February 2010
John P. Rush
Vice President for Development and Alumni
Program Outline

- MSU Foundation Structure
- Overview of Philanthropy Terms
- Prospect Management
- MSU Gift Administration
- Corporate Gifts
- Foundation Gifts—Dr. Sandra Harpole
Overview & Purpose

- Non-profit 501(c)(3) organization
- Receive, invest and administer private support consistent with the university’s priorities and mission
- 46-member Board of Directors
- Most work is done at committee level
- Current endowment about $280,000,000
- Provide $1.9M in general university support annually
- Provide an additional $24M annually in scholarship and other support
A foundation keeps private gifts separate from public funds and ensures they are used in the manner intended by the donors.

As a private organization, a foundation has greater flexibility than the university in the investment and expenditure of funds.

A foundation provides a vehicle for enlisting high-level volunteers which offer the university a great source of outside expertise, changing our brightest and best alumni from “outsiders into insiders.”
Division of Development and Alumni

John Rush
VP for Development and Alumni

- Bob Heroski
  Director of Major Gifts
  - Annual Fund
  - Planned Giving
  - Prospect Management
  - College & University Development Officers

- Cathy Lammons
  Director of Shared Advancement Services
  - Information Technology
  - Gift Administration
  - Communications
  - Data Services

- David Easley
  Executive Director of Finance
  - Finance & Budget
  - Investments

- Jimmy Abramam
  Executive Director of Alumni Affairs and Associate Vice President
Gifts and Donations

- A **GIFT** is a tangible symbol of feelings between people.
- A **DONATION** is a tangible symbol of support to a cause.
Policy and procedure for coordination of solicitations for private donations.

\* Sponsored Projects vs. Gifts

\* Jointly Defined by MSU Foundation AND SPA

\* PURPOSE:

\* To develop guidelines for university-wide coordination of the solicitation of gifts from individuals, corporations, and foundations.

\* POLICY:

\* Colleges and other university fundraising units should coordinate prospect solicitation with their respective development officers and keep the foundation office informed of solicitations and proposals. This policy is not intended to curb initiative or interfere with long-standing relationships with prospective donors.
PROCEDURE:

- Faculty and staff seeking a gift of $10,000 or greater must check with their development officer to determine if a prospective donor is the designee of a current or planned solicitation prior to making contact.

- A Prospect Proposal Clearance Form must be submitted to the MSU Foundation. If approved, the prospect will be placed on the Prospect Coordination List and written notice via email to proceed with the solicitation will be provided.

- Prospect lists will be reviewed regularly in order to maintain appropriate unit designation.

- Some prospects will be given reserved status termed "Principal Prospect." Solicitation of these prospects will require prior approval of the president.
Multiple Solicitations/Conflict Resolution

- If a unit desires to contact a prospect currently on the reserved list, the unit will be told of the reservation and the request will be placed on a waiting list.
- If more than one unit desires to solicit the same prospect at the same time, representatives of these units and their fundraiser will meet with the vice president for development and alumni and the director of major gifts to arrive at a decision on priorities and sequences. If the parties cannot agree, a written request for a decision will be forwarded by the vice president for development and alumni to the president.

Proposals greater than $1,500,000 require a cover letter from the president and must be forwarded through the dean, director of major gifts and vice president for development and alumni.
A grant or contract is an agreement formalizing the transfer of money or property from a sponsor in exchange for specified services, sometimes including proprietary rights to and products derived from the services, and including financial and/or technical reporting by the recipient as to the actual use of the money or results. The agreement is enforceable by law, and performance is usually to be accomplished within a specified time frame, with payment being subject to revocation for cause.
Definition of a Gift

A gift or donation is a voluntary and irrevocable transfer of money, services or property (e.g., equipment, personnel time and skill, etc.) from a donor without any expectation of or receipt of direct economic benefit or provision of goods or services from the recipient.
The award is from an individual or non-governmental source.
The donor specifically intends the award to be a charitable gift as reflected by the absence of any quid pro quo.
The donor makes the charitable gift to MSU without expectation of direct economic or other tangible benefit commensurate with the value of the gift.
The conditions or stipulations placed on the use of the award are reasonable and serve to direct the funds to areas such as infrastructure, scholarships or general research support of interest to the donor.
Stewardship: What do Donors Want?

- Acknowledgement and thanks for their gifts
- Timeliness of thanks
- Confidence and satisfaction
- Meaningful recognition
- To know they have made a wise investment
Acknowledgements

- Each donor receives some type of acknowledgement
  - Official tax receipt
  - Thank you letters from various individuals
  - Recognition club letters
Manage Gift Agreements
  ◦ Work closely with development officers on correct wording for gift agreements if needed
  ◦ Scan gift agreements in Banner

Stewardship Endowment Reports
  ◦ Generally each fall, but a rising interest in distribution for spring and fall.
Gift Administration

- Gift Administration is responsible for processing all contributions which include:
  - Designating the gift as directed by the donor
  - Entry into the alumni donor database
  - Acknowledgement of the gift
  - Initiation of the recognition process.
Corporate Giving

Resources to Advance Research

- **Cash Gifts**
  - Faculty Positions
  - Undergraduate and Graduate Scholarships
  - Programmatic Support
  - Buildings and Capital Projects

- **Gifts in Kind**
  - Equipment
  - Software
Corporate/Foundation Development

- Coordinate approaches that cross unit/college boundaries
- One-Stop Shop for foundations and corporations
- Initiate university level opportunities
- Assist with identification of new sources of support
- Build relationships
Funding from Foundations

February 2010
Sandra H. Harpole
Director of Corporate and Foundation Giving
Finding Funding

- The Foundation Center
  - http://www.fdncenter.org
- Education Foundation for America
  - http://www.efaw.org
- The Council on Foundations
  - 2000 member foundations
  - http://www.cof.org/index.cfm?containerid=95
Finding Funding

- Identify companies in state and region that have foundations
- Identify foundations funding research presented at state, regional and national meetings
- Search journals for research in your area funded by foundation
Finding Funding

- Talk with colleagues at other institutions
- Be on the alert for opportunities that may result from conversations with friends and relatives
- Be prepared to take advantage of opportunities that arise from unexpected sources
Researching a Foundation

- What is the mission of the foundation?
- What has the foundation funded previously?
- What are they interested in funding now?
- Are there geographic limitations?
- What is their normal level of funding?
Researching a Foundation

- Are proposals solicited?
- What is the submission process?
- How are funding decisions made?
- Who are the key contacts?
Researching a Foundation

- Contact the MSU Foundation
  - Has the foundation funded anything at MSU?
  - Is the foundation being solicited?
  - What is the appropriate funding level?
  - Does the MSU Foundation have a relationship with someone at the foundation?
Next Steps

• Develop white paper.
  ◦ Brief description of proposed research
  ◦ Rationale
  ◦ Qualifications of proposal and research team
  ◦ Budget

• Make contact with appropriate foundation representative.
What if you are funded?

- Express appreciation to the appropriate people.
- Produce! Your reputation, and that of Mississippi State, depends on how well you conduct the project.
- Follow all instructions for reporting and file all reports on time.
What if you are funded?

- Give the foundation credit in all publications and publicity.
- Continue to cultivate a good relationship with the foundation.
- Be prepared to respond to other opportunities with the foundation.
What if you are not funded?

- Learn from the experience.
- Remember that developing relationships is critical.
Contact Information

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Thank you!