in 1969 to act on behalf of the university as fiduciary in the administration and fiscal management of private support received from the university's donors. The JMU Foundation deposits, invests and disburses private donations.

Private Fundraising

The engagement of non-governmental and non-public donors and potential donors and the solicitation of gifts and charitable donations in support of the university.

University Advancement

The division of University Advancement (UA) manages the internal and external relationships involving the engagement and solicitation of individuals, corporations, foundations, faculty, staff, colleges and constituent groups in raising private funds. University Advancement is responsible for the management of the university's system of record for alumni, parent, prospect and donor records, manages the coordination of donors and potential donors, raises private donations and recognizes donors.

Referenced in the policy and procedures below are three of UA's six units. Development and Principal Relationship Development oversee solicitation efforts. Constituent Engagement and Advancement Planning & Operations oversee engagement activities. Advancement Information Services oversees the system of record and the recording and reporting of information in support of these efforts and activities.

4. APPLICABILITY

The policy applies to all faculty, staff, friends, affiliates, and programs of the university and the JMU Foundation.

Students and/or student organizations fall under this policy when they engage in activities that involve (a) contact with the university's alumni, friends and/or donors for making broad-based fundraising appeals or (b) the solicitation of individuals or businesses for gifts that total \$1,000 or more. All other fundraising-related matters involving students are guided by the university's Student Handbook, including, but not limited to policy J36-100. For the purposes of this policy for students, "contacts" is defined as mail, electronic and in-person communication.

This policy also applies to university employees, departments or programs wishing to procure technology that includes solicitation or gift/donation software and/or to hire staff or procure consulting services designed to aid in the cultivation of potential donors and/or the solicitation of private gifts.

5. POLICY

The goodwill of alumni and friends and the financial support from donors are resources of the university. The division of University Advancement is responsible for managing these resources. To coordinate and foster mutually beneficial partnerships with colleges, departments and programs, UA is granted oversight of the following activities:

- Directing all private fundraising activities, including the assignment of prospects
- The authorization to or not to solicit, and the approval for all fundraising plans
- The ownership and maintenance of (a) all biographical, cultivation, and solicitation data on alumni, donors, parents, other constituents, and prospects and (b) the records of private gift donations and pledge agreements.

All faculty, staff, students and affiliates of the university wishing to foster relationships with donors or donor prospects and/or raise private gift funds for programs or areas at JMU are required to work within approved plans and guidelines through the division of University Advancement.

All fundraising efforts undertaken on behalf of the university and its programs may occur only through the approval of the Vice President of University Advancement and, when related to athletics fundraising, the university President. No other fundraising activities in support of the university are sanctioned by the institution.

Athletics Development reports to the Director of Athletics. The president has granted to Athletics Development the authority to develop plans specific to the cultivation and solicitation of donors for athletics programs. In compliance with this policy, Athletics Development will coordinate those plans with University Advancement before implementing them.

6. PROCEDURES

6.1 Procedures for Faculty and Staff:

- 6.1.1 Approval from college and university leadership: Faculty and staff must discuss requests that will require private funding with department heads and Deans or AVPs for initial approval and inclusion within the area's annual fundraising inventory.
- 6.1.2 Development Office Review: Plans must be reviewed with Development before discussions with a prospect and before preparing a formal written request for funding.
- 6.1.3 Collaboration and Approvals: Development will work closely with the initiator of the request and is responsible for the final written approval of all solicitation efforts including all fundraising materials, the timing of solicitations and the list of those to be solicited.
- 6.1.4 Submission of Fundraising Inventory: Private fundraising requests should include reasons for the funds, the amount of the request needed, and names of individuals or groups to be cultivated as decided in consultation with Development.

6.2 Alumni and Donor Records

- 6.2.1 Transmittal of Gifts: All gifts to James Madison University must be made payable to the James Madison University Foundation. However, these gifts should be immediately mailed and/or directed to the office of Advancement Gifts and Records (AGR). Colleges, academic units or administrative offices must direct all gifts of monetary value be transmitted to AGR. Original correspondence associated with that gift must be included with the transmittal.
- 6.2.2 Acceptance of Gifts-in-Kind: Colleges, academic units or administrative offices that are considering gifts-in-kind of major value, an amount equal to or greater than \$5,000, must notify Development before making commitments with the donor.
- 6.2.3 Receipt of Gifts: AGR maintains the official record of donors and charitable donations to the university; AGR also receipts gifts to the university. Once processed, AGR forwards the gift to the JMU Foundation for deposit and

accounting to the general ledger. All records are kept strictly confidential. Donor anonymity will be protected whenever desired by the donor.

- 6.2.4 Stewardship of Donors by Faculty and Staff: In addition to the formal gift receipt sent by AGR, academic units and administrative departments are encouraged to thank donors. The office of Donor Relations can provide information and best practices regarding stewardship.
 - 6.2.5 System of Record: Departments and affiliates of JMU that collect information on their alumni are required under this policy to share that information with the university's system of record by contacting [Advancement Information Services](#).
- 6.3 Procurement of Technology or Services
- 6.3.1 Submission of proposals to acquire software that includes modules or components for recording and receipting of gifts, recognizing donors or managing the solicitation of donations must be reviewed by and coordinated with University Advancement prior to any contract award by procurement.
 - 6.3.2 Budget initiatives to hire staff or services designed to aid in the planning and/or implementation of solicitation strategies must be reviewed and approved by University Advancement prior to submission.

7. RESPONSIBILITIES

- 7.1 The division of University Advancement holds primary responsibility for establishing policies, developing operational guidelines, and managing fundraising activities to meet institutional goals as approved or authorized by the President. Responsibility for implementation of policies and procedures is shared with the Vice Presidents.
- 7.2 Acceptance of a gift imposes a legal obligation to comply with the terms established by the donor. Each university division holds responsibility to review, in conjunction with Development, the terms of gifts with restrictions designated to that division prior to its acceptance to ensure that it does not hamper the usefulness and desirability of the gift to JMU. If the gift is appropriate, Development will recommend its acceptance in writing to the gift acceptance committee.
- 7.3 In cases where a department within the university identifies a specific major-gift fundraising project, the department head is responsible for receiving written approval from her/his Dean or unit-head and Vice President. Once approved, the respective Vice President forwards the approved requests to the Vice President for University Advancement. A fundraising inventory will be developed and updated periodically for each college or major area and shared with the President.
- 7.4 All individuals, department heads, Deans and directors are encouraged to provide support in the identification, cultivation and solicitation of prospects in consultation with the Development Office.
- 7.5 All departments, offices and employees that generate, receive, or maintain public records under the terms of this policy are also responsible for compliance with [Policy 1109](#) – Records Management.

8. SANCTIONS

Sanctions will be commensurate with the severity and/or frequency of the offense and may include termination of employment.

9. EXCLUSIONS

The Vice President for University Advancement will review other requests for exclusion in consideration with the respective Vice President and the President. The Vice President for University Advancement may delegate operational authority for fundraising to another university division, unit, or department.

10. INTERPRETATION

Authority to interpret and apply this policy rests with the President and is generally delegated to the Vice President for University Advancement.

Previous version: June 2016

Approved by the President: July 2002