

# How a Partnership Can Improve Your Stewardship

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# *Partner*

n. One that is united or associated with another or others in an activity or a sphere of common interest

# Why is a partnership needed?

Planning is smoother

Will your list be ready?

Will it be complete?

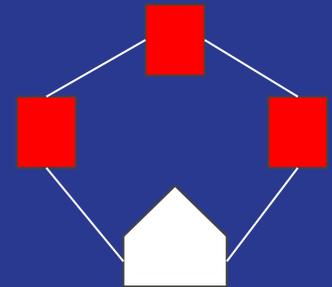
Are you inviting enough people?

Stewardship/DR is more comprehensive

Benefits statements/receipts are correct

**Embarrassment** is avoided

Legal ramifications



Cover all your bases

# When to start the partnership?



# What is the scope of the partnership?

## Three main areas of concern

Acknowledgements and Receipts for daily operations

Documentation of benefits in donor relations

Paid event considerations

*But many more areas should be considered*

# Acknowledgements and receipts for daily operations

Uploading letter templates

Benefits statements

Wording requirements/restrictions

State specific laws (Harbor Compliance)

Addressing standards

Data field availability

Formatting



# Documentation of benefits in Donor Relations

## Post campaign

- Planning the allowance for recognition of major/principal donors
- Will the naming opportunity cross the advertising line?

## Leadership giving societies

- Benefit value of the “Welcome Packet”
- Exclusive events

## Alumni Associations

- What special privileges does membership afford?  
discounts, attendance, access

# Paid event considerations

Invitation addressing standards

Formal or informal

Seasonal addresses?

DAFs and FamFnds

Full disclosure for donor education

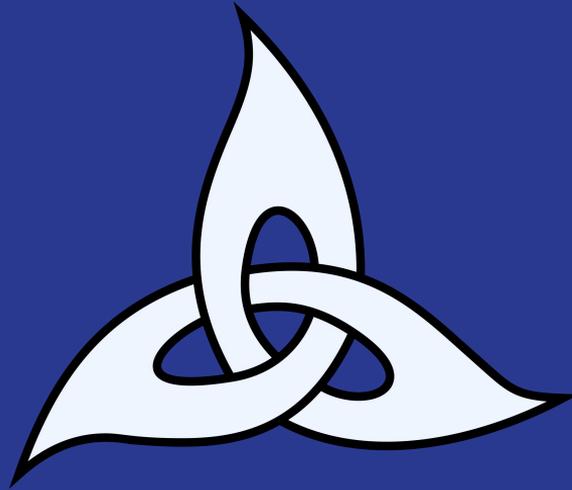
FMV evaluation

Whose responsibility?

How is it determined?



Where does the partnership end?





**BIG DEAL**



# Quid Pro Quo

## What it is, calculating it accurately

- Tangible benefits, perceived benefits, expected benefits?
- Girl Scout Cookies
- But the \_\_\_\_\_ (food, drinks, catering, venue) were **donated!**
- Tchotchke (IRS Safe Harbor Rules/Insubstantial Benefits)
- Informing participants, proper acknowledgement



# Gala Events

Charitable donation is calculated based on the difference between the amount paid for tickets and what a “reasonable person would expect to pay” for the dinner, entertainment, etc.

Makes no difference if the person attends or not unless benefits are declined at registration time!

# Auctions



**Two** gift transactions and **two** stewardship opportunities for each auction item:

1. Gift-In-Kind – to original donor of item, for the fair market value (FMV) of the item
2. Quid Pro Quo (maybe) – to auction bidder ONLY IF auction sells above FMV (difference between price paid and FMV of auction item)

# Drawings/Raffles/Games of Chance

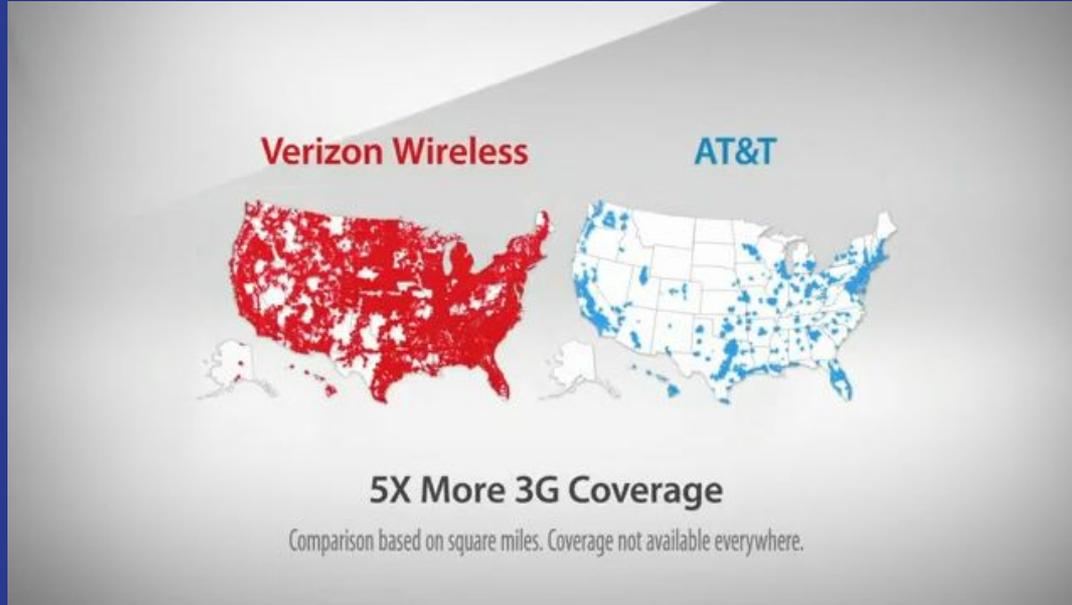
- Legal approval
- Can I \_\_\_\_\_ (play, eat, enter, participate) without making a gift?
- Clear, transparent communications
- 1099?
- IRS Pub 3079
- Mailing Tickets?



# Sponsorship or Advertising?

- Logo
- Audience?
- Qualitative or Comparative Language?
- Pricing Information?
- Endorsement by institution?
- Opportunity to sell to potential customers?
- Marketing Booth?

# Sponsorship or Advertising?



**verizon**wireless

# Employees Supporting Their Own Funds

- Clear documentation and standards of practice
- Ensure expenditures are reasonable and justifiable in support of institutional initiatives
- Dual oversight of approvals and signatures
- Avoid conflicts of interest - No salary expenditures
- Gift stays with institution
- Get acknowledgement from employee and department head

# Communication & Collaboration



# AS Cooperative Event Form

Templates available upon request

***EVENT***

***GALA***

***OTHER***

# What's left?

With discussion and proper training AS can:

- Help identify giving society members

- Properly exclude those opt-outs

- Identify prospects who might need a “push”

- Advise on the suitability (aka “giftability”) of exotic donations

- Help navigate the corrections when it is necessary



Partnership is NOT a Dirty Word

# Resources

- Association of Advancement Services Professionals (AASP): <http://www.advserv.org/>
- IRS Charitable Contributions (Publication 526): <https://www.irs.gov/pub/irs-pdf/p526.pdf>
- IRS Charitable Contributions: Substantiation and Disclosure Requirements (Publication 1771): <https://www.irs.gov/pub/irs-pdf/p1771.pdf>
- IRS Tax-Exempt Organizations and Gaming (Publication 3079): <https://www.irs.gov/pub/irs-pdf/p3079.pdf>
- USPS Ruling - Mailing of "Raffle" Tickets: <https://pe.usps.com/text/csr/PS-307.htm>
- Sumption & Wyland - Raffles & Charitable Lotteries: [https://www.sumptionandwyland.com/index.php?option=com\\_content&task=view&id=35&Itemid=50](https://www.sumptionandwyland.com/index.php?option=com_content&task=view&id=35&Itemid=50)
- Sponsorship vs. Advertising: <http://www.aemcpas.com/cpa-firm/news/Sponsorship-Advertising.html>
- Harbor Compliance: Fundraising Compliance Guide: (fee may be req'd) <https://www.harborcompliance.com/information/charitable-registration>

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