

# Making Gift Agreements

## *Friendly and Feasible*

Debbie Meyers, *Carnegie Mellon University*

*Third Annual ADRP*

*New York City Regional Conference*



# What we'll cover today

1. Donor motivation and mindset
2. Legal considerations
3. Function
4. Form

# Donor motivation and mindset

## Basic premises about donors:

- They have good hearts and noble intentions
- They want to leave a legacy
- They want to pay back for help they received

# Donor motivation and mindset

But sometimes...

- They have little knowledge of or interest in how we function
- They have unrealistic expectations
- They request preferences that are illegal or want to be active in administering their funds

# Donor motivation and mindset

So, we invoke the universal cure for most problems:

- Education
- Awareness

# Donor motivation and mindset

## Start with education

- Manage expectations before starting the gift documentation process
- Make gift officers and donors aware of legalities and practicalities
- Keep gift officers up to date on current legislation and social reform

# Donor motivation and mindset

## More education

- Know and preach what your institution allows and doesn't allow
- Have a good working relationship with your legal counsel
- Recommend few preferences, if any; do not offer restrictions
- Remember, endowments are forever

# Legal Considerations

## What's legal

- Socio-economic status
- Major, class level, GPA
- First generation to attend college
- Fluency in or primary language other than English
- Residency in a particular area (city, county, state)
- Growing up in single-family household
- Graduating from particular high school or school district
- Demonstrating commitment to working with historically underprivileged or underrepresented populations
- Disabilities or having overcome specific challenges



# Legal Considerations

## What's illegal

- Race or color
- Religion
- Citizenship or national origin
- Athletic participation
- Narrow exception under Title IX for gender-restricted gifts in wills, trusts or bequests if pooling used

# Legal Considerations

## **Applicable Laws Regarding Students And Prospective Students**

- Title VI of Civil Rights Act of 1964
- Title IX of Education Amendments of 1972
- Age Discrimination Act of 1975
- Section 504 of Rehabilitation Act of 1973 and Title III of the Americans With Disabilities Act
- 42 U.S.C. Section 1981

# Legal Considerations

## What's legal but not feasible

- Subjective characteristics
- Selection by essay, a process or committee
- Anything your institution is unable to track now or will be unable to track 100 years from now
- Restrictions

# Legal Considerations

## Other considerations:

- Front page of the newspaper test
- Donors holding strings on their gifts
- Quid pro quo
- Sponsored research vs. a charitable contribution
- Endowment is forever
- Providing for pledge payments in wills

# Legal Considerations



*"This evening's concert is made possible by a grant from Stutz Beer."*

# Function

## Why document?

### *For donors*

- To ensure donor intent
- To make the donor feel good

### *For your institution*

- Track payment and administration preferences
- To keep out of court

# Function



*Hey, I didn't mean  
to cause a big scene  
Just give me an hour and then,  
I'll be as high as that Ivory Tower  
that you're living in...*



# Function

- <http://chronicle.com/article/Lessons-From-Robertson-v/1407>



# Function

## Must-have elements

- official donor
- gift type, amount and payment schedule
- fund name, purpose and who administers it
- recognition elements, if applicable
- standard administration language
- out clause
- signature

# Function

## Tools

- Informative brochure
- Checklist
- Handbook
- Templates
- Process flow chart

Also, be open to suggestions from gift officers and donors

**FORM SUBMITTED BY**

Name:  Phone: 412-268- Email: @andrew.cmu.edu

**DONOR NAME AND ADDRESS INFORMATION**

Donor Name:  (How the name appears here is how it will appear in all donor recognition vehicles.)

Advance ID#:

Does the donor have an existing outstanding pledge:

Please list who should receive stewardship reports: (include donor children if appropriate)

**COMMITMENT DETAILS**

Personal Commitment

Expectancy Commitment (DAF, DDF, MG)

Total Commitment

Payment Schedule (five year maximum)

First Payment (use last day of calendar year if unknown)

**DESIGNATION DETAILS**

Funding Initiative

Faculty Support  Full professorship  Center Support  Other Faculty Support

Student Support  Endowed Scholarship  Graduate Fellowship


Financial Aid Scholarship  Merit-based Scholarship  Prize/Award  Student Programs

Athletics  College/Department/Unit Unrestricted Support:

Fund Name  Fund Preferences

Yes (if more than one, indicate priority order)

1.  2.  3.

Donor Motivation for this gift (short summary that will be incorporated into agreement) 

Has the donor expressed interest in making gifts toward this pledge through a donor advised fund or family foundation?

Yes  No If yes, who?

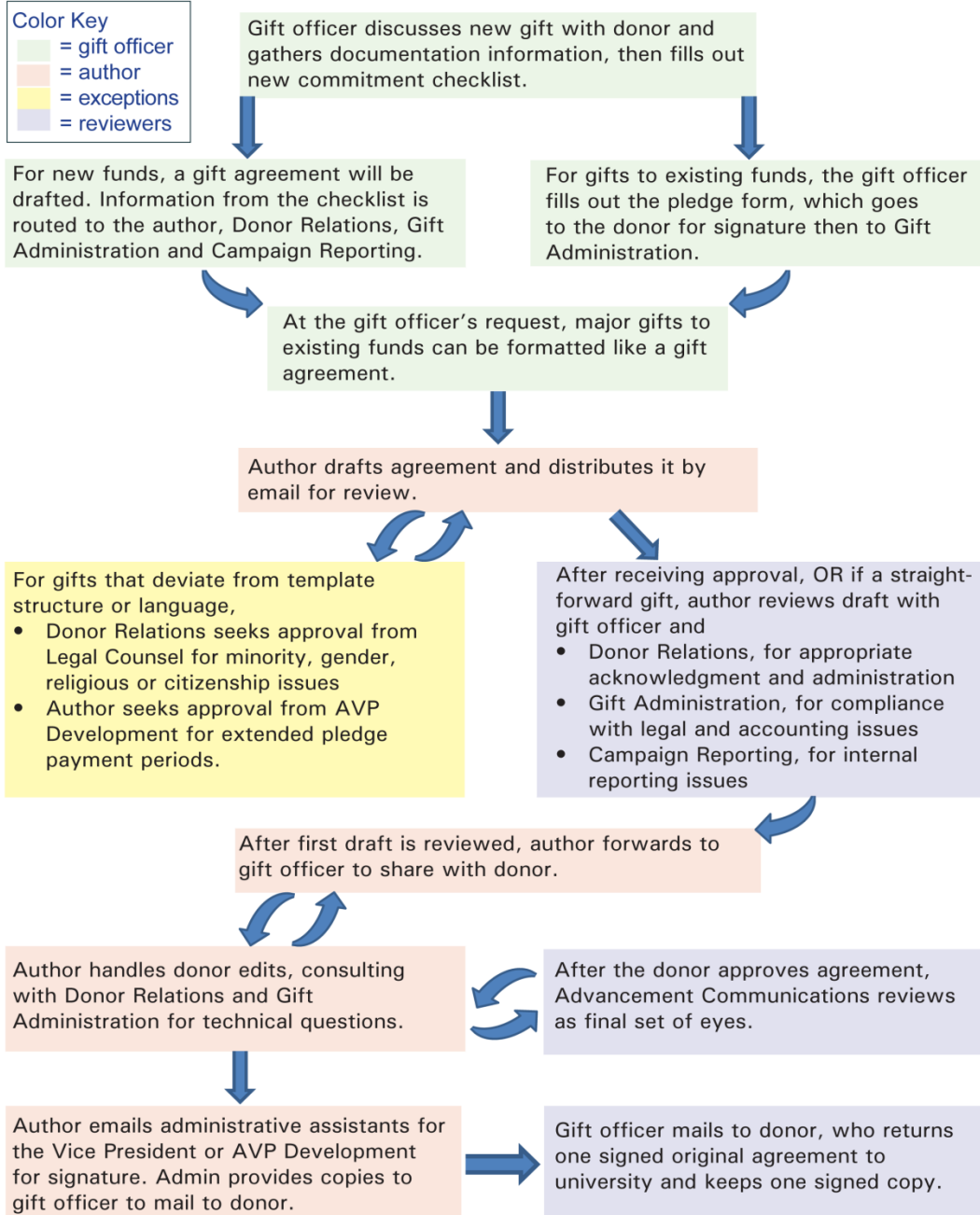
**SIGNING**

How quickly do you need this agreement approved and signed by UA leadership?

# New Commitment Flow

Color Key

- = gift officer
- = author
- = exceptions
- = reviewers



# Form

## Ways to make donor feel good

- Signatory – highest person possible
- Legacy box or certificate
- Nice paper
- Photograph when signing
- News release

# Form

## Language –

- Refer to “XYZ” scholars or professor
- Add donor bio (“legacy statement”)
- No legalese, particularly out clause
- Reassure that your institution is committed to following donor intent as much as possible

# Contact

*Keep it  
legal!*



Debbie Meyers

Carnegie Mellon University

[dkmeyers@andrew.cmu.edu](mailto:dkmeyers@andrew.cmu.edu)

(412) 268-6585