

March 9, 2016

*(This policy shall become effective April 1, 2016.)*

## **PROPOSAL**

### **Rogue Community College Foundation's Restricted Gift Reserve Policy**

**POLICY:** For all incoming restricted gifts the Foundation will apply 95% of the donation to the designated benefit fund accounts and a 5% reserve will be retained for administrative and management operations. This includes all gifts designated for any and all purposes to a specific initiative, an annual or endowed scholarship, or an annual or endowed program fund, and for estate and bequest gifts.

**Unrestricted gifts made to the RCCF are exempted from this policy.**

**RATIONALE:** The retained reserve amounts will allow the RCCF to reduce its dependence on the annual performance of Foundation investments for the funding of its administrative and management operations. Fund-raising requires financial resources to cover the services of staff and professional advisers, as well as the direct costs of cultivating, soliciting, processing and accounting for donated funds. To manage resources using the 'best practices' in philanthropy requires adequate and sustainable resources.

**OPERATION:** The reserve amount shall be applied at the time a gift or pledge payment is received, or when cash is realized from the sale of a donated property or item.

### **EXCEPTIONS:**

1. The Foundation may grant a reserve exemption for a gift from a corporation or foundation if provided verification that retained reserves are prohibited by published guidelines, statutes or other policies.
2. The campus group or department which is the beneficiary of the gift may pay the reserve in lieu of the donor if mutually agreed upon by the foundation and the department with supervisory approval.

### **DISCLOSURE:**

The RCC Foundation shall post this policy on its website and will share it in writing with any written gift proposal that is submitted to a donor.

**REVIEW:** The Finance & Investment Committee of the RCCF Board shall review and revise this policy at least every three years to ensure it is an effective and updated tool for managing the costs of operating the foundation.