



RHODES UNIVERSITY
Where leaders learn

1. POLICY PARTICULARS

POLICY TITLE:	Fundraising Policy
POLICY LEVEL:	University Wide
COMMENCEMENT DATE:	1 st January 2011
REVIEW DATE:	1 st January 2013
RESPONSIBILITY:	
- IMPLEMENTATION AND MONITORING:	Development and Alumni Relations Division
- REVIEW AND REVISION:	Institutional Planning Committee (or as delegated)

2. POLICY STATEMENT

2.1. POLICY DECLARATION:

Rhodes University, as with most other Higher Education Institutions, has become increasingly dependent on third-stream or donor-sourced funding to support its growth and activities. In addition, Rhodes competes for donor support with an ever-increasing number of non-governmental organisations and charities. As a way of ensuring that the University continues to receive support for its critical project needs, it is vital that every effort is made to manage its fundraising activities in a coordinated, professional and responsible manner.

This policy is designed to guide the University's fundraising activities by ensuring that all funding needs which support institutional strategies are clearly identified and that decisions as to which projects should receive priority are made by appropriate bodies within the institution on a coordinated and regular basis. This in turn will inform the allocation of University fundraising resources and will provide a clear outline of the roles and responsibilities of all affected parties.

2.2. POLICY OBJECTIVES:

The Fundraising Policy provides a framework for the coordination of all activities that are aimed at obtaining and/ or increasing donor support for the University, its project needs and its strategic goals. This framework has as key objectives the following components:

- The introduction and maintenance of a central registry of funding requirements
- That all funding requirements (projects) are evaluated against agreed institutional or departmental objectives and appropriate priorities assigned to these funding needs
- That the roles, responsibilities and ultimate accountability of all affected parties is clearly identified
- That appropriate resources are allocated to generating donor-sourced income
- That only agreed projects are presented to donors
- That the relationships with donors are carefully managed and all responsibilities incurred when accepting their contributions are met by the University
- That regular evaluation of all activities takes place

3. DEFINITIONS:

DONORS:

Individuals, corporations, philanthropic foundations and trusts, associations or any other entities that provide support for University projects and programmes. Specifically excluded for the purposes of this policy is income received from statutory bodies, fee-payers and research grants e.g. NRF Grants.

DONATIONS:

Donations (as defined by this policy) may take several forms including:

- ◆ Bequests
- ◆ Bonds, shares, and other securities
- ◆ Cash
- ◆ Gifts in kind
- ◆ Proceeds from life insurance policies
- ◆ Real estate

PROJECT NUMBER:

A unique number issued by the Development Division to every project seeking funding.

TRACKING NUMBER:

A number issued by the Development Division for every request or approach made to a donor.

STEWARDSHIP:

The on-going development and maintenance of the relationship between the University and the donor or potential donor.

STEWARDSHIP POLICY:

This policy guides the appropriate acknowledgement of contributions made by donors to the University.

SPONSORSHIPS:

Sponsorships (as defined by this policy) are funds received from corporate sources and attract advertising and publicity rights in return. Sponsorships generally originate from the marketing budgets of companies and do not form part of their Corporate Social Responsibility (CSI) programmes. As a marketing return is often expected from sponsorship contributions, the relationship between sponsors and the University is managed by the Marketing and Communications Division. In terms of this policy sponsorships as a source of income are generally excluded.

4. ROLES AND RESPONSIBILITIES**Development and Alumni Relations Division (Development Division)**

Responsible for:

- Coordination of fundraising process on behalf of the University
- Preparation of a consolidated list of all funding needs to IPC Development Sub-committee (IPC/DsC)
- Preparation and presentation of fundraising strategies for key projects
- Securing donor support for key priority projects
- Reporting and evaluation of progress to relevant committees
- Providing assistance, guidance and appropriate systems to support fundraising activities
- Facilitation and management of donor relationships including preparation, implementation and review of the Stewardship Policy

Research and Development Division (Research)

Responsibility for:

- Coordination of research funding needs for University
- Securing funding support for research needs
- Facilitation and management of grantor relationships
- Reporting to appropriate structures and evaluation of progress

Note: Often donors provide support for both research activities and for other more general projects. The Development Division and the Research Office, at an operational level, will work closely with each other to ensure coordination of activities. At a structured level both offices will report on activities to VC/IPC.

Finance Division

Responsibility for:

- Provision and management of appropriate financial control systems

Institutional Planning Committee/Development Sub-committee (IPC/DsC)

Responsibility for:

- Review of all projects requiring funding support
- Grading of projects (assignment of priority to each project)
- Review of fundraising plans and resource requests
- Review of progress
- Submission of recommendations to IPC
- Taking into account ethical issues relating to the acceptance and use of donations

Institutional Planning Committee

Responsibility for:

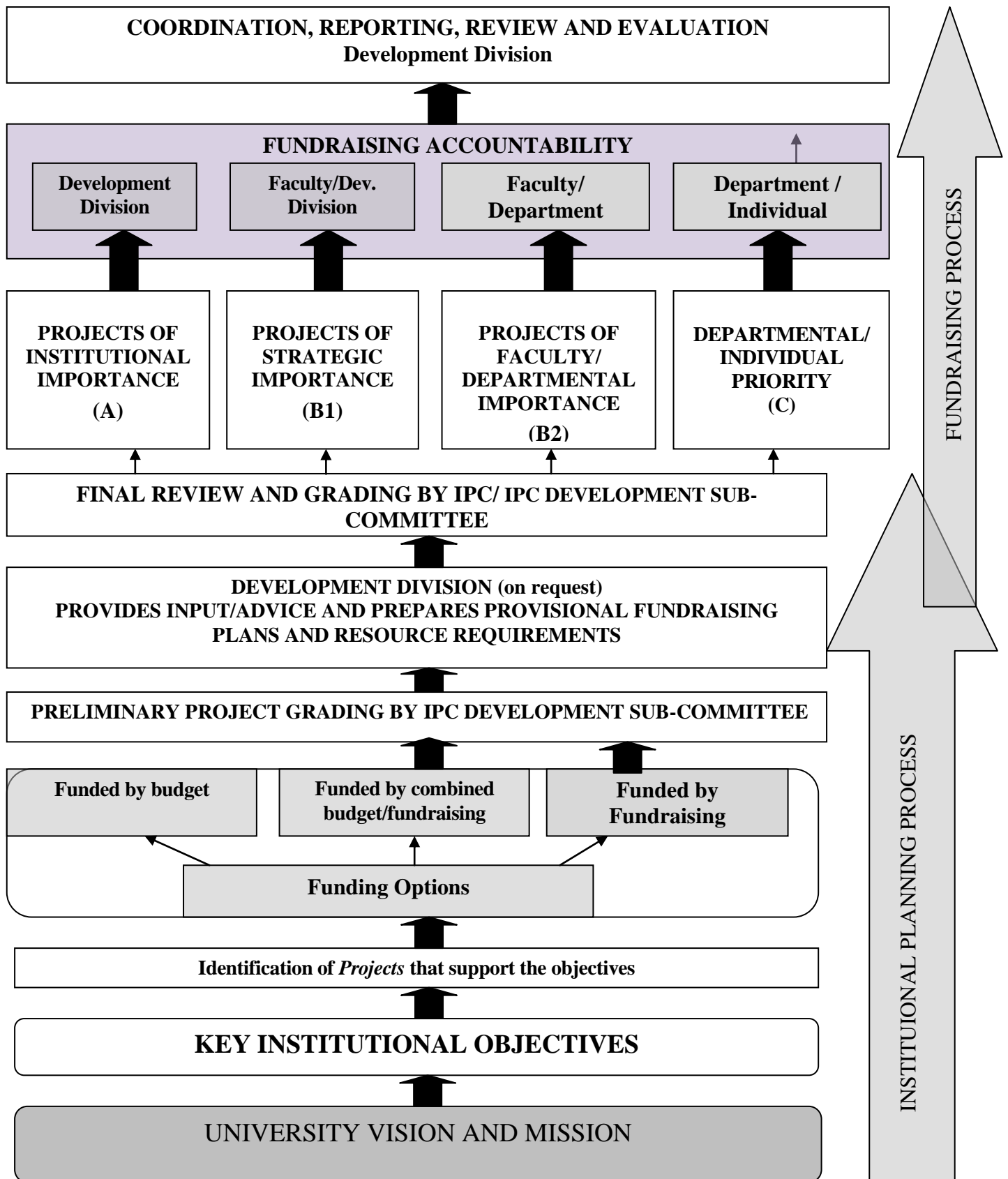
- Development and articulation of Key Institutional Objectives
- Ratification of recommendation made by IPC/DsC with regard to project needs, project grading, fundraising plans and resource requests
- Progress review

Marketing and Communications Division

Responsibility for:

- All aspects related to sponsorship contributions to the University

5. FUNDRAISING PROCESS FRAMEWORK



Outline of the process:

- a) **University Vision and Mission** are the founding statements of aspirational intent upon which all University plans and programmes should be based.
- b) **Key institutional objectives** are based on the intentions of the Vision and Mission Statement and provide a clear statement of specific strategic drivers e.g. more postgraduates.
- c) **Projects** are developed and assessed in terms of how they support these strategic ambitions.
- d) Several **funding options** exist for each of these projects.
- e) **Projects are subjected to a preliminary review by the IPC/DsC and are graded** in terms of their potential contribution to overall objectives.
- f) **If is determined that donor-support is required** the Development Division will be tasked to provide further input and to submit any additional resource requirements
- g) **IPC/DsC** to conduct final review of all projects, funding arrangements and resource requests and **recommends final grading to IPC.**
- h) **IPC reviews recommendations and decides final grading** and allocation of resources
- j) **Development Division co-ordinates** all fundraising activities and reports regularly to IPC/DsC

6. POLICY IMPLEMENTATION**6.1. Guidelines to facilitate coordination of activities**

Fundraising activities in the University as determined by this policy are coordinated by the Development and Alumni Relations Division (Development Division). To enable the Division to perform its delegated tasks the following guidelines will be implemented:

- 6.1.1. All donations received must be used in the manner and for the purposes stipulated by the donor in accordance with the terms of the project application. Donor stipulations constitute legally binding terms; failure to strictly adhere to these terms is fraudulent and could result in legal action against the University. The Development Division will institute such controls as are needed to monitor this process and will report violations as required to IPC.
- 6.1.2. The person or collective of persons tasked with the execution of a particular project is responsible for ensuring that reporting, spending and operations associated with the project are in line with the stipulations of the donor. From time to time the Development Division will remind project leaders of reporting requirements and will report deviations to IPC.
- 6.1.3. The Development Division must be informed of all fundraising activities before they are initiated or undertaken on behalf of the University by employees, students, or other stakeholders. In addition, all ongoing negotiations or discussions that occur between the prospective donor and the project leader must be reported to the Development Division.

- 6.1.4. An up-to-date database of all current and prospective donors is maintained and managed by the Development Division. No current donor may be approached by an employee, student or stakeholder of the University unless the Development Division has been consulted on the intended approach. In the event that this stipulation is ignored, the Development Division will report to IPC accordingly.
- 6.1.5. If a potential donor is identified for an approved project, the Development Division must be informed before any approach is made.
- 6.1.6. Since some *in-kind* donations may have cost implications for the University, for example, the donation of a car would attract the costs of maintenance, insurance and storage, the Development Division must first facilitate the assessment and approval of such donations by the appropriate University structures before the donation is accepted. The Development Division will refer all such cases to IPC/DsC where a final decision will be made.
- 6.1.7. In order to ensure appropriate stewardship of donors, the Development Office must be notified by the recipient of all cash and *in-kind* donations as soon as they are received. This notification should be initiated by the Finance Division who is responsible for cash management and the development of suitable systems and interfaces to support stewardship.

6.2. OUTLINE OF PROCEDURES AND PROCESSES

6.2.1 Project approval and grading

- a. The Development Division will present an up-to-date project list and appropriate supporting documentation to IPC/DsC. Project leaders, as directed by Deans/HoD's/Directors may be required, or may request, to make additional representations to IPC/DsC.
- b. Using criteria such as current institutional growth priorities or an assessment of an individual project's contribution to agreed institutional objectives, IPC/DsC will grade projects into the following categories:
- | | |
|--|-------------------|
| <i>a) Institutional Priorities</i> | <i>(Grade A)</i> |
| <i>b) Institutional Needs</i> | <i>(Grade B1)</i> |
| <i>c) Faculty or Divisional Priorities</i> | <i>(Grade B2)</i> |
| <i>d) Departmental/individual Scholar priorities</i> | <i>(Grade C)</i> |
- c) The accountability for the fundraising process will depend on the grading assigned to each project by IPC/DsC and ratified by IPC.

Project Grade	Accountability (<i>Role of Development Division in italics</i>)
a) Grade A Projects	The Development Division (<i>primary focus</i>)
b) Grade B1 Projects	The Development Division (<i>secondary focus</i>) /Faculty or

- | | |
|----------------------|--|
| | Division |
| c) Grade B2 Projects | Faculty or Division/Department (<i>strategic input from Development Division</i>) |
| d) Grade C Projects | Department or Individual (<i>Operational assistance from Development Division as agreed</i>) |
- d. The Development Division will submit a consolidated report to IPC/DsC regularly on the progress made in securing support for all graded projects. Project leaders will in turn be required to submit progress reports to the Development Division for Projects that have been graded as B2 or C projects. (See section below for progress tracking procedures).
- e. Should a project leader believe that their project has not been graded accurately according to the grading guidelines, they may refer the matter to their Dean or Division Head who will motivate for a grading review to IPC/DsC at the next meeting.
- f. As institutional priorities may change from time to time, the grading assigned to projects will be re-evaluated by IPC/DsC on an ongoing basis
- g. In the event of an urgent decision being required or an unforeseen fundraising opportunity occurring, IPC may delegate certain decision-making powers to the Vice-Chancellor or Top Management. The VC/Top Management will be required to inform IPC of such circumstances at the next scheduled meeting.

6.2.2. Progress Tracking Procedures

The Development Division will implement a tracking system to track all engagements/interactions/discussions/contact with donors and supporters.

- a. Each interaction with a potential supporter of a project must be recorded and issued with a *Tracking Number* by the Development Division. This includes submission of a proposal, correspondence, discussion, meeting etc. The tracking number will enable the Development Division to accurately report on progress on all projects. Project leaders will also be able to access these details as and when required.
- b. Donations have on occasion been received by the University without a clear indication for which project they are intended. The tracking number will serve as a key identifier and will assist Donor Administration in linking incoming funds with projects and with donors.
- c. The Development Division must be informed and tracking numbers issued *before* a donor is initially approached. This helps to ensure that donors are not approached for various unrelated projects by numerous staff members. In cases where impromptu contact with a donor has occurred, this should be reported to the Development Division immediately thereafter and issued with a tracking number.
- d. If a project leader identifies a potential new donor, he/ she must fill out a *New Donor Form* (available on the Development Website) so that the database can be updated.

6.2.3 Centralised Applications – calls for submission

- a. All calls for applications for funding that fall outside of the Research Office area of responsibilities must be coordinated through the Development Division. This includes large-scale applications such as Lotto, as well as smaller applications in response to private sector calls.
- b. It is vital that these applications are submitted from a central office as many calls for applications will accept only ONE submission per institution (Lotto is a case in point). If project leaders submit applications without going through the Development Division they could potentially jeopardise all the other applications from the University.