FUNDRAISING POLICY

Table of Contents

Section 1 - Fundraising Priorities
Section 2 - The President's Role in Fundraising
Section 3 - Fundraising Coordination and Clearance
Section 4 - Approval Process for Faculty or Administrative Proposals
Section 5 - Acknowledgment of Gifts
Section 6 - Stewardship of Gifts
Section 7 - Named Gifts
Section 8 - Named Gift Opportunities

Back to Top

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For any comments, feedback, or query, please contact: policies@aub.edu.lb.

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Section 1 - Fundraising Priorities

As the University's chief executive officer, the president has the responsibility to establish AUB’s fundraising priorities after consultation with the trustees, provost, vice presidents, deans, development staff, and others. AUB seeks philanthropic and other support for the following on-going needs:

1. **Unrestricted Current Support**

   These are funds that can be applied at the time of receipt, without restriction, to the University's highest needs, including its operating budget.

2. **Restricted Current Support**

   These are funds that can be applied at the time of receipt to designated programs or projects. These are especially valuable when they relieve the operating budget of comparable expenses (e.g., student financial aid, library acquisitions, equipment needs, etc.).

3. **Endowment Funds**

   These are permanent funds which are invested and from which the income only is used for unrestricted needs or for specific designated purposes according to donor directive, such as professorships, endowed scholarships, lectureships, etc.

4. **Capital Funds**

   These are moneys for facility and equipment needs such as new buildings and facilities, the renovation of existing facilities, purchase of major equipment, etc.

5. **Gifts-In-Kind**

   The University welcomes gifts of books, equipment, medical products and supplies, furnishings, works of art, etc., as long as they are needed by the University, and their acquisition and use do not incur unreasonable cost.

6. **Planned Gifts**

   A planned gift is any major gift made in lifetime or at death as part of a donor’s overall financial and/or estate planning. These may include cash, securities/stocks, real estate, artwork, partnership interests, personal property, life insurance, a retirement plan, a bequest, etc.
Section 2 - The President's Role in Fundraising

As chief executive officer of AUB, the president is the University's principal fundraiser. The ability of the institution to secure charitable gifts which enable it to fully accomplish its mission is ultimately his/her responsibility. To maximize AUB's fundraising opportunities, the president relies on the recommendations, research, and follow-up of the university development office.

The president fulfills his/her fundraising responsibilities principally by:

1. Defining and championing the University's fundraising priorities.

2. Working closely with the development staff to set an overall fund-raising strategy, to identify major gift prospects, to identify donor interests, and to assess cultivation opportunities.

3. Working closely with trustees and senior university officers to cultivate and solicit prior and prospective donors.

4. Acknowledging major gifts in writing, through special events, and/or through other means of recognition, and through donor stewardship.

5. Assuring that all senior university officers support, as appropriate, the fundraising process.

On a day-to-day basis, the president has delegated authority for fundraising coordination and prospect clearance to the University's vice president for advancement.

Back to Top
Section 3 - Fundraising Coordination and Clearance

Philanthropic resources, like other scarce resources, must be managed carefully for maximum benefit. If AUB is to maximize university-wide return on its fundraising efforts, it will require the involvement, cooperation, and coordination of all concerned. **It is especially important that the University avoid duplication and competition in its approach to potential donors.**

To facilitate fundraising success by seeking appropriate gifts from philanthropic and other sources for high-priority university needs, and to avoid duplicative, competitive, or preemptive gift requests, the following procedures must be followed by all members of the university community:

1. All written or oral requests for philanthropic or sponsorship support from individuals, corporations, or foundations - whether for unrestricted gifts, restricted current gifts, gifts of endowment, gifts of capital, gifts-in-kind, or planned gifts - require prior approval from the University's vice president for advancement and/or the Office of Development.

2. Requests for contracts for services rendered by the University from any source must be directed to the Office of Regional External Programs or AUBMC, as appropriate, for approval before any request is made of a funding source.

3. Copies of all pertinent correspondence, emails, written or other reports from face-to-face meetings with current or potential donors, or reports of relevant telephone contacts should be filed with the development office.

4. Copies of all proposed solicitation letters or any other solicitations which may appear in brochures, newsletters, etc., must be approved in advance by the development office.

5. Requests for any information about donors or leads for potential donors should be directed to the development office. Donor anonymity will be respected whenever desired by the donor.

6. Regardless of point of entry, all gifts for university programs and projects, including information on gifts-in-kind, must be directed to the development office for gift recording, acknowledgment, and donor stewardship.

7. The development office must be informed when notification is received by any faculty or unit of the University that it has been included in a will as beneficiary, or that it will benefit from any trust, annuity, or other form of deferred gift. Consistent with other sections of this policy, solicitation for bequests and deferred gifts must be coordinated with the development office.

For its part, the development office will:

a. Actively assist university trustees, executives, faculty members, AUBMC physicians, and staff in the identification, evaluation, cultivation, solicitation, and stewardship of donor prospects.
b. Work to assure that approaches to donors are well coordinated in order to maximize gift opportunities for high-priority university needs.

c. Protect the interests of a faculty or university unit seeking a gift from an approved prospect, especially if a competing request would minimize the chances of success for that faculty or university unit.

d. Help a faculty or university unit to identify alternate funding sources or strategies if it is determined that a proposed prospect should be cultivated or solicited for another purpose.

e. Keep the faculty or university unit fully informed of the status and progress of cultivation and solicitation activities affecting its approved prospects.

f. Promptly record and acknowledge gifts, promptly inform academic and administrative units of their receipt, and promptly notify recipients of any special reporting requirements and deadlines. The comptroller's office will be informed of any gift received by the University.

g. Help the prospective donor to set an alternative purpose if such initial purpose has been covered by other funds or already endowed.

h. Prior to acceptance, gifts in kind shall be evaluated using agreed independent criteria by the University or the donor.

i. Whenever volunteers are to be involved in fundraising efforts, it shall be the responsibility of the development office to assist in the selection, recruitment, and training of the volunteers.

Back to Top
Section 4 - Approval Process for Faculty, AUBMC, or Administrative Proposals

The University must increase philanthropic support and, as a result, it welcomes individual initiative. Ideas for new programs and projects are encouraged from all of the University's academic and administrative departments and AUBMC. These may originate from one individual, or a group, or committee. It is the responsibility of the development office to assist in determining the feasibility of attracting funding for these projects, to assist in the proposal-writing process, and to research and identify potential sources of support. It is the responsibility of the provost, deans, vice presidents and, ultimately, the president, to determine their academic or administrative importance and, hence, priority.

The following procedures must be followed before any new proposal can be submitted to an outside funding source for consideration:

1. At the earliest possible time, a faculty member should discuss the proposal concept with his or her department chair. The department chair must endorse the proposal concept and must determine, first, whether it is possible to fund the concept from currently budgeted departmental funds. An administrator must meet first with his or her director or vice president for the same purpose.

2. If the department chair endorses a faculty member's concept, it should be directed to the appropriate faculty dean for review and consultation with appropriate faculty and other.

3. Administrative proposals must be approved by the relevant director or vice president.

4. No proposal for outside funding will be submitted to a prospective donor without an approved budget. This budget must reflect university policies with respect to expenditures, including provision for overhead costs. Budgets must be reviewed and approved by the Comptroller's Office or by the Grants and Contracts Office.

5. Approved proposals with approved budgets must then be submitted to the provost and/or president for final review and approval. If approved, they will be advanced by the Development Office to prospective donors.

6. Proposals for contracts with any organization that require the delivery of a product or service must be submitted in advance to the Office of Regional External Programs or AUBMC for review and approval in accordance with its established guidelines.

7. The Office of Grants and Contracts will be responsible for the administration of all all research grants and contracts.
Section 5 - Acknowledgment of Gifts

All gifts to the University, regardless of source or value, must be sent to the development office for recording and processing. Gifts from North America will normally be receipted in New York. All other gifts will normally be receipted in Beirut. All gifts to the University, regardless of source or value, must be acknowledged promptly. In acknowledging gifts by AUB, whether cash, checks, securities, or gifts-in-kind, a gift receipt is issued by the University to the donor. Receipts for gifts in excess of $5,000 are normally acknowledged in writing by the president. The development office is the only office authorized to issue gift receipts and to handle acknowledgment letters for the president. If vice presidents, deans, or others believe that a further note of appreciation should be sent by them to the donor, such a note can be forwarded separately following the president's letter, with a copy sent to the development office.

All gifts-in-kind will be issued a university receipt by the development office. If the donor requires a gift value on the receipt, usually for tax purposes, it is the responsibility of the donor to provide the University with an independent appraisal indicating the value of the gift.
Section 6 - Stewardship of Gifts

All restricted gifts and grants require, usually on agreed upon dates (such as the anniversary of the gift, that special periodic reports detailing gift use be sent to the donor, whether individual, foundation, corporation, or other organization. It is the responsibility of the Office of Development and/or the Office of Regional External Programs to remind relevant university units of the reporting requirements and deadlines. It is the responsibility of the appropriate administrator/faculty member, in consultation with those offices, to prepare this report. Most reports consist of financial statements and a narrative description of how the funds have been used and what has been accomplished. Narrative descriptions are provided by the appropriate administrator/faculty member, and financial statements are provided by the Comptroller's Office. The Development Office is responsible for ensuring appropriate stewardship of the donor.

Back to Top
Section 7 - Named Gifts

Advised by the Development Office, the president, in consultation with the Board of Trustees, is the only officer of the University authorized to agree the terms of named gift opportunities such as professorships, buildings, and endowed funds. The development office is the only university office authorized to carry out discussions for the establishment of named scholarship funds and the terms of reference for the award of scholarships. The development office, in cooperation with the university financial aid office and the comptroller, also determines that scholarships are administered in accordance with the terms of the agreement between the University and the donor, and keeps donors informed of the names and academic progress of each student. Offices or department heads who may be contacted by prospective donors interested in establishing other endowed or restricted scholarship funds should consult with the development office before any commitment is made on behalf of AUB.

In addition, no officer, employee, or volunteer associated with the University shall promise, or imply that, in return for a philanthropic contribution, favorable consideration will be given to:

1. Appointments that imply faculty or administrative status not in keeping with usual university process for such appointments.

2. Granting of student admission, student scholarships, fellowships, other financial benefits, or special considerations in a manner inconsistent with university policies and procedures.

3. Naming a building or other facility without the approval of the president of the University and the Board of Trustees.
Section 8 - Named Gift Opportunities

The president of the University, in consultation with the chair of the Board of Trustees’ Development Committee, the provost, and the vice president for advancement, sets minimum gift level amounts and establishes approved guidelines for gift naming opportunities.

The University reserves the final right of approval for the name or names designated for any naming opportunity on campus.

Approval Required

The Board of Trustees must approve the solicitation for the naming of any faculty or school in advance of active solicitation. University approval cannot be granted until the donor’s name is known or until the name or names of the person or persons being memorialized are known.

Reporting to the Board of Trustees

The Office of Development will report to the Board of Trustees at each board meeting on the number or endowed funds or named gift opportunities that the University has secured since the last board meeting.

Formal Gift Agreement

Any gift that includes the naming of an endowment, facility, or part of a facility must include a formal written gift agreement signed by the AVP for development, VP for advancement, and/or the university president.

Payment Periods

In many cases, gifts will be made over a multi-year period to a maximum of five years. The length of the payment period is specified in the formal written gift agreement. A minimum initial gift of 75 percent of the total is normally required before naming actually takes place. Yet, the president and VP for advancement may approve an exception to this policy. In case the pledge is not fulfilled within the payment period designated in the gift agreement, the fund may be terminated and the funds expended for the benefit of the faculty, school, or department originally designated by the donor.

The most common naming opportunities with associated gift ranges are as follows:

1. **Endowed Faculty Positions**

   Endowed faculty positions may be created and named by a donor within the below ranges:

   - Endowed Deanship: $3 to $5 million.
   - Endowed Chair: $2 to $2.5 million.
   - Endowed New Chair: $2.5 to $3 million.
   - Endowed Visiting Professorship: $1 to $2 million.
   - Endowed Junior Chair: $1 to $1.5 million.
Endowed Clinical Chair: $1 to $2 million.

The commitment must be in writing, and, normally, the entire amount must be paid before the chair is activated.

2. **Named Building (Campus Only – Excludes AUBMC)**

When the naming opportunity concerns a building, either new, newly renovated, or existing and requiring substantial renovation, a donor will be required to provide not less than 51-75 percent (depending on location and purpose of the building) of the full cost of the design, renovation, construction, and/or fitting out plus additional 10 percent of the gift amount to establish an endowment to support the overhead and maintenance of the facility. The University must have identified in advance means by which the remaining balance will be funded (such as through university funding, loans, or additional fundraising).

3. **Named Academic or Medical Units**

Academic units such as Faculty, School, Department, Institute, Center, or Program may be named within the below ranges:

- Faculty or School: the amount to be decided by the president in consultation with the VP advancement and the relevant dean.
- Department: $5 to $10 million.
- Center or Institute: $5 to $10 million.
- Program: $500,000 to $1 million.

4. **Named Facilities**

Facilities, spaces, laboratories, rooms, and/or other parts of buildings and open areas may be named. Modification and renovation of existing facilities can be named if the gift covers the total cost and its value exceeds $50,000. Existing facilities and other spaces can be named for donors. The amounts will vary on a case-by-case basis, depending on the size, location, use, visibility, furnishings, and other characteristics of facility and associated costs of renovation or new build. Gift proceeds for these spaces can be used, in part, to upgrade the space and, in part, for other important university priorities.

5. **Named Equipment and Furnishings**

Equipment and furnishings can be named if their value exceeds $20,000. Normally, such gifts are acknowledged with a plaque indicating the object and naming the donor or person being honored.

6. **Scholarship and Fellowships**

Named endowed scholarship funds that cover the full cost for one student range from $150,000 in the Faculty of Arts and Sciences to $350,000 for the School of Medicine. Partial endowed scholarships for any faculty can be named with a minimum gift of $100,000. Current scholarships can be named in the year of receipt for a gift of $5,000.
Endowed Graduate Fellowship for Master’s or PhD students or for medical residents requires a minimum gift of $200,000.

7. Library and Technology Funds

Named endowed funds for the purchase of books, publications, computers, software, and other library and information technology materials can be established with a minimum gift of $25,000.

8. Faculty Research and Development Funds

Named endowed funds to support faculty recruitment, professional development, research, or other needs may be established with a minimum gift of $100,000.

9. Other Named Funds

Other named funds such as the below may be established with a minimum of:

- Endowed Lectureship Series: $250,000 to $500,000.
- Endowed Named Prize or Award: $20,000.
- Annual Named Fund for any purpose: $5,000.
- Named Bench on campus: $10,000.

Exceptions for Endowments and Funds

The president of the University, in consultation with the VP for advancement, may approve the establishment of named funds in amounts and over periods of time different than those stated above. If the stated amount is not achieved within the agreed upon period, then the fund may be terminated and the funds expended for the benefit of the faculty, school, or department originally designated by the donor. Normally, the annual income from a fund established herein and not terminated as provided shall continue to be accrued to the principal until the minimum endowment level has been achieved.

Use of Funds

Funds donated to name a building or an area will be designated for the design, construction, and/or refurbishment of the building or area. They may also be unrestricted for the benefit of the faculty/school or unit to which the building or area is dedicated.