



FUNDRAISING ACTIVITIES IN THE PRIVATE SECTOR

Authority: Regents Policy Doc. 19-14: Naming of University Facilities and Lands
Regents Policy Doc. 22-4: Fundraising Principles and Guidelines

No: S-27

Initiator: Vice Chancellor for Development & Alumni Relations
Vice Chancellor of Finance & Administrative Affairs

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Responsible Party: Vice Chancellor for Development & Alumni Relations

I. PURPOSE

This policy governs fundraising activities by or on behalf of UWM in order to maximize philanthropic gifts from private sources and effectively steward our donors. It does not cover solicitation of funds from public entities, or solicitation and administration of grants, contracts or other extramural funds administered by the Office of Sponsored Programs.

II. DEFINITIONS

Capital Project includes construction or purchase of major capital assets or extensive renovation of existing spaces; examples include construction or renovation of buildings, classrooms, laboratories, performance spaces, galleries, athletic facilities, and major equipment purchases.

Current Use funds are those intended to be expended for a charitable purpose. Current Use funds may also be described as operating funds, expendable funds, and income/principal cash funds. Monies available in the spending accounts of Endowments are intended to be expended, and thus may also be considered Current Use funds.

Endowments are funds that are intended to last in perpetuity, or that are invested over a substantial period of time. For purposes of this policy, Endowments at the UWM Foundation shall include traditional (permanent) endowments, flexible funds, and intermediate term (modified) funds; Endowments at the UW System Trust Fund shall include "Long Term Funds."

Memorandum of Agreement ("MOA") is a contract (also known as a gift agreement) between a donor, the UWM Foundation, and the Board of Regents of the UW System on behalf of UWM; it governs the value, purpose and permanence of the gift, any terms of gift administration, any naming recognition provided for the gift, and alternative uses of the gift if its original purpose becomes impossible in the future.

Naming Recognition includes:

Honorific naming: honoring a person (usually deceased) who made a highly significant (usually non-monetary) contribution to the academic programming or success of UWM; and
Philanthropic naming: recognizing a significant gift for UWM.

Naming recognition may include the naming of Endowment funds, faculty or administrative positions, physical spaces, or academic programs.

Prospect management provides a process for determining the most advantageous strategy and point(s) of contact to solicit and steward a specific donor. The Vice Chancellor for Development & Alumni Relations ("VC Development") is responsible for establishing and maintaining prospect management practices and assigning prospect managers.

Stewardship is the process that occurs *after* a donor has made a philanthropic gift. Effective stewardship includes thanking the donor promptly, administering the gift as the donor intended in a timely way, and informing the donor about the positive impact of the gift.

III. POLICY

A. SUPERVISION OF FUNDRAISING ACTIVITIES BY DEVELOPMENT

The UWM Office for Development & Alumni Relations (“Development”) under the leadership of the VC Development serves as the primary fundraising unit for UWM. All campus units must work with Development in their fundraising activities. Any efforts to raise funds from individuals, alumni, corporations, and/or foundations, or to retain staff or advisors to participate in such activities, must be done in coordination with Development. All campus units must observe applicable codes of ethical behavior for fundraising professionals and follow applicable prospect management practices established by the VC Development.

The UWM Foundation, Inc., an independent 501(c) (3) charitable organization, invests and manages charitable gifts for the benefit of UWM.

B. ADMINISTRATION AND STEWARDSHIP OF GIFTS

Campus units must administer gifts consistent with the donors’ wishes and in compliance with UWM policies; this requires expending gifts for the purpose and in the manner intended, and stewarding donors appropriately. If a campus unit demonstrates an inability to administer philanthropic gifts appropriately, the Chancellor, in consultation with the appropriate dean/director, Provost, VC Development, and UWM Foundation, may appoint an alternative administrator. All gifts for Endowment, or for which UWM offers naming as recognition, must be memorialized with an MOA. Development and Legal Affairs must review criteria for selecting scholarship, fellowship or professorship recipients to ensure compliance with current law and university policy. Donors may not select the recipients of their scholarship, fellowship or professorship gifts.

C. CONFIDENTIALITY OF DONOR INFORMATION

Subject to applicable State law, UWM shall maintain the privacy of donor giving information, and shall honor donors’ requests for anonymity for their gifts. Prospective donors’ names and communications with them should remain strictly confidential. Donor names and details regarding their gifts may only be disclosed publicly with the donor’s permission, typically after all parties have signed an MOA, and after a plan for announcing the gift has been created with donor approval.

D. GIFTS REQUIRING FINANCIAL COMMITMENTS OR DONOR BENEFITS

Gifts may not require UWM to incur additional expenses unless approved by the Chancellor in consultation with the relevant Division head. When a donor receives a financial benefit in conjunction with the proposed gift (a “*quid pro quo*”), or retains a partial interest in the property being donated, the VC Development in consultation with the UWM Foundation may determine that the proposed gift is not philanthropic.

E. FUNDRAISING FOR CAPITAL PROJECTS

Any campus unit proposing to raise funds for a capital project must consult the appropriate dean/director, Provost, VC Development, and VC for Finance and Administrative Affairs (VC FAA). The Provost, VC Development, and VC FAA must approve a target gift amount

for the capital project in the early stages of project development and prior to soliciting donors.

UWM should secure lead gifts for a capital project prior to raising additional gifts. Gifts for major capital projects should include accompanying Endowment to sustain the ongoing operational and programmatic costs of the new capital asset, unless other support has been identified.

Where completion of a capital project requires raising funds from multiple donors, and/or obtaining financial support or permission for the project from the State of Wisconsin, UW System, or other public entities, the MOA with the donor(s) should include a provision for redirecting the gift if the capital project becomes impossible to complete.

F. NAMING RECOGNITION - GENERAL

1. Support for UWM's Mission

Naming recognition must support the mission of UWM, and must not detract from UWM's values, integrity, or reputation, create conflicts of interest, or confer special privileges. In the event of changed donor circumstances, UWM reserves the right to revise the form of or withdraw recognition, in consultation with the donor whenever possible.

2. Gift Minimums, Recognition and Documentation

Development, in consultation with the Chancellor and the UWM Foundation, must establish gift minimums needed to create Endowments and to receive other naming recognition. Prior to the donor's execution of the MOA, the relevant dean/director, Development, Legal Affairs, and UWM Foundation must approve the agreement.

3. Honorific Naming

Any campus unit considering an honorific naming must consult the Chancellor and VC Development before the naming is discussed with any party external to the university. The Provost and Chancellor must approve any honorific naming. See also [UW System Board of Regents Policy 19-14](#).

G. NAMING – FACULTY and ADMINISTRATIVE POSITIONS

1. Valuation

Philanthropic gifts to name a faculty or administrative position (“named appointment”) should provide the following levels of support. For an existing position, the named appointment should provide *a substantial portion of the cost* of the position (salary plus benefits). For a new position, the named appointment must provide *100% of the cost* of the position (salary plus benefits), unless the Provost and Chancellor approve using other university funds to supplement the cost of the position.

Minimum gift levels for named appointments may vary based on market conditions and academic field. Named appointments may be created with either Endowments or Current Use gifts, except that, because the title of “Chair” confers a greater level of prestige and support than the title of “Professorship,” a gift to create a named Chair position *must* be endowed.

2. Process - Creating a Named Appointment

Any academic unit proposing to offer a named appointment must consult the appropriate dean/director, Provost, and VC Development. The Provost and VC Development must approve the target gift amount for the naming prior to any donor solicitation. The Provost

must approve the naming, in consultation with the appropriate dean/director and VC Development.

Any non-academic unit proposing to offer a named appointment must consult the relevant Division head, the Chancellor, and VC Development. The Chancellor and VC Development must approve the target gift amount for the naming prior to any donor solicitation. The Chancellor must approve the naming, in consultation with the relevant Division head and VC Development.

3. Process - Appointment to a Named Appointment

The appointment of a person to a named academic appointment requires input from the department executive committee, the recommendation of the appropriate dean/director, and approval by the Provost.

The appointment of a person to a named non-academic appointment requires the approval of the Chancellor.

While UWM may consult with the donor during the recruitment and appointment process, UWM is solely responsible for the final appointment.

A named appointment may be renewable and/or may rotate among eligible faculty and/or staff. All appointments are subject to all applicable UW System and UWM rules, budgetary and approval processes, and other policies related to employment. Contracts awarding named appointments should state the alternative terms of the appointment in the event that the person no longer holds the *named* appointment.

H. NAMING - PHYSICAL SPACES

1. Valuation

Philanthropic gifts to name a physical space must provide a substantial portion of the actual cost of the creation or improvement of the space, and/or substantial support for the ongoing operational or programmatic expenses of the space, and/or substantial support for programming occurring in close proximity to the space.

Valuation of space naming opportunities requires consideration of multiple factors, including size, location, public visibility, and unique qualities of the space; market for comparable naming opportunities at peer/aspirant or geographically close institutions; capital project expenses or other urgent needs of the unit; duration of the naming; reputation and resources of the prospective donor(s), and/or of the person(s) being honored or memorialized by the naming; and likelihood of future opportunities to consider a naming gift for the space. Valuations of space naming opportunities must be approved by the VC Development and the VC FAA prior to any donor solicitation.

2. Location of Naming Recognition

When providing a gift to name a building, the donor's name may appear on external building walls. In all other cases, the name should not be exhibited on external building walls.

3. Duration of Naming, and Renaming of Spaces

The MOA must address the duration of the naming opportunity. UWM may agree to name a space for the life of the space, for the period prior to its need for extensive renovation, or for a specific term of years. UWM also may agree to withhold naming from a space for a term of years.

4. Process - Naming (and Renaming) a Physical Space

Any campus unit proposing to offer naming recognition on university property must consult in advance with the relevant Division head, VC Development, and VC FAA. Upon tentative agreement with a donor for a space naming opportunity, the person(s) primarily responsible for managing the gift and naming must seek the advice of UWM Physical Environment Committee (PEC). The PEC makes a recommendation to the Chancellor. The PEC considers such proposals in closed session when the identity of the prospective donor remains confidential, or when the sensitive nature of gift negotiations requires confidentiality.

In all cases other than the naming of a building, the Chancellor makes the final decision regarding naming a physical space. When naming a building, the Regents make the final decision, following the Chancellor's recommendation. UWM must not publicly announce its request to name a building prior to Regent approval.

Over time, UWM or the UW System may relocate, substantially alter, or reallocate a named space or building. The Chancellor, in consultation with VC Development and VC FAA, must review such changes, and determine whether to continue using the existing name, subject to Regent approval where needed. When a space is proposed for renaming, the VC Development will make reasonable efforts to inform the original donors, honorees, or their designated representatives in advance. Legal Affairs must be consulted on all proposals to rename spaces.

I. NAMING - ACADEMIC UNITS

1. Valuation

Philanthropic gifts to name an academic unit (*e.g.*, a school, college, center, or institute) must provide *significant operating support* for the unit. Valuation of such naming opportunities requires consideration of multiple factors, including longevity and academic reputation of the unit, and factors similar to those listed in G.1. above, regarding valuation of physical spaces.

2. Process - Naming an Academic Unit

Any campus unit proposing to offer naming recognition for an academic unit must consult the appropriate dean/director, Provost, and VC Development. The Provost, VC Development and Chancellor must approve the target gift amount for the naming of an academic unit prior to any donor solicitation. Approvals for naming an academic unit are found in UWM Policy S-.0.5.

J. FUNDRAISING FOR ATHLETICS

UWM is committed to the philosophy of firm institutional control of athletics, to the unquestioned financial integrity of athletic programs, and to the accountability of the athletic department. Fundraising efforts for intercollegiate athletics shall be in strict compliance with applicable rules and regulations of any intercollegiate athletic association or conference of which UWM is a member.