



The American University of Kurdistan Philanthropic Fundraising Policy

Policy Number: AF003

Effective Date: May 28, 2023

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I. INTRODUCTION

- a. **Authority:** The Board of Trustees (herein referred to as “Board”) at The American University of Kurdistan (herein referred to as “AUK” or “University”) is authorized to establish rules and regulations to govern and operate the University and its programs.
- b. **Purpose:** This policy defines the procedures for the management and administration of fundraising at the University. This includes all communications with external parties: donors, alumni and others. The University is committed to the highest standards of professional ethics and transparency in all fundraising work processes.
- c. **Scope:** This policy governs the university’s fundraising activities, undertaken primarily by the Office of Advancement, as well as the AUK Foundation, the Board of Trustees, the Office of the President, Colleges, Centers and Departments. This policy applies to all individuals involved in these activities. It covers both fundraising activities undertaken by AUK directly, or by third parties on behalf of AUK (such as the AUK Foundation and/or friends/alumni chapters). The following activities are outside the scope of this policy:
 - i. Commercial activities.
 - ii. Sponsorships.
 - iii. Grants.

II. ROLES AND RESPONSIBILITIES

- a. **Responsible Executive:** Vice President of Advancement
- b. **Responsible Administrator:** Vice President of Advancement
- c. **Responsible Office:** Office of Advancement
- d. **Policy Contact:** Vice President of Advancement

III. DEFINITION

- 1) *Fundraising:* All activities undertaken by (or on behalf of) AUK for the aim of receiving money or property through donation.
- 2) *Gift (or donation or contribution):* A voluntary transfer of money, assets and/or property to AUK, motivated on the part of the donor(s) by benevolence, who do not receive any material benefits in return.
- 3) *Cultivation (or donor cultivation):* The act of approaching prospective donors in order to build relationships, with a view to requesting funds or support for the University.
- 4) *Beneficiary:* The recipient of a donation. This could be the University, or a specific unit, college, lab, project, staff/faculty member, or student.
- 5) *Bequest:* A donation of assets or cash by legal Will.
- 6) *Donor:* An individual or organization donating to AUK (past and present).
- 7) *Prospect:* An individual or organization that may choose to donate to AUK in the future.
- 8) *Pledge:* A documented commitment to make a gift within a specified future timespan.
- 9) *Endowment:* A gift for the specific purpose of investing the said gift, to ensure ongoing returns resulting from investment earnings.
- 10) *Agreement (or contract or terms):* A legal document (e.g. contract or MOU) which specifies, in writing, the terms by which a gift to the University is to be utilized.
- 11) *In-Kind donation:* A donation of physical assets and/or property.
- 12) *Stewardship (or donor stewardship):* The process of management and relationship-building that commences after a donor makes a gift.
- 13) *Sponsorship:* The transfer of money or property to the University in a transaction where the sponsor receives certain pre-agreed material benefits in return.

IV. POLICY STATEMENT

- 1) This Policy document sets out the principles under which AUK operates when undertaking its fundraising activities. It reflects AUK's commitment to implementing best practices in fundraising activities, in line with current guidance provided by CASE: The Council for Advancement and Support of Education

CASE, a global non-profit association dedicated to educational advancement, helps its members build stronger relationships with their constituencies of alumni, donors, prospective students, parents, government officials, community leaders, corporate executives, foundation officers and other external constituencies; <https://www.case.org/>

V. POLICY PRINCIPLES

- 1) The Office of Advancement leads fundraising, providing the basis for a collaborative approach centered on the needs of the University and its community. It is the responsibility of the Office of Advancement to approach fundraising on a collective basis, working closely with concerned beneficiaries in donor cultivation and stewardship, particularly in the collection of data for proposals and reporting.
- 2) The Office of Advancement is responsible for outlining appropriate strategies, and developing effective procedures, for continuously engaging donors.
- 3) Fundraising activities are conducted ethically, in line with the University's strategy, values, and policies.
- 4) All accepted gifts are governed by legal-binding, written agreements.

VI. POLICY PROCEDURES

- 1) AUK accepts gifts in money, in-kind, by bequest or in any other manner deemed appropriate by the donor and the University, and in line with this Policy.
- 2) The University may decide, at its own discretion, to decline a donation. The University retains the right to perform background checks on prospective donors.
- 3) All accepted gifts/donations to AUK are processed and managed at the Office of Advancement. Beneficiary units or constituents are required to support the Office of Advancement, while the latter takes the lead in prospect research, donor cultivation, agreement negotiation, and gift receipt.
- 4) The Office of Advancement is responsible for managing and maintaining records of all fundraising contacts and donations, by way of a CRM system containing the details of terms and conditions, income and expenditure of the University's gifts. This includes live gifts (under stewardship) and closed gifts. The CRM system is updated in real-time by authorized staff at the Office of Advancement. All alumni and donor data is held securely on this system. This system is password protected, and only those who need to see financial data have the relevant permissions to do so.
- 5) Beneficiary units or constituents must report on the maintenance and expenditure of all donations to the Office of Advancement for donor stewardship and reporting.
- 6) Donors are classified according to seven (7) primary categories:
 - a. Alumni
 - b. Friends
 - c. Private donors (organizations and individuals)
 - d. Local government
 - e. Overseas governments
 - f. INGOs/International foundations
 - g. Corporations
- 7) AUK employs a range of solicitation methods, including:
 - a. Telethons (primarily to alumni and friends)
 - b. Direct email requests (targeted campaigns)
 - c. Face-to-face solicitations
 - d. Traditional major-donor fundraising (grant-writing)
 - e. Fundraising events/tours
 - f. Online giving
 - g. Legacies
 - h. Sponsorship
 - i. Endowment (investment capital)
 - j. Partnership with government

- 8) Irrespective of the solicitation method, accompanying marketing materials (including proposals) are carefully researched and prepared by the Office of Advancement. All information must be verified to ensure that it is accurate and does not mislead potential donors.
- 9) Proposals are reviewed and approved by the Office of President prior to submission.
- 10) Donations take the form of single or recurring payments. Payment can be made by cash, bank transfer, check, direct debit, standing order, payroll/regular giving or online.
- 11) All restricted gifts are used solely for the purpose agreed between the donor and AUK.
- 12) Unrestricted gifts are directed towards current priorities or to the Annual Fund, at AUK's discretion.
- 13) Administrative or overhead charges applied to every gift are kept to an absolute minimum.
- 14) The Office of Advancement is responsible for reporting to the University community on fundraising progress.

VII. POLICY HISTORY

- a. **Approved by:** Board of Trustees
- b. **Adopted:** May 28, 2023