

How to work with the NAU Foundation Table of Contents

Topic	Page
Table of Contents	1
About the Foundation	2
Foundation Staff	3
Foundation Staff Duties	4-5
Frequently Asked Questions	6-7
NAU Foundation Terminology	8-11
Account Application	12-13
Signature Authorization Form	14-15
Check Request	16-17
Gift in Kind Foundation/University	18-19
Special Events Policy and Application	20-30
Deposits online - Checks, Cash, Credit cards & EFT's	Contact the Foundation for access and training
Online Scholarship Request	Contact the Foundation for access and training
Online Fund reports	Contact the Foundation for access and training



About the NAU Foundation

The Northern Arizona University Foundation, Inc. exists for the sole purpose of supporting the University. The Foundation operates under the IRS non-profit code: 501(C)(3) status and is managed by a Board of Directors. All contributions to NAU are managed by the Northern Arizona University Foundation, Inc. Our non-profit status assures donors that their gifts will be used for the specified purposes of the gift, and distinguished from state funds.

Vision

The vision of the Northern Arizona University Foundation, Inc. is to develop a culture of philanthropy to meet the private resource needs of NAU in its pursuit of access and excellence in education, research and outreach for the public good.

Mission

The mission of the Northern Arizona University Foundation, Inc. is to promote the University's mission, enhance its recognition, and foster private investment in it by creating and nurturing meaningful relationships.

Strategic Intent

Our strategy is to provide leadership for meaningful initiatives that build a broad base of constituents, long-term loyalty, and financial support from students, alumni, colleagues, parents, friends, corporations, foundations, and other organizations.

Donor Privacy Policy

The Northern Arizona University Foundation adheres to the Donor Bill of Rights, a document created by the Council for Advancement and Support of Education, and the American Association of Fundraising Professionals. As a donor or prospective donor, you have the right to be informed, ask questions and be assured your information is handled with respect and confidentiality. We respect the privacy of our donors and are committed to the highest standards of ethics and integrity in all fundraising efforts. We do not sell or give information about our donors to anyone outside of Northern Arizona University. To publicly recognize and thank donors for their generosity, we publish an annual Report to Donors that includes a list of donor names in qualifying giving society levels. Individuals who wish to remain anonymous for this publication purpose should contact the office of University Advancement at [928] 523-2036

Donor Bill of Rights

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To have assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgement and recognition.
6. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

Foundation Staff

Executive Director

Rickey McCurry
PO Box 4084
Flagstaff, AZ 86011
928-523-6806
Rickey.Mccurry@nau.edu

Contact for

Chief Financial Officer

Cheryl Heitz
PO Box 4094
Flagstaff, AZ 86011
928-523-3711
Cheryl.Heitz@nau.edu

Contracts

Fiscal Operations Manger

Kelly Robertson
PO Box 4094
Flagstaff, AZ 86011
928-523-2017
Kelly.Robertson@nau.edu

Account Applications/set up new funds
Journal Entries
Investment Inquires
Special Events & Insurance
Gift in Kinds

Coordinator

Mary Kate Wolter
PO Box 4094
Flagstaff, AZ 86011
928-523-3984
MaryKate.Wolter@nau.edu

Check requests
Online fund reports/fund balances
Signature cards
Scholarships
Revenue

For Current listing of Development officers and staff click on the following link
http://www.advancement.nau.edu/staff_dev.shtml

Foundation Duties – by Staff Member

Kelly Robertson:

Setting up new funds – An Account application is required to set up a new fund and obtain a fund number. For endowed funds an LOU is needed along with the account application. If you do not have the signed final copy please send a draft of the LOU. For Non Endowed Scholarships an account application is needed with the LOA, if you do not have a signed final copy please send along a draft of the LOA. Please remember, if you have a check for a new fund an account application is required in order to set up the fund so the check can be credited to the appropriate fund.

Gift In Kinds - All gift in kind forms need to be reviewed by the Foundation before being submitted to Data Entry. For items valuing over \$5,000 specific documentation is needed, please check with the Foundation on what types of documentation is required. For items less than \$5,000 but greater than \$500 we would still like documentation. Items under \$500 do not need any documentation as to value. There is a difference between a University GIK and a Foundation GIK, see frequently asked questions. Some large value items for the University may need to be cleared by the University before the gift is accepted. Please review the gift in kind policy on the Foundation website.

Special Events & Event Insurance - Special Event applications are due no later than three weeks before your event is to be held. The Foundation will charge a fee for the insurance which is based on an allocation between all the events held during the year, this is done at the end of the fiscal year. If you need a certificate of insurance notify Kelly when you send the application. For those events that are fund raising events you will need to fill out the event reconciliation after the event and forward to Kelly. Review the special event policy for other rules and regulations.

Journal Entries - Journal entries are done one time each month for those adjustments to funds that are not input by data entry. For example, transferring dollars from one Foundation fund to another or transferring donor gifts from principal to income. It is important to remember that we cannot move donor gifts without some type of written documentation from the donor such as an email.

Investment Inquires - If you have questions on our investment pool or market value of endowed funds please contact Kelly.

Mary Kate Wolter:

Check requests – Process check requests to include: checking balances, verify appropriate use of funds, check authorized signers, cut and distribute checks. Please see disbursement guidelines on Foundation website.

Revenue – Process all revenue for fundraising events, please see “What does the Foundation consider Revenue” in frequently asked questions. Gifts are processed separately by the Data Entry department.

Foundation reports – Work with training department managers and general users to access and view the online Foundation fund reports.

Scholarships – Train schools and departments on the processes for awarding scholarships, grant access to those who will be entering students into the online program.

Signature Cards – When new funds are created a signature authority card needs to be filled out by the appropriate department to approve any expenses processed via a check request form.

Frequently Asked Questions

- 1. What does the Foundation consider Revenue** - If you can answer yes to the following questions then you should deposit the revenue with the Foundation.
 1. Is the transaction purely philanthropic in nature – does the person or organization giving the money receive no guaranteed benefit in return?
 2. Are you completing a reconciliation for your special event and submitting it to the Foundation so that the proceeds are properly reported in the fundraising section of the required IRS form 990?
 3. Book Royalties – Per ABOR regulations book royalties must come through the Foundation.
- 2. How do I gain access to view activity in my funds?** Each college has one manager that assigns and un-assigns access to view the Foundation funds within their department. The Foundation office can let you know who that individual is that can grant access. The link to access the reports can either be saved on your favorites or is located on the Foundation website under:
NAU FOUNDATION/FOUNDATION FUND ACCOUNTS/REPORTS.
<https://alumni.nau.edu/foundation/reportmanagement.aspx>
- 3. When will we find out about the current years payout amount?**
The payout is usually figured around the middle to end of February of each year.
- 4. Do I need to do a check request to move money from one fund to another?** No you do not need to do a check request, if you have authorization you may send an email to the Foundation staff to be added to the monthly journal entry transfers. Please bear in mind that any transfers must still abide by the original donor requirements.
- 5. What is the difference between a Foundation Gift in Kind and a University Gift in Kind?**
A Foundation gift in kind is a donation that would be used in fundraising for a special event; such as gift cards or other items used in silent auctions or raffles. A University gift in kind is a donation of a tangible piece of property that will be used by the University department that is not used for fund raising.
- 6. How do I make a stock donation?** See the NAU Foundation website for detailed information.
<http://nau.edu/giving/NAU-Foundation/>, go to **How to Give**. Under the **Give Now** heading, click on **Stock Transfer**.
- 7. How do I submit a check request?** You will find the check request form on the Foundation website under **FORMS**. Please refer to the disbursement guidelines on the Foundation website for a comprehensive overview of what is an acceptable expense and what is not. Please submit your check request to the Foundation office and include all original receipts. If reimbursing for a meal, you are required to include the itemized receipts and names of who attended the meal. Make sure your signature cards are updated. Don't forget to include both the name and number of the fund that you are requesting dollars from. Generally requests cannot be made out of your fund to support another non-profit group if it doesn't support the mission of the University. The Foundation can evaluate on a case by case basis if necessary.
- 8. How do I submit a deposit?** You will find the deposit forms on the Foundation website under **FORMS**, there are four separate forms for checks, cash, bank cards and EFT/direct deposits. Due to PCI compliance **NO** credit card numbers should ever be taken over the phone. Drop all deposits into the safe in the front office of Old Main and if cash, get a receipt. Donors may not accept multiple gifts from

different individuals and then write one check expecting all the original donors to receive gift credit, this is an IRS rule. Please make sure your fund is already set up before submitting your deposit.

9. **What is the process to award a scholarship?** Refer to your LOU's and LOA's for criteria. Each college has various staff trained to access the Foundation online scholarship awarding program called the E-Form. Work with those individuals in your college to determine the processes for awarding as it does varies between colleges and staff have been through extensive scholarship training. The payout information for your endowments becomes available mid-February and posts to the funds June 30th for awarding that following academic year.
10. **How do I request a specific report for my needs?** You can send a data request form to the IT department with your request. You will find the data request on the, S:drive/Central Information/University Advancement Data and Research Requests, click on the University Advancement Requests, if you do not have access to this drawer contact your development officer.
11. **What information can I give out to a donor?** You can give out fund balance information as it relates to that donor's fund. You cannot give out names and specific gift amounts of other donors. This is to ensure we are in compliance with confidentiality agreements. If you are unsure of what you can and cannot tell a donor please call Kelly Robertson for guidance or your development officer.
12. **What do I need to know about my Fundraising Events?** When planning a fund raising event please refer to the special events policy as you plan your event. Fill out a special event application and send to Kelly Robertson. Check to see if you need a certificate of insurance and if your venue needs to be named as an additional insured. Remember all revenue and expenses for the event must run through your Foundation fund. You can find the special event application at the Foundation website under **FORMS**.
http://nau.edu/uploadedFiles/Administrative/University_Advancement_Sites/Foundation/Forms/Special_Event_Application.pdf



NAU Foundation Terminology

3rd Party administrator – BNY/Mellon manages our planned gift annuities and trusts.

Bequest – A transfer of property such as cash, securities, and tangible property through a will.

Development – A term used since the 1940's to define the total process of institutional fundraising, frequently inclusive of public relations and alumni affairs.

Discretionary Funds – These are funds that are not restricted by a specific purpose. They are usually set up for the benefits of a department or chair.

Charitable Gift Annuity – A transaction in which a donor transfers cash or property in exchange for the promise to make fixed annuity payments to life annuitants. Similar to a regular annuity.

Charitable Remainder Trust – A donor creates and funds an irrevocable trust that provides income to beneficiaries for life or term of years, after which time the remainder of the trust is distributed to NAU for the benefit the donor designated when the trust was created.

Corpus – Original donation to an endowed fund.

EBS – Educational Broadband Service – NAUF owns several EBS licenses that we lease to a large telecommunications' provider.

Endowment – A subset of the investment pool – at conferences people ask what your endowment is – this figure is less than the investment pool.

Endowment Fee – Currently 1.5% of the market value of the investment pool at December 31st

Endowment Fund – These are funds established by a donor as an endowment. The original corpus of gifts to the fund must remain intact in perpetuity. However any payout may be spent according to Board guidelines within the purpose restriction prescribed by

the donor. Endowments are restricted funds and each endowment has two parts the Principal and the income.

Endowed Pool – Same as investment pool.

Endowment Spending Policy – The objective of the policy is to achieve a proper balance between present and future needs of the University. Other objectives are to achieve a reasonable degree of stability and predictability in income available for current operations/scholarships.

Fund – A fund is the account at the Foundation.

Funds Under management – Same as investment/endowed pool.

Governance – Relates to consistent management, cohesive policies, processes and decision-rights for a given area of responsibility.

Grant – Generally an allocation from a foundation, corporation or government agency.

HEPI – Higher Education Price Index – a measure of the inflation rate applicable to higher education. Schools often set target returns including HEPI.

Income/Expendable – The income or expendable is where the earning or the payout is held. Money in the income can be used for scholarships or expenses as outlined in the LOU.

Investment Consultant – May be a separate entity/individual from the investment manager. A professional that helps the committee select investment managers.

Investment Manager – The professional managers of our investment funds.

Investment Policy Statement – IPS – A document that defines how the investment pool will be managed. Provides guidelines for all investment decisions and responsibilities of the managers and committee members along with assets classes allowed and performance measurements for managers.

Investment Pool – Total investment managed by our investment managers and the SMIF group.

LOA – Letter of Agreement. This documentation is generally for donor directed activity.

LOU – Letter of Understanding. This documentation sets up the endowed or quasi endowed fund. These funds will receive an annual payout if at the endowed level.

Major gift – A gift of \$25,000 or more.

Market Value – The value of the endowed fund based on the earnings/losses as invested in the pool. Market value is based on the number of shares purchased and the current share price.

Payout – This is the annual earnings of the principal. The payout is calculated each year in late February. The payout will not be posted until 6/30 of each year, and are available for the following year scholarships.

Payout Rate – The rate established in the endowment spending policy currently at 4% - see the endowment spending policy for details on this calculation.

Permanently Restricted gift – a gift given to an endowed fund that cannot be spent but can be invested to generate earnings that can be spent.

Planned Gift – An effort to identify and cultivate a person for the purpose of generating a major gift that is structured and that integrates sound personal, financial, and estate planning concepts with the prospects plans for lifetime or testamentary giving. A planned gift has tax implications and often is transmitted through a legal instrument, such as a will or trust.

Principal/Non Expendable – The principal or non expendable is where the gift donations are held and accumulated. This money cannot be spent but must be held intact in perpetuity. Market gain or loss is allocated based on the number of units held in principal.

Quasi-Endowed – These are funds that have not reached the endowment level or funds designated by the university to operate as an endowment for investment purposes but the principal is considered temporarily restricted and can be spent at any time.

Reinvestment Fee – There are two reinvestment fees – a fee on current gifts to current funds, and the endowment fee which is assessed on an annual basis and reduces the total dollar payout. See the Reinvest Fee Policy for more information.

Restricted/Non Endowed Program – Non Endowed or Expendable funds are established by an academic unit for the purposes of supporting a specific program.

Restricted/Non Endowed Scholarships – Non Endowed or Expendable funds are established by the donor and/or an academic unit for the purposes of scholarships. Gifts are restricted for this purpose.

SMIF – The NAU Student Managed Investment Fund. A class in the Franke College of Business.

Spending Rate – Endowed spending divided by the overall endowment value. See the Endowment Spending Policy for more details.

Temporarily Restricted Gift – A gift with a specific purpose clearly stated by the donor such as a named scholarship or a specific program.

Underwater – When a fund market value is below the original corpus.

Unrestricted gift – A gift given that is not specifically designated to a particular use by the donor or for which restrictions have expired or have been removed.

UPMIFA – The uniform prudent management of institutional funds act – as adopted in Arizona under the Management of Charitable Funds Act (MCFA) – a uniform act that governs the investment, management and expenditure of endowment funds. Allows us to spend into corpus if funds are underwater.

Instructions on how to fill out the NAUF Account application

1. **Date of Request:** Use the date you are filling out the account application.
2. **Account Name:** The account name should be descriptive enough that you will be able to easily identify the fund.
3. **Description of Purpose:** Describe the purpose of the fund, be as detailed as possible, specific criteria can be addressed in the LOU or LOA.
4. **Division/School/Department:** Fill in as complete as possible, if you need assistance please contact your Development officer or the Foundation office.
5. **Type of Monetary support:** How will the fund be receiving its dollars? Is there a pledge, planned gift, will donations or gifts made by check or cash?
6. **University Initiative:** If yes, check one of the listed initiatives. If you are not sure contact your Development officer or the Foundation office.
7. **Fund type:** What type of fund do you or the donor intend this to be? For definitions see terminology page.
8. **Requester name:** Who is making the request for this account? Fill out the name of the person and their contact information.
9. **Contact name:** Who should we contact if there is a question when setting up the fund?
10. **Bullet point notes:** Please read the bullet points, it is important to note that all non-endowed funds must have a minimum balance of \$500 at all times to keep the fund active.
11. **Authorized signatures:** The fund must be approved and signed by the VP, Dean or Director. The department head or chair must also sign.

<https://nau.edu/giving/nauf-policies-reports-and-financials/>

1 **Date of Request:** 07/01/2018
 2 **Account Name:** McGuire Scholarship

3 **Description of Purpose:** (e.g. scholarship, building, faculty, special projects, discretionary)
 scholarship for full time, undergrad, min 3.0 GPA, financial need, major Earth Science

4	CEFNs	Natural Sciene	Earth Science
	Division/College	School/Center	Department

5 **Type of monetary commitment to support this account request:**
 (If this is a pledge, a donor signed pledge form must be attached before a fund number will be assigned)

Pledge
 Planned Gift
 Checks/CC

6 **University Initiative:** Yes No If yes, please select one of the options:
 Diversity Environment/Sustainability Environmental/Native American International Native American

7 **Fund type:**

Endowment – LOU must be completed
 Restricted/Non Endowed Scholarships – LOA must be completed
 Restricted/Non Endowed - Program
 Discretionary Account – Deans Funds - general purpose for departments

8	Kelly Robertson	3-2017	4094
	Requester Name	Phone #	Department/Box #

9	Melissa Mount	3-XXXX
	Department Contact Name	Phone #

- 10
- The undersigned requests that a Foundation account be established under the conditions of, and for the purposes stated in, this application. The Northern Arizona University Foundation, Inc. [NAUF] is a private, non-profit corporation organized under Section 501(c)(3) of the Internal Revenue Service Code of 1954 and its Regulations as they now exist or as they may hereafter be amended. All transactions for this account are subject to the policies and regulations of the NAU Foundation, Inc. and the Internal Revenue Service.
 - The NAUF will send receipts to each donor for all gifts, contributions and donations received for tax purposes, along with a letter of acknowledgment when appropriate.
 - The college/unit agrees to maintain a minimum balance of \$500 at all times and to keep an accounting of the balance each month.
 - All expenditures from this fund must be processed on the NAUF Check Request Form. Original receipts and/or supporting documentation MUST be attached to each check request for audit purposes.
 - Check requests will not be processed from this account unless there are adequate funds available to pay the costs in full. Fiscal agents who knowingly overdraw accounts may be subject to cancellation of their access to the Foundation.

11 **Authorized signatures:**

VP/Dean/Director	Printed Name	Phone #
Department Head/Chair	Printed Name	Phone #

Instructions on how to fill out the NAUF Account signature authorization form

1. **Account name/Allocation #:** This is the name of the fund and the fund number.
2. **Account signers:** Print the name(s) of the individuals who are responsible for signing check requests, have them sign and enter the effective date.
3. **Expenditures:** Do you want to set a limit on the expenditure account? Any check requests submitted over this limit would need to be approved by the Department Chair, Dean or Director.
4. **Approved by:** Print the name of the Department Chair, have them sign and date.
5. **Approved by:** Print the name of the Dean/Director, have them sign and date.

<https://nau.edu/giving/nauf-policies-reports-and-financials/>

1 Account Name: McGuire Scholarship Allocation # 1234

Expenditures from the above account may be approved by any one of the following signers:

2 Account Signers (names printed):	Signature:	Effective Dates:
<u>Kelly Robertson</u>	<u></u>	<u>07/01/2018</u>
<u></u>	<u></u>	<u></u>
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If you would like to establish expenditure limits please complete the following:

3 Expenditures of more than \$ _____ must also be approved by (please specify: Department Chair, Dean, or Director): _____

Approved by:

4 _____
Name Printed – Department Chair Signed _____ Effective Dates _____

5 _____
Name Printed – Dean/Director Signed _____ Effective Dates _____

Instructions on how to fill out the NAUF Check request form

1. **From:** Who is filling out the form and what is the date?
2. **Department:** Enter the department name, box # and extension of the requesting department.
3. **Account name:** Enter the name of the fund and the fund number where the expense will be taken from.
4. **Payee #1:** Enter the name of the person or business in which the check is being requested for. Enter the total dollar amount being requested. Note that you can enter up to three payees on one form.
5. **Purpose:** Describe in as much detail what the request is for.
6. **Send or Hold:** Choose an option to either have the check sent via campus mail or hold for pickup at the Foundation office. Please note the Foundation does not mail checks directly to vendors.
7. **Authorized by:** Refer back to the signature authorization form for the fund, only those who have signed the signature authorization form may sign check requests.
8. **Name printed:** Print the name of the authorized signer.

Back up documentation is required for all check requests, such as: original receipts, invoices. Meals need itemized, signed credit card receipts and the names of attendees that participated. Reimbursing University accounts (locals), require only a Peoplesoft or Enterprise report showing the original expense has been paid by the University.

<https://nau.edu/giving/nauf-policies-reports-and-financials/>

Check Request Form

1	From: Kelly Robertson	Date: 07/01/2018
2	Department: Earth Science	Box #: 4094 Ext#: 3-3984
3	Charge the expenditure to account: Account Name/Number: Earth Science Research Fund	1235 \$ 350.00
4	** If any payee is providing services at a discounted rate, the gift in kind form must be attached**	
5	PAYEE 1: Name: Sarah Jenkins	Amount: \$ 200.00
	Purpose (describe fully and attach all documentation, receipts, invoices etc): Reimburse research related expenses	
	PAYEE 2: Name: Brittney Jones	Amount: \$ 100.00
	Purpose (describe fully and attach all documentation, receipts, invoices etc): reimburse classroom supplies	
	PAYEE 3: Name:	Amount: \$
	Purpose (describe fully and attach all documentation, receipts, invoices etc):	
6	All checks are returned to the requestor	
	<input checked="" type="checkbox"/> Send by campus mail to: Kelly Robertson	Box #: 4094
	<input type="checkbox"/> Hold for pickup. Call:	Ext:
7	Authorized by: ** My signature certifies that these expenses are valid according to University and Foundation policies **	
8	Name Printed: Type authorized signers name	
	FOR FOUNDATION USE ONLY:	
	GL Code	Amount Date Mailed:
		Signer authorized:
		Balance:
		Check #:
		Check Date:
	All expenditures must comply with the charitable purpose intended by the donor. All expenditures should be supported with documentation such as receipts or invoices. Original receipts should be submitted: not photocopies. Signers: Payment must be approved by an authorized signer on each account. A list of authorized signers must be on file at the Foundation. Expenses cannot be approved by the person being paid (payee of the check). Only original signatures will be accepted; no signature rubber stamp may be used.	
	Payment to NAU employee for services must go through NAU's payroll department. Scholarships/Awards must be disbursed by NAU Financial Aid Office.	

Instructions on how to fill out the NAUF Gift in Kind Foundation/University forms

1. **Donor or Business name:** Name of donor or business giving the donation.
2. **Business contact:** If applicable, give the name of the business contact.
3. **Address:** Enter the address of the donor or business.
4. **Affiliation:** Enter how this person is affiliated with NAU.
5. **Gift description:** Enter a description of the gift.
6. **Value:** Enter the value of the gift.
7. **Valued by:** Who assessed the value of the gift? If the value of non-cash property is worth more than \$5,000.00 an appraisal is required by a qualified appraiser, fill out IRS form 8283.
8. **Area receiving gift:** Which department or college will be benefiting from the gift?
9. **NAU Foundation account name and fund number:** Enter the Foundation fund number.
10. **Donor signature:** The donor must sign and date the form.
11. **Accepted by:** The NAU representative accepting the gift must print their name, sign, date and give their phone number.

Please note there is a separate form for Gift in Kinds to the Foundation and Gift in Kinds to the University. Please review the Gift in Kind policies on the Foundation website to determine which form you will need to utilize.

<https://nau.edu/giving/nauf-policies-reports-and-financials/>

NORTHERN ARIZONA UNIVERSITY FOUNDATION, INC.
PO Box 4094 • Flagstaff, AZ 86011
(928)523-3984

GIFT-IN-KIND REPORT

1 Donor or Business Name: Far out Space Company

2 Business Contact (if applicable): Jay Smith

3 Address: 1234 N. Saturn Lane

City: Flagstaff State: AZ Zip: 86001 Phone: 928-xxx-xxxx

4 Affiliation: Alumnus Faculty / Staff Friend
 Parent Current Student Foundation
 Business Other Organization: _____

5 Gift Description (dimensions, condition, etc.):
2 round trip tickets to Florida for silent auction

6 Value: \$2,500

7 Valued By: Donor's Estimate
 Independent Appraiser (attach appraisal) _____
 Other basis for valuation _____

8 Area of university receiving the gift: CEFNS

9 NAU Foundation account name: Astronomy Fund Fund #: 1266

Acceptance and disposition of donations are governed by the policies of N.A.U. without approval of the donor.

10 Donor Signature: _____ Date: 07/01/2016

11 Accepted By (NAU): _____ Date: 07/01/2016
(Signature)

Please print name: _____ Phone #: 3-xxxx

FOR OFFICE USE ONLY

Gift Number: _____

Notes: _____

Send report to Kelly Robertson
PO Box 4094

**SPECIAL EVENTS POLICY
March 2010**

Purpose Statement

The Northern Arizona University Foundation (NAUF) operates and raises funds for the benefit of the Northern Arizona University (University) under federal, state and local laws and regulations that govern charitable fundraising, gift reporting and special events. This policy is to assist fundraising that benefits the University executed by the foundation, departments, student groups, faculty/staff, or by third parties not formally associated with NAU or NAUF. In order to avoid duplication of efforts and multiple requests to donors, all fundraising for the University, its departments, programs, student organizations and subsidiaries will be coordinated through NAUF.

Responsibilities of Event Coordinator

Step 1 – Determine if your event is a University or NAUF event

To help determine if fundraising revenue should be deposited with the University or with NAUF, please answer the following questions. If you can answer “yes” to both questions, the revenue should be deposited with NAUF. If you answer “no” to both questions, deposit the revenue to the University via the Bursar’s Office. If you answer “no” to only one of the questions, please contact Cheryl Heitz, NAUF Director of Finance and Administration, to determine the proper treatment.

1. Is the transaction purely philanthropic in nature – does the person or organization giving the money receive no guaranteed benefit in return?
2. Are you completing a reconciliation for your special event and submitting it to the Foundation so that the proceeds are properly reported in the fundraising section of the required IRS form 990?

Types of Special Events/Fundraising Activities

Activities that are not considered tax-deductible donations

Rummage sales, car washes, raffle tickets, bingo, casino night and lottery tickets.

Auctions

Auctions provide persons the opportunity to bid openly or silently for one or more items. The revenue from auctions is tax deductible to the extent that payment for the item exceeds the fair market value of the item. The purchaser must be informed of the value of the item prior to the bidding.

Conferences and Seminars

Most conferences will be considered University events. NAUF may administer funds for conferences and seminars. If there is a charitable component of a corporate

sponsorship, those will be received by NAUF and the portion that is considered revenue (e.g. free registrations that reduce the charitable component of the gift) will be transferred to the University. Only revenues relating to conferences where the corresponding expenditures are to be disbursed through the NAUF will be accepted.

Entry Fees and Ticket Proceeds

If attendees receive a benefit in return for their payment (e.g. attend musical performance for their entrance fee) the value of what they receive needs to be listed on the ticket they purchase. Statements such as “suggested donations” or “minimum donation required” are not allowed.

Raffles

A raffle is an appeal for money consisting of three parts (1) a prize, (2) the element of chance and (3) consideration or payment for the right to participate. The cost of a raffle ticket is not tax deductible; therefore it must be classified as non-gift revenue. The raffle ticket must state that the purchase price is not tax deductible. Certain wagering transactions require the filing of Form W2G. Please see the foundation for more details.

Sales

NAUF may accept funds for sales of merchandise. The NAUF must be notified prior to the sale. For example, the Lumberjacks Alumni Ambassadors sells homecoming t-shirts to benefit the LAA scholarship program. Only revenues relating to sales where the corresponding expenditures are to be disbursed through the NAUF will be accepted. Sales generated with University resources are not considered NAUF and will not be accepted by the NAUF.

Special Event

Special fund raising events include but are not limited to, dinners, receptions, theater programs, art and entertainment events, golf tournaments, auctions, casino night and similar activities.

Student Group Special Event

There are two types of student group fundraising activities:

1. Student groups administered through student life and have their activity processed through the NAUF Student Groups and Organizations fund - solicitations for these events must be approved by the NAU Fund prior to the event. Donations received are considered charitable gifts.
2. Student groups with bank accounts off campus – this policy only applies to funds deposited to the NAUF. Funds solicited by student groups with money deposited into an off campus bank account are not considered charitable donations to NAU and should not be solicited as such.

Third Party Special Event

A third party is any individual or entity other than the NAUF, the University, or the NAU Alumni Association. A third party event is any party, outing, celebration, fundraiser, online solicitation, or social gathering of any kind held by any organization other than the Foundation for the purpose of raising funds for the University to be deposited at the Foundation. Please see Third Party Special Event Guidelines for additional details.

University Events

Examples of revenue generating events through the University that are not considered NAUF special events.

Example 1: Selling any products or services to the public such as CDs or T-shirts

Example 2: Conferences – there may be a charitable component of a conference – to determine if so, contact Cheryl Heitz prior to event planning.

Example 3: Hosting a career day that generates revenue

Step 2 - Call your development officer and let them know what you are doing

They can help you avoid scheduling your event during other planned activities, give you advice about who should be invited, give suggestions about vendors to use, ensure that your event receives advance publicity, consider corporate solicitations and otherwise ensure that what you are planning is a success.

Step 3 – Complete the Special Event Application and obtain approval from the NAUF

Approved use of the NAUF logo

Any use of the NAUF logo for the event must be approved in advance by NAUF.

Requests must be made on the event application. Any advertising or promotional materials created by the group must make it clear that the monies are being raised for a fund at the NAUF.

Step 4 – Obtain the appropriate licenses and permits

Liability Insurance and Liability for Loss

In order to protect the NAUF from legal liability, insurance must be provided for each event. The organizers of the event agree to indemnify and hold harmless the NAUF or any of its staff members or officers, from any and every claim, demand, suit and payment related to or caused by the event. Any expense for such coverage, any expense incurred by NAUF in securing a rider to its liability policy to cover the event, and any expense incurred by NAUF for settlement, defense, or liability arising from the event, will be considered expenses of the event and charged to the fund for whose benefit the event was held. Under no circumstances will NAUF be liable for any loss or damage incurred at, by or because of the event.

Events that need to be covered by the Foundation Special Event Insurance:

1. Any fundraising event, on or off campus, where the funds are coming to NAUF.
2. Tailgating event where it is an invited event and the alcohol is purchased through the Foundation using Foundation funds.
3. NAU events held on campus that are not held at the Skydome, 1899 Bar & Grill or the High Country Conference center that serve alcohol.

Events that do not need to be covered by the Foundation Special Event Insurance:

1. NAU events held in the Skydome, 1899 Bar & Grill, and the High Country Conference Center.

2. NAU events that are non-fundraising and held off campus where alcohol is served and are held at an alcohol licensed business.
3. NAU events that are non-fundraising and held off campus in a home; it is the home owner's responsibility to make sure they are covered under their home owner's policy or to purchase an additional rider

Event Permits and Licenses

Event organizers are responsible for obtaining their own permits and licenses for the event. Copies must be provided to NAUF within 30 days prior to the event. If licenses are required and not obtained, the event will be cancelled.

Step 5 – Obtain financial support for your event

Corporate Sponsorships

Corporations and other organizations often give money to institutions to sponsor activities, events or projects and in return receive recognition on campus, at the event, or in accompanying publication. Advertising is not charitable. The IRS defines advertising in this instance as competitive pricing or product information displayed because of the donation. If the recognition fits this definition of advertising, the sponsorship is an exchange transaction, not a gift. Simple name or logo placement is not advertising. Approval from the appropriate Development Officer is required to ensure solicitation is a coordinated effort on behalf of NAU. Please contact the NAUF if you need additional details.

Gifts in Kind

Gifts in Kind (GIK) are generally defined as non-cash contributions, such as tickets, gift certificates, works of art, and merchandise that are to be used for fundraising purposes. Donor deductions are limited to the cost basis of the item donated. For example, an art dealer's cost for an art object donated is deductible, not any higher amount that the same art object might bring at a charitable auction. Gifts of service are not considered a charitable donation.

Complete the Special Event Gift in Kind Donor Recognition Form for all GIK and submit it to the NAUF data entry within 30 days after the event.

Step 6 – Provide a safe and secure way to handle and account for the cash you receive at the event. See University policy CMP307.

Processing of cash, checks, credit cards

Checks written as donations to the event should be payable to Northern Arizona University Foundation – "Fund Name" and delivered directly to the NAUF. Cash receipts should likewise be delivered, intact, to NAUF accompanied by a list of donors and the cash gift transmittal. Event costs should never be taken out of receipts prior to deposit with NAUF, but should instead be paid by NAUF directly to suppliers upon receipt of the proper documentation. Credit cards may be accepted for payment at the event with prior approval. Arrangements for processing are to be made with NAUF data entry supervisor.

For proper cash handling see University policy CMP307.

Step 7 – Make sure you gather the information you need from attendees who win auctions or who received raffle winnings and keep proceeds from different sources separate (raffle proceeds, outright gifts, ticket sales, purchase etc.)

Complete Special Event Auction Item Recognition Form and submit it to the NAUF data entry department within one week after the event.

Step 8 – Ensure that all vendors are paid for event activity

Payment of expenses

The event coordinator will be responsible for all expenses, and will maintain an appropriate budget, expenditure controls and records relating to the event. Expenses will be submitted to the NAUF following the Guidelines for Disbursement Policy.

Step 9 – Complete the event reconciliation and submit to NAUF within 30 days post event. See Special Event Reconciliation form.

Responsibilities of NAUF

Step 1 - Review and approve the event application

Prohibited events

- Events involving promotion of a political party, candidate or appearing to endorse a political activity
- Events which compromise the image and reputation of NAU and NAUF
- Programs that involve a professional fundraiser, or other agreement to raise funds on a commission, bonus or percentage basis

Non-compliance

Once the fundraising activity has been approved by the NAUF, the guidelines contained in this policy MUST be followed. Failure to follow these guidelines may result in the following:

- The fundraising activity will not be processed or acknowledged by the NAUF and therefore no contributions will be accepted
- Contributions may be returned to the contributor with a resignation of any tax-deduction benefits
- Fund assets may be directed to another fund with a similar purpose
- Fund may be closed and assets transferred to another existing fund in the NAUF

Step 2 - Accept donations and provide appropriate acknowledgement to donors

Tax requirements and acknowledgement

The IRS requires the NAUF to provide a receipt for contributions exceeding \$75, when goods or services are received in exchange for that donation. The event coordinator will determine the fair market value of the goods or services received by the contributor. As an example: a donor gives \$100 to attend a dinner event where the donor receives a \$40 dinner and thank you gift valued at \$15. The donor's tax deduction (\$45) is equal to the contribution (\$100) less the value of the goods/services (\$55). Noting on the ticket the tax-deductible value of the donation is a typical method for making this disclosure.

Similarly, the IRS requires the NAUF to provide a contemporaneous written acknowledgement of contributions of \$250 or more. The acknowledgement must

provide the amount contributed, the date of the contribution, and a description of the fair market value of the goods and services provided in exchange for the contribution. If contributions are collected by the fundraising group, a complete listing of all donors and sponsors with addresses, amounts and type of contribution, and description and fair market value of all goods or services furnished to the contributor must be forwarded to the NAUF. This information must be submitted no later than one week following the event.

Step 3 - Maintain a list of donors

Please contact the data entry supervisor for donor information.

Step 4 - Make expense distributions for the event with completed check request

NAUF processes checks on a daily basis. The check request form and guidelines for disbursement can be found on the NAUF webpage.

Any exceptions to this policy must be approved by the President of the Foundation.



SPECIAL EVENT APPLICATION

1. Organization Name:
Contact name and phone number:

2. Event Information
Name of event:
Description of event:
Name/number of Foundation fund to benefit from event:
Location of event:
Address of event:
Date and times of event:
Number of attendees:
Number of volunteers:
Estimated revenue generated:

3. Is alcohol being served?
By whom?
Is alcohol being purchased or donated?
Will it be sold or given away?
Has server provided evidence of liquor liability insurance?
Is liquor liability coverage desired?

4. Will there be gaming at the event?
Gaming includes (but is not limited to): bingo, pull tabs/instant bingo (including satellite and progressive bingo) Texas Hold-Em Poker and other card games, raffles, scratch-offs, charitable gaming tickets, break-opens, hard cards, banded tickets, jar tickets, pickle cards, lucky seven cards, Nevada Club tickets, casino nights, Las Vegas nights, and coin operated devices.
These activities are considered gaming by the IRS and will be reported separately on the NAUF tax return (990). You must track these proceeds separate from other activity for your event.

5. Do you wish to use the NAUF logo for publicity?

6. Will you be using a professional fundraiser?

7. Will you be selling tickets? If yes, what price?

8. Will you be selling tables? If yes, what price?

9. Information required for insurance coverage
Seating capacity at venue:
Who is supplying security at venue?
Describe the safeguards to prevent injury:

Describe first aid/medical arrangements:
Is the event limited to the venue grounds?
Are you required to provide certificates of insurance to any other entity?

Applicant's Statement and Declarations

The applicant declares to the best of their knowledge the information contained in this application and all supplements attached to be true that no material facts have been suppressed or misstated. The applicant further understands that any false or fraudulent statements or misrepresentations could result in termination or voidance of any insurance contract issued from the information stated herein.

Printed name and signature:
NAUF Approval:



THIRD PARTY SPECIAL EVENT POLICY

Purpose Statement

The Northern Arizona University Foundation (NAUF) operates and raises funds for the benefit of the Northern Arizona University (University) under federal, state and local laws and regulations that govern charitable fundraising, gift reporting and special events. These guidelines are to assist fundraising that benefits the University, but is not executed by NAUF. The purpose of these guidelines is to provide guidelines to third parties (defined below) regarding their fundraising efforts, and to identify if, how, when, and in what form the NAUF will offer support to and receive donations from events sponsored by third parties. The NAUF assumes no responsibilities or liability for the planning or execution of third party events. This policy applies to events that are held on a regular basis for funds that are already established at NAUF.

Any event that is held, hosted or sponsored by NAUF is not a third party event. Where the NAUF seeks to provide assistance for, hold, host or sponsor an event in coordination with a third party, the Development Officers/Stewardship Coordinator will present any such proposed events to NAUF to ensure all event planning, tax, insurance and liability concerns are addressed.

The Foundation reserves the right to deny approval of any special event that subjects the Foundation to excess risk as determined by the Foundation President.

Definition of Third Party

These guidelines apply to all third parties who desire to hold events for the benefit of NAU and direct the donations to the NAUF. A third party is any individual or entity other than the NAUF or the University. A third party event is any party, activity, outing, celebration, fundraiser, or social gathering of any kind held by any organization other than the NAUF for the purpose of raising funds for the University to be deposited into the NAUF.

NAUF Responsibilities:

Development Officer/Stewardship Coordinator: Development Officers (DO) or the Stewardship Coordinator (SC) are responsible for educating third parties about these guidelines and the requirements for holding events that may result in donations (regardless of whether they are tax deductible) to the NAUF. Upon notice of a third party event, the DO/SC shall inform the NAUF. If the DO/SC wishes to be involved with a third party event or utilize NAUF resources, the DO/SC must secure prior approval.

Third Party Events:

1. **Special Event Application:** The NAUF requests that third parties submit a completed special event application to the NAUF at least 30 days prior to the expected date of the third party event.
2. **Event Name:** Because third party events are not held directly by the NAUF, they should only refer to the University and/or the NAUF as beneficiaries. For example, an event should not be named the "Northern Arizona University Golf Outing." Instead, the event may be named the "Golf Outing to benefit Northern Arizona University."
3. **Use of Logo:** Use of the logo is reserved for University sponsored events. In order to recognize the event is supporting NAU you are required to include the following statement: "All proceeds from the event will be directed to the Northern Arizona University Foundation to benefit _____."
4. **Donor Intent:** In order for the NAUF to accept donations from third parties, the event publication/solicitations should clearly indicate the donor's intentions. The NAUF requires including the statement "All proceeds from the event will be directed to the Northern Arizona University Foundation to benefit _____." The NAUF requires an indication of a specific University program, department, college, or a specific NAUF fund toward which donations from the event will be directed and any potential alternative use of the gifts.
5. **Publicity:** Third parties are responsible for independently generating publicity for their event. Flyers must be reviewed and approved by NAUF prior to the event.
6. **Sponsorship/Expenses:** Third parties are responsible for finding sources of funding for the event, if necessary. In-kind donations for a third party event may be considered a tax-deductible gift to NAUF with a written request to the Foundation and additional reporting requirements. Permission must be obtained prior to planning the event. Certain businesses may be able to treat such donations as business expenses in accordance with their own tax obligations.
7. **Gift Funds Collection:** Third parties are responsible for collecting gift funds for or generated by their event.
8. **Event Planning:** Third parties are responsible for securing the appropriate venue, staff, and/or volunteers, and services including, but not limited to, food, beverages, and entertainment desired for the event. The NAUF will not provide third parties with funding or reimbursement for event expenses, staff, students, or volunteers to support a third party event, and cannot guarantee that alumni, students, donors, volunteers, or employees of the University or NAUF will be in attendance at the event.
9. **Tax Treatment of Donations:** NAUF is a nonprofit 501(c)(3) organization and, as a result, if a donation made directly to the NAUF is claimed by a donor as an itemized deduction on a tax return, then that donation is tax deductible to the extent allowable by law. However, donations to third parties, regardless of whether any portion of those donations is used to defray event expenses, may not be classified as gifts to the NAUF. For example, checks made out directly to NAUF may be classified as gifts to NAUF, but payments to a third party to participate in events are not gifts to NAUF and are, therefore, not tax deductible by the NAUF. NAUF will not provide receipts for items donated or event fees collected by a third party for an event, unless the checks are made payable directly to the NAUF.
10. **Event Insurance:** Third parties are responsible for independently obtaining any desired or necessary insurance for their event. A copy of the policy must be sent to the foundation 10 days prior to the event.

11. **Event Permits and Licenses:** Third parties are responsible for obtaining their own permits and licenses for the event, including liquor licenses. Copies must be sent to the foundation 10 days prior to the event.
12. **Event Taxes:** Third parties must pay all applicable federal, state, and/or local taxes incurred during the planning and execution of the event. Third parties may not use the NAUF tax identification number. Additionally, the NAUF does not utilize the University's sales tax exemption and cannot extend it to third parties.
13. **Proceeds:** The NAUF expects that third parties will not keep any portion of the event proceeds as profit or compensation for organizing the event. If event expenses are greater than the revenue generated, the third party is responsible for those costs. All checks must be sent to the foundation within 7 days after the event.
14. **Reconciliation:** An event reconciliation must be sent to the foundation within 30 days after the event.

NAUF Assistance:

The NAUF may provide the following assistance for third party events, so long as such events are consistent with the purpose and mission of the NAUF.

1. **Recognition:** Even though donations to a third party in its fundraising efforts are not tax deductible by the NAUF, the NAUF may provide gift recognition to the third party and other individuals or entities, as appropriate.
2. **Donations:** The NAUF may provide assistance to the third party in directing the proceeds and/or donations from the event to the appropriate University program, department, college, or fund within the NAUF.
3. **Receipts:** The NAUF will provide receipts to donors who have made their checks payable directly to the NAUF.

Any exceptions to this policy must be approved by the President of the Foundation.