



FUND/SCHOLARSHIP CRITERIA

SAMPLES

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With endless gratitude,

The DRG Group

ESTABLISHMENT AND ADMINISTRATION OF ENDOWED CHAIRS AND PROFESSORSHIPS

Policy Statement

The permanent nature of endowments and the naming of faculty positions require that they be established in accordance with the mission and goals of the University as well as sensitivity to the goals of the donor.

The purpose of this policy is to provide guidelines for the establishment and administration of endowed chairs and professorships at Kansas City University (hereafter referred to as University). An endowed position is a faculty position supported by income from an endowment established by a gift to the University. Private gifts to support endowed faculty positions offer an opportunity for appropriate recognition for donors and enable the University to retain, recruit, and reward faculty members who have demonstrated excellence in teaching, research, and professional contributions at a level that brings external recognition to Kansas City University.

I. SCOPE

This policy applies to faculty, staff, and administrators at the University. This policy governs the establishment and administration of any funds which are intended for a permanent or semi-permanent nature for academic chairs or professorships.

II. OVERVIEW

Endowed chair and professorships may be established based upon strategic needs and initiatives and at the request of the Provost with approval by the President. The establishment of any such position will adhere to this policy for establishment and administration with any exceptions to this policy requiring approval by the President, Executive Vice President for Finance and Operations and, if required, the Board of Trustees.

The use of funds from any established endowed chair or professorship will be governed first by the Endowment Spending Policy – University Policy #3.02. In accordance with that policy, endowed funds are required to be fully funded for one year prior to initial distribution. Annual spending is expected to be in the range of 4-6% of the Five-Year Trailing Market Value, with the expected average distribution over time to be 5%. The Five-Year Trailing Market Value is calculated each December 31 and the fund distribution will be calculated and included in the following fiscal year's annual budget. The market values of each fund are monitored and the University strives to ensure spending does not result in market values below historic value ("under water" funds).

RESPONSIBILITIES

The Kansas City University Office of Philanthropy and Alumni Relations engages in the identification, cultivation, solicitation, receipt, and management of gifts that are used to establish the endowment.

The President and CEO sets the fundraising priorities, including those for endowed faculty positions, through an internal process requiring review and approval by the appropriate department chair and dean, Provost, and Executive Vice President for Finance and Operations. Those priorities are shared with the Vice President of Philanthropy who directs strategy for securing private gifts to establish the endowed fund.

The Provost controls the appointment of faculty to endowed chairs and professorships and manages the oversight and review of faculty in these positions. The Provost is responsible for ensuring that expenditures are in compliance with University Policies as well as fund agreements.

The Finance office manages the investment of related funds and the annual calculation of budgetary funds available for annual use and provides oversight of distributions in accordance with the policy. Finance reviews expenditure requests for compliance with University policies and regulatory requirements.

III. TYPES OF ENDOWED POSITIONS AND MINIMUM FUNDING REQUIRED FOR ESTABLISHMENT

ENDOWED CHAIR

A minimum of \$2,500,000 is required to create an endowed chair and enables the University to recruit or retain faculty with exceptional talents and reputation.

The appointment is made to this position by nomination of the Dean with approval by the Provost.

ENDOWED PROFESSORSHIP

A minimum of \$1,000,000 is required to establish an endowed professorship which will provide the competitive edge in attracting and retaining senior or junior faculty who have demonstrated outstanding accomplishments or show remarkable promise (Endowed Professor).

The appointment is made to this position by nomination of the Dean with approval by the Provost.

IV. ESTABLISHING ENDOWED CHAIRS AND PROFESSORSHIPS

The President of the University has the authority to establish and name endowed positions in accordance with this University Policy.

- No financial commitment to establish and/or name the endowed chair or professorship shall be made to a prospective donor prior to presidential approval and in compliance with this policy
- A proposal to establish an endowed chair or professorship shall:
 - Ensure that the conception of the endowed chair or professorship is consistent with the mission of the University;

- Determine whether the University will be called upon to make a commitment to an area that is inconsistent with the campus academic plan;
 - Determine whether the proposal will require additional resources from the University;
 - Ensure that the proposal will not make excessive demands on a college, department, or program;
 - Be reviewed and approved by the Provost and Chief Financial Officer prior to submission of any proposals or formal agreements to a donor.
- A donor may endow a chair or professorship with gifts of cash or marketable securities which shall be converted to cash immediately upon receipt. No gifts of real or tangible property can be used to satisfy a commitment without formal approval of the President and Executive Vice President for Finance and Operations.
 - A written fund approval and fund document must be obtained prior to finalizing the donor agreement to ensure all aspects of the administration of the agreement can be feasibly maintained.
 - All gifts or pledges to establish endowed chairs or professorships must be documented in a written gift agreement between the donor and the University.
 - The gift agreement will be drafted by the Office of Philanthropy and Alumni Relations and reviewed by the Director of Legal Affairs prior to presentation to a donor.
 - Pledges must be for a period not to exceed 5 year
 - The gift agreement must be signed in accordance with the University Contract Signature Authority Policy.
 - All gifts for an endowed chair or professorship are in support of the position itself while all faculty appointments to said position are under the direction of the University as detailed in section V of this policy.
 - Public announcement and/or naming of the endowed position is allowed when substantial risk of non-fulfillment has passed, generally after at least 75% of the funding has been completed.
 - Expenditures of endowments, regardless of having been announced or named, are governed by the endowment spending policy which dictates that no spend will occur until one year following full funding. Additionally, spend amounts are dictated by the endowment spending policy which utilizes the five-year trailing market value calculation.
 - The establishment of an endowed chair will be contingent upon full funding of the commitment, in accordance with the University prudent endowment management policies.
 - For an estate gift directed to support an endowed chair or professorship, the value of the gift at the time the proceeds are received by the University must meet the current required minimums for the donor-designated purpose, or an alternate purpose must be designated
 - Upon approval of the Board of Trustees, University funds can be designated, through a board designated endowment, towards the funding of an endowed position.
 - The University shall attempt to fill vacant endowed positions in a timely manner.

V. Appointments to the Endowed Position

An endowed chair or professor must be a faculty member in good standing. The appointment is for a period not to exceed four years and may be renewed with nomination by the Dean and approval by the Provost.

Those appointed to an endowed position, whether a new position or internally appointed, are members of the faculty and are subject to all policies and procedures applicable to faculty. Such policies include, but are not limited to, those related to retention, promotion and additional employment.

The appointee's activities supported by the endowment must be consistent with the mission, vision and values of the University. Failure to adhere to the words and spirit of the University's mission, vision and values may be cause for removal from the endowed appointment in accordance with Section VI of this policy.

Faculty with endowed positions shall submit to their appropriate dean an annual report of their activities related to the position.

VI. Removal from an Endowed Position

Appointment to an endowed position is a privilege that comes with certain responsibilities. Endowed faculty members may be removed from the endowed position for reasons including, but not limited to:

- Failure to honor the letter and/or spirit of the gift agreement or failure to perform the work assignment defined by the appropriate dean and/or Provost
- Failure to follow University policies surrounding use of funds
- Research misconduct, including, but not limited to, plagiarism, falsification of data, data mismanagement, and violations related to institutional compliance
- Violations of University policies and/or faculty contract

Removal proceedings from an endowed position may be initiated at any time by a department chair, dean or Provost when there is reason to believe cause exists. The Provost will initiate an investigation into the issues surrounding the recommendation for removal and make a formal recommendation to the President.

Removal of a faculty member from an endowed position shall not directly impact the faculty member's permanent appointment, although the reasons that led to the removal from an endowed position may be a relevant factor in any employment or performance reviews.

VII. Endowment expenditures

Expenditures related to endowed chair and professorship funds will adhere to the guidelines in this policy, with each fund having a written fund agreement to detail the specific expenditures allowed from the following allowable types.

- Salary offset/augmentation – The holding of this position may entail a stipend or some other component of additional compensation which will be in accordance with all legal and IRS compliance. Any compensation payments must be in a manner which can be administered by the University's payroll processes and maintained in compliance with all regulatory requirements.

- Support Activities in the pursuit of teaching, research, service and administrative mission of the University and academic unit. Such ancillary activities could include:
 - Equipment
 - Professional development registration and/or travel
 - Publications
 - Library resources
 - Lectures and honoraria for speakers
 - Student assistants

VIII. DISESTABLISHMENT OF AN ENDOWED CHAIR

The president of the University is authorized to disestablish an endowed chair or professorship in the following circumstances:

- The purpose ceases to exist or becomes impossible, impractical or too difficult to administer. In this case, the Board of Trustees will redirect the use of the funds for a purpose or purposes as similar as possible to the original intent of the donor.
- The subject area ceases to be consistent with the University's mission, academic plan or other reason as deemed appropriate by the President.
- In all cases of disestablishment, the University shall seek to work with the donor in the case that the donor is still living, to identify an alternate purpose.

 UNIVERSITY OF RICHMOND

Quick Reference Guide to Scholarship Criteria

DONOR PREFERENCES IN GIFT DOCUMENTATION

While it is always the University's preference that a gift is as unrestricted as possible, there are times when a donor may wish to include criteria in the documentation that speaks directly to their desired impact. We must ensure that our gift agreements comply with applicable laws and regulations, and that they are in the best interest of both the donor and the University.

ALLOWABLE LANGUAGE IN GIFT DOCUMENTATION

The preferences outlined below meet the "legal, possible, practical" threshold and are allowable scholarship criteria at the University of Richmond. This list will be reviewed on an annual basis and updated as necessary. It is possible that other preferences outside of this pre-approved list may also be feasible; however, preferences not included on this list will need to be reviewed by some/all members of the Gift Acceptance Committee.

- **Student-athlete:** *Preference will be given for a student-athlete.*
- **First-generation student:** *Preference will be given for a student(s) who is the first generation in their family to attend college.*
- **Academic year:** *Preference will be given for a [first-year] student(s).*
- **State or Region:** *Preference will be given for a student(s) from [listed below]:*
 - Virginia
 - Mid-Atlantic region of the United States
 - Southeast region of the United States
 - Northeast region of the United States
 - Midwest region of the United States
 - West Coast of the United States
- **Academic Major:** *Preference will be given for a student(s) who has expressed an interest in majoring in [listed below]:*
 - The top ~10-15 majors at UR, per IFX data, are fine. This list currently includes: *business, leadership studies, biology, PPEL, accounting, healthcare studies, political science, psychology, computer science.*
 - Small majors should generally be avoided, such as: *music, dance, theatre, religious studies, classics, or any of the foreign languages.*
- **Coordinate affiliation:** *Preference will be given for a [Westhampton College/Richmond College] student(s).*

LANGUAGE TO AVOID IN GIFT DOCUMENTATION

Certain criteria are restricted by law and/or University policy and should not be used. Accordingly, the following criteria will not be included in gift documentation as written below.

- **Race/ethnicity**
- **Religion**
- **Sexual Orientation**
- **Gender** (*Athletic scholarships are generally exempt*)
- **Marital and/or parental status** (*of the student*)
- **Age**
- **Family descendants**
- **Right of nomination or selection** (*committee or donor*)

WHO CAN HELP?

If you have questions about anything in this guide, or the feasibility of a particular preference, please reach out to the Office of Donor Relations' primary contact for gift documentation:

Katie Bell, Senior Associate Director of Donor Relations

katie.bell@richmond.edu

804-289- 8949

Additionally, you can find more detailed information regarding our policy on criteria in the [Endowed Fund Toolkit](#).



ENDOWED FUND TOOLKIT FOR DEVELOPMENT

SUMMARY

This document should prepare front-line fundraisers with the information they need to have productive, realistic conversations with their donors about opportunities to support the University's endowment. Additionally, this should provide a comprehensive outline of the internal processes we follow to document and steward these gifts.

This work is a partnership between the Office of Donor Relations, gift officers and other Development colleagues, the Controller's Office, and University General Counsel. It is ongoing and evolving work, as laws, policies, and University priorities are inevitably going to change over time. The Office of Donor Relations will be responsible for maintaining and updating this toolkit as a resource for the Development team. If you have any questions that are not addressed by this toolkit, please feel free to ask. Our contact information can be found [here](#).

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Section One: Endowed Fund Mechanics

The information in this section is intended to equip gift officers with the basic information they need to be able to speak with donors about the University's policies relating to endowment minimums, activation, and spending distribution.

ENDOWMENT MINIMUMS

The endowed fund types and associated minimums listed below are current as of 12/1/2021.

STUDENT SUPPORT

	ABJ* & Law Scholarship - unrestricted	\$50,000+
	ABJ & Law Scholarship - one (1) preference	\$100,000+
	MBA Scholarship - unrestricted	\$100,000+
	UR Summer Fellowship	\$100,000+
	ABJ Full Scholarship	\$1,500,000+
	SPCS Scholarship	\$25,000+

FACULTY SUPPORT

	Faculty Fellowship	\$100,000+
	Law Professorship	\$500,000+
	Chair	\$2,500,000+
	Deanship	\$5,000,000+ (internal reference ONLY)

ACADEMIC UNIT SUPPORT

	Discretionary Fund	Case by case basis
	High Impact Practice/Program	\$250,000+ (varies, project-specific)
	School	\$10,000,000+ (internal reference ONLY)

PLANNED GIVING

	Bequests to endow a student or faculty fund type listed above	Same as above
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*ABJ: Arts & Sciences, Business, and Jepson (traditional undergraduate schools)

BUDGET ACTIVATION POLICY

Regardless of the total gift commitment, once an endowed fund reaches the established fund type minimum (e.g. \$50,000 for an unrestricted scholarship), it will be budgeted. The fund must reach this minimum, and purchase endowment shares, by December 31 in order to be budgeted for the following fiscal year.

Please note, this would exclude gifts to a pending fund (as in the case of a gift usage agreement that is not yet executed) because a gift in a pending fund does not buy endowment shares and therefore cannot be budgeted until the gift usage agreement is signed and the gifts are moved to an endowed account.

SPENDING DISTRIBUTION

Each year, the annual budget is based on a formula determined by the University's Board of Trustees that is designed to provide a sufficient and predictable flow of funding to support current needs while ensuring that the fund principal will continue to grow in perpetuity. This spending distribution will vary from year to year, based on the endowment's performance and similar factors. Over the past 10 years, the endowment spending distribution has averaged 4.5-5.0% per year.

For example, a \$50,000 scholarship will result in an annual budget of roughly \$2,500. However, occasionally, we find ourselves with funds in excess of that budgeted amount in the cash line of the endowment. When that occurs, the excess funds will be rolled into the next year's budget and spent if possible. This will happen most often with new endowed funds, which will result in a larger budget that first year than in subsequent years. For example, if a donor is paying a pledge over five years, the spending distribution is applied to the fund over those five years, but the fund is not yet budgeted so the cash line accrues during the pledge payment period.

COMMONLY ASKED QUESTIONS ABOUT SCHOLARSHIPS

Please visit the Giving website for answers to [commonly asked questions](#) about scholarships at UR.

Section Two: Endowed Fund Criteria

Whenever possible, it is the University's preference that gifts are either unrestricted or the criteria are as broad as possible and expressed as preferences rather than requirements. However, there are times when a donor may wish to include criteria in the documentation that speaks directly to their desired impact. In navigating these conversations, we have a responsibility to ensure that our agreements with our donors comply with applicable laws and regulations, and are in the best interest of the donor as well as that of the University of Richmond. In short, the fund purpose and criteria must be legal, possible, and practical. What is considered allowable at the University of Richmond is determined by those three factors and may evolve.

CRITERIA LIBRARY

The preferences outlined below meet the "legal, possible, practical" threshold and are allowable scholarship criteria at the University of Richmond. This list will be reviewed on annual basis and updated as necessary. It is possible that other preferences outside of this pre-approved list may also be feasible; however, preferences not included on this list will need to be reviewed by some/all members of the Gift Acceptance Committee. Such a review would be facilitated by Donor Relations, as outlined in Section 3.

- **Student-athlete**
Preference will be given for a student-athlete.
- **First-generation student**
Preference will be given for a student(s) who is the first generation in their family to attend college.
- **Academic year**
Preference will be given for a [first-year] student(s).

- **Specific State or Region**

Preference will be given for a student(s) from [option from list below]:

- Virginia
- Mid-Atlantic region of the United States
- Southeast region of the United States
- Northeast region of the United States
- Midwest region of the United States
- West Coast of the United States

- **Academic Major**

Preference will be given for a student(s) who has expressed an interest in majoring in [listed below].

- The top ~10-15 majors at UR per IFX data are fine. This list currently includes: business, leadership studies, biology, PPEL, accounting, healthcare studies, political science, psychology, computer science.
- Small majors should generally be avoided, such as: music, dance, theatre, religious studies, classics, or any of the foreign languages.

- **Coordinate affiliation**

Preference will be given for a [Westhampton College/Richmond College] student(s).

UNALLOWABLE CRITERIA

The preferences listed below are restricted by law and/or University policy and should be avoided in gift documentation.

- **Race/ethnicity**
- **Religion**
- **Sexual orientation**
- **Gender** (*Athletics scholarships are an exception here)
- **Marital and/or parental status** (of the student)
- **Age**
- **Family descendants**
- **Right of nomination or selection** by committee or by the donor

However, there may be ways to help a donor achieve their intended impact by using alternate language. If your donor has indicated any of these aforementioned preferences, please contact Donor Relations to discuss alternate language they might consider.

COMPLICATED OR SUBJECTIVE CRITERIA

Although there are some historical exceptions to this rule, our criteria should be written in measurable/objective terms. For example, it is possible for Financial Aid to assess whether someone is majoring in political science; it is not possible really for them to assess whether someone has “good moral character.” Additionally, there are a couple of grey areas that have a tendency to surface such as scholarships for students from middle class backgrounds, students from underrepresented groups, etc. If you are speaking with a donor who has asked about criteria like this, contact Donor Relations to learn more about the options.

Section Three: Endowed Fund Documentation

Gifts and commitments to establish a new fund should be documented with both: a) *Gift Usage Agreement* outlining the restrictions for the usage of the gift, and b) *Gift Intention* listing the total gift amount and installment schedule. Donors most commonly establish a new *endowed* fund, but this is also applicable in the rare case of a new *current restricted* fund. The section below includes information about documenting these types of gifts. For information on how to document other types of gifts, such as planned gifts or gifts to a capital project, visit our [Gift Documentation Reference Guide](#).

WORKFLOW

1. Gift officer completes [Gift Documentation Request \(GDR\)](#).
2. Donor Relations drafts documentation, and saves in Box.
3. Gift officer reviews and approves draft documentation in Box.
4. Donor Relations circulates draft documentation to appropriate review queue (see below).
5. Once reviewed, Donor Relations circulates finalized documentation for internal signatures.
6. Once signed, Donor Relations mails two copies to donor, one for them to sign and return.
7. Once returned, Donor Relations completes the New Fund Request (NFR) to have the fund created in ArachNet and Banner.
8. Once NFR is completed, Donor Relations marks GDR completed and sends email notification with Box links to both the fully executed gift documentation and NFR.

REVIEW QUEUE

- **Unrestricted Scholarship, Restricted Scholarship** (if criteria are in the approved library referenced in Section 2)
 - Review: Chnoic Clarke, Jamie Hughes, Belinda Hill
 - Signatures: Martha Callaghan, Dave Hale, Donor
- **Restricted Scholarship** (anything outside pre-approved criteria above)
 - Review: Chnoic Clarke, Jamie Hughes, Belinda Hill, Laurie Melville
 - Signatures: Martha Callaghan, Dave Hale, Donor
- **Restricted Fund** (Non-Scholarship)
 - Review: Chnoic Clarke, Jamie Hughes, Laurie Melville
 - Signatures: Martha Callaghan, Dave Hale, Donor
- **Complex Gifts** (e.g. Amended & Restated or Gifts-In-Kind)
 - Review: Gift Acceptance Committee, which includes Chnoic Clarke, Jamie Hughes, Robb Moore, Martha Callaghan, Shannon Sinclair, Laurie Melville, Dave Hale
 - Signatures: Martha Callaghan, Dave Hale, Donor
- **Capital Projects** (spaces/opportunities that have been approved by the VP for Advancement)
 - Review: Chnoic Clarke
 - Signatures: Donor

NAMING CONVENTIONS

Below are guidelines for names of new endowed funds that, unless otherwise requested by the donor, we will follow. Not all exceptions will be allowable, but certainly entertained.

- It is preferred that the donor’s formal name is used.
 - Middle initials and suffixes *are* included
 - Prefixes, titles, and/or professional designations (e.g. Mr., Dr., MD, PhD) *are not* included
 - Donor’s class year(s) and/or parent affiliation *are not* included
- Alternatively, some donors may prefer to name the fund for their family using only their surname.
- Generally, funds will not include “The” or “Fund” as a formal part of the fund name; exceptions for the latter made in the case of a general fund that doesn’t have a succinct purpose that can be included in the name, such as “scholarship” or “fellowship.”
- Examples of fund names that align with these conventions
 - Kathryn C. Bell Scholarship
 - Kathryn C. Bell and L. Andrew Bell IV Scholarship
 - Bell Family Scholarship
 - Bell Family Fund for Journalism

MAKING CHANGES TO EXISTING DOCUMENTATION

There will be circumstances when a donor wishes to make changes to their existing gift documentation, or when we internally identify a problematic agreement. The Gift Acceptance Committee must review and approve any changes to existing gift documentation.

Can a gift usage agreement be changed?

A gift usage agreement is a legally binding document, and any indicated criteria should be followed as written. In general, the University will not amend or restate an agreement unless there is a compelling University interest to do so. In the event that there is, we will work with the donor or legal representatives to revise the fund documentation. The following examples could constitute a compelling University interest in a revision:

- It has become unlawful, impossible, or impractical to award based on the existing agreement (e.g. a scholarship for a student from Alaska who plays violin and speaks German)
- The existing agreement is no longer consistent with the University programs, activities, or mission (e.g. a scholarship for a major that no longer exists at UR)

Who can/can’t agree to revise existing gift documentation?

No existing gift usage agreement shall be amended or restated without the written agreement of the donor, unless such amendment is otherwise permitted by law. Absent specific provisions in the original gift usage agreement, only the original donor who established the fund may request an amendment or restatement to the agreement — family members, heirs, executors, or subsequent donors to an established fund cannot authorize changes to an existing fund.

How to request changes to existing documentation?

If a donor requests a change or revision, please submit a request to the Gift Documentation Request [insert hyperlink], and Donor Relations will facilitate review by the Gift Acceptance Committee (GAC). Once a decision is made, Donor Relations will discuss next steps with the requesting gift officer.

What if there is no gift usage agreement?

If it is determined there is no signed gift usage agreement, there are two options to address this:

1. If there is a living donor, we will attempt to obtain a signed gift usage agreement that reflects their intent.
2. If there is no living donor, we will rely on contemporaneous documentation to determine the donor's intent to the best of our ability. An internal MOU will be drafted to reflect this.

Can a gift intention be changed?

Yes. If a donor requests a change to their gift intention, a new version should be drafted and the Director of Advancement Operations should be involved to ensure our records are updated in ArachNet. Because gift intentions are not used by Business & Finance, it is not necessary to provide updates to them.

DOCUMENTATION RETENTION AND STORAGE

Where can I access gift documentation records?

Scanned versions of completed gift documentation can be found within the [Gift Documentation Box](#) folder. They will be categorized by fiscal year, then the last name of the donor/name of the fund as indicated in the documentation. Gift documentation will also be stored in ArachNet/PaperSave, attached to the gift record.

Where are hard copies stored?

Hard copies should be delivered to Katie Bell, who will file them in Suite 100 of Maryland Hall.

Section Four: Endowed Fund Stewardship

During the gift documentation process and after gift closure, Donor Relations has several opportunities to steward the donor. We will partner with gift officers when appropriate on any of the efforts below.

FUND NARRATIVE

Purpose

When a donor establishes a new endowed fund, we hope to develop a Fund Narrative. Ultimately, the goal is to create a more holistic, historical record of the establishment of donor funds than a gift usage agreement alone would provide. In the case of scholarships, it is also a useful tool in educating the student recipient about the source of their support and the impact of philanthropy at Richmond.

Creation

Much of the content that will form a Fund Narrative will naturally come out of the cultivation process. When a new fund is being established, gift officers should coordinate with Donor Relations to draft a narrative for the donor to review (or in some cases, donors may prefer to draft one themselves).

Below are some questions and topics that might serve as a useful starting point:

- Tell us about your Richmond experience – course of study, extracurricular involvement, legacy connections, etc.
- Share a bit about your life post-graduation – career, family, alumni involvement, etc.
- What inspired you to make this gift to Richmond?
- How would you describe the impact that Richmond has had on your life?

- What would you like the beneficiaries of your fund to know about you?

Example Narratives

Dorothy Turner Benton Scholarship

This endowed scholarship was established in 2011 by John Benton, B'73, in memory of his mother, Dorothy Turner Benton. John is the product of scholarships and work-study programs at UR. His father died when he was young and without this support, he never would have had the opportunity to attend Richmond. John's mother sacrificed significantly to help him obtain an education and they often discussed during her later years a way to help other students obtain that great start in life and career that he had obtained at UR. In her honor, to help other students, and in recognition of her love of music, he established this scholarship. John majored in business, studied pipe organ, sang with the Glee Club, and participated in Omicron Delta Kappa, the Honor Council, and fraternity life during his time at UR. In a 45-year career that spanned Virginia, Federal, and Smithsonian service in administration and management, John retired in May 2018 as the Deputy Under Secretary for Finance and Administration of the Smithsonian Institute. Upon his retirement, he was named Deputy Under Secretary Emeritus – a lifetime appointment and honor. He remains an active and very proud alumnus of UR.

Evelyn Boatwright Lynch Scholarship Fund

This endowed scholarship was established in 2013 by Frederica Boatwright Baxter, W'62, in honor of her mother, Evelyn Boatwright Lynch, W'25. Frederica was the granddaughter, and Evelyn the daughter, of Dr. Frederic W. Boatwright, who was president of the University from 1895 until 1946. The Boatwright family has deep connections to the University over multiple generations, and this scholarship was established to benefit Spiders for generations to come.

WELCOME TO THE ENDOWMENT

When a donor establishes a new endowed fund, they will receive a “Welcome to the Endowment” brochure in the mail. The intention is to thank them for their gift/commitment and to answer some frequently asked questions. The brochure is accompanied by a custom cover page, which can be a commemorative fund narrative or a cover note from the president, vice president for advancement, or dean/director depending on what the gift officer advises.

ENDOWMENT REPORTING

Endowed fund reports are sent annually in December. Donors will generally receive their first endowed fund report about 12 to 18 months after establishing the fund, and each year following. Annual endowed fund reports are delivered electronically unless the donor requests a hard copy in the mail. Reports are sent to the donor who established the fund and to other contacts/descendants by request.

Reports include information about the fund beneficiary (for the current fiscal year), financial information about the fund (for the fiscal year that closed the preceding June 30), highlights on overall endowment performance, and stories about the impact of philanthropy at Richmond.

Gift officers will be responsible for delivering electronic endowment reports to their assigned prospects. For those fund contacts who are unassigned, Donor Relations will send the electronic reports. Delivery of hard copy reports will be managed by Donor Relations as well.

PUBLICITY

When the University receives a generous gift, there may be opportunities to celebrate the donor and publicize the gift in various ways. While Donor Relations reviews all new gifts with this in mind, if your donor has a particularly interesting story or an impactful gift, please let us know!

Section Five: Appendix

WHO CAN HELP?

If you have questions about anything either in this toolkit or related to it, please reach out to the Office of Donor Relations. If we don't know the answer, we will help find it.

Primary Contact

Katie Bell
Senior Associate Director of Donor Relations
katie.bell@richmond.edu
804-289-8949

TERMS

Endowed Gift: Gifts to an endowed fund are invested by Spider Management. Each year, a portion of the fund's value is withdrawn to support the purpose specified by the donor (e.g. scholarship, fellowship, faculty chair). Earnings in excess of this withdrawal amount remain invested, building the fund's value to ensure that the gift continues to provide meaningful support for many years to come.

Current Restricted Gift: Gifts to a current restricted fund may be used only for a particular purpose, but the money is not invested and is instead available immediately. This term can refer to both gifts to a fund that already exists (e.g. Robins School of Business Dean's Impact Fund) or to a new fund that the donor wishes to create for a specific purpose (e.g. Brown gift to the Creativity, Innovation, and Entrepreneurship Program).

Capital Gift: A gift to support new construction or a renovation to a building or other campus space. Capital gifts may be associated with an opportunity to name a space or install a plaque that recognizes the donor.

Book Value: The total of all gifts made to an endowed fund, also known as the corpus or the principal.

Market Value: The value of an endowed fund as a part of UR's endowment, including any investment earnings (or losses). Market value can be calculated at the end of each quarter, but is typically only publicized at the close of each fiscal year.

Fund Contact: The donor who established an endowed fund, or the lead donor in the case of a group gift, also sometimes a descendant of the donor or company representative. The fund contact(s) receive an endowed fund report each year.

RELEVANT POLICIES

Gift Intentions and Gift Agreements [hyperlink coming soon]

Amendment and Restatement of Existing Endowment Agreements

Gifts Establishing Endowed Scholarships and Gifts Designated for Financial Aid



Agreement to Establish the

Name of Endowed Scholarship
and the
Name of Scholarship

Prepared for
Donor/s 'Yr

Month Year

Villanova University

DRAFT FY23

Agreement to Establish the
Name of Endowed Scholarship
 and the
Name of Scholarship
 at the Choose an item. of Villanova University

Villanova University (the “University”), a higher education institution in Villanova, Pennsylvania, gratefully acknowledges the generosity of **Donor/s** 'Yr of City, State (“Donor”), who through this Agreement agrees to establish the **Name of Endowed Scholarship** (“Fund I”) and the **Name of Non-Endowed Scholarship** (“Fund II”) at the Choose an item. of the University. In order to protect the interests of both the **Donor** and the University, intending to be legally bound, we agree as follows:

1. **Donor’s Commitment:** The **Donor** is making a charitable gift of \$###,### (written out in word form, i.e., One Hundred Thousand Dollars) to the University in the form of cash or readily marketable securities (“stocks”), according to the following schedule:

Payment Received On or Before	Endowed Fund (Fund I)	Non-Endowed Fund (Fund II)	Total Annual Amount
December 31, 2022	\$XX	\$XX	\$XX
December 31, 2023	\$XX	\$XX	\$XX
December 31, 2024	\$XX	\$XX	\$XX
December 31, 2025	\$XX	\$XX	\$XX
December 31, 2026	\$XX	\$XX	\$XX
Total	\$XX	\$XX	\$XX

Gifts of stock will be valued according to Internal Revenue Service (“IRS”) guidelines in effect at the time the stock is transferred to the University. Currently, these guidelines value the stock at the average of the high and low trades on the date of transfer to the University. As the University is relying upon this gift for its planning purposes, the **Donor acknowledges** that this gift shall be a legally binding obligation of **themselves and their** estate, personal representatives, heirs and assigns, and that this Agreement will be governed by Pennsylvania law. Please note IRS guidelines prohibit the use of Donor Advised Funds to fulfill a legally binding commitment.

2. **University’s Commitment:**
 - a. In recognition of this generous commitment, the University will create two separate funds. **Amount written out in word form** (\$##,###) will be placed in an endowed fund to

be known as the **Name of Endowed Scholarship** (Fund I), and amount written in word form (\$#,###) will be placed in a non-endowed fund to be known as the **Name of Scholarship Fund** (Fund II).

- b. The purpose of Funds I and II is to [provide financial support to academically talented full-time undergraduate students enrolled in the Choose an item. with demonstrated financial need.]

Commented [LD1]: This is the preferred language for grant-replacement scholarships. If the donor wishes for the award to be supplemental (in addition to VU grant monies), remove the "with demonstrated financial need" language.

Any Preferences the donor wishes to include must be reviewed by Stewardship to ensure compliance with federal law and that the university has a population of students eligible to receive the funds.

3. Selection Procedure: Recipients of this scholarship will be selected by the Director of Financial Assistance (or designee), in accordance with University policies and, where applicable, federal and state regulations governing the award of financial aid.

4. Terms of Scholarship: Each scholarship will be awarded for one academic year with preference for renewing the award to the same recipient(s) in subsequent years providing the recipient(s) continues to meet the conditions of eligibility, is in good academic standing, is in good disciplinary standing, and funds are available.

5. Management of Funds:

- a. The University will invest, manage and pool Fund I with its other endowed funds in accordance with regular University investment and management policies. The University will make an annual distribution from Fund I, as determined by application of the University's endowment spending policy, which may be amended from time to time but is currently based on five percent (5%) of a rolling 12 calendar quarter average of the Fund's market value calculated as of December 31st, and it may be used for any purpose as described in Paragraph 2 above. Any difference between actual investment income and the amount distributed for spending shall be retained with the funds to support spending in future years. No distributions shall be made from Fund I until the fiscal year following receipt of full payment. If by the end of the pledge period outlined in Paragraph 1, the gifts to Fund I from the Donor and any anticipated matching gifts total less than \$100,000, the University's current required minimum amount for establishment of an endowed scholarship fund, the University will make a reasonable effort to notify the Donor in writing to obtain a recommendation for the use of Fund I. In the event the Donor does not make a recommendation or is not available to make a recommendation,

the President of the University in consultation with other appropriate University officials, may determine an alternative use for Fund I, including any income accumulated thereon, based on the value of the Fund and the purpose(s) set out in this Agreement.

- b. The first distribution from Fund II may be made in the academic year following receipt of the initial payment.

6. Recognition:

- a. The **Donor** will be referred to as **Donor/s 'Yr** in connection with this gift. This contribution may be publicized in donor recognition vehicles produced by the University or other entities, including in print, broadcast, and/or electronic media.
- b. The University may recognize the gift with an appropriate public announcement unless directed otherwise by the **Donor**.
- c. The naming opportunities outlined in this Agreement shall be subject to the terms and conditions of the University's Policy and Guidelines for Naming University Assets.

- 7. Stewardship:** After the initial distribution from Fund I, the University will provide an annual report to the **Donor**, including an overview of the financial activity of the Fund and other relevant information.

- 8. Planning for the Future:** Endowment gifts are designed to last for all time. However, it is impossible to anticipate how changing circumstances in the future may impact the University's ability to comply with all of the provisions of this Agreement. Accordingly, in the event future developments make it impracticable for the University to carry out the specific terms of this Agreement, the President of the University in consultation with other appropriate University officials shall have the discretion to direct the use of the Fund for a purpose at the University as close as possible to the **Donor's** original intent.

- 9. Signatures:** This Agreement and all documents referenced herein shall constitute the entire agreement between the parties. The Agreement may be signed in counterparts and transmitted by facsimile, scan and/or electronic copy. All counterpart, facsimile or electronic signatures shall have equal validity and enforceability as a fully signed original Agreement.

Approved by

Donor/s 'Yr Date

Donor/s 'Yr Date

VILLANOVA UNIVERSITY

By: _____ Date _____
Rev. Peter M. Donohue, OSA, '75
President

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