



Glossary of Development and Alumni Affairs Terms

Annual Giving: Annually repeating gift programs seeking funds on an annual and recurring basis from alumni, friends, parents, faculty and staff; contributions are expended on an annual basis and generally used for operating budget support. Examples include the Loyalty Fund, the Catamount Club, the Friends of the Arts and other academic unit-restricted funds.

Cultivation: The process of promoting or encouraging interest and/or involvement on the part of a potential donor or volunteer leader; an educative process to inform about WCU and the reasons why it merits support. Positions solicitations and maximizes charitable responses.

Donor Relations: Planned program of maintaining and building donor interest through timely and accurate gift receipts and acknowledgments, recognition opportunities including the Madison Legacy Society and individualized donor events and naming opportunities, communications, and strategic stewardship for individual contributors and donor groups.

Employee Matching Gift: A contribution made by an employee to the WCU Foundation, matched by a similar contribution from the employer. Matching gifts also include those made by spouses. Gift society credit is given based on both the direct contribution from the individual and the contribution made by the matching entity.

Endowment: Donors may establish specific endowed funds as part of WCU's overall university endowment through charitable commitments of \$25,000 or more. Such gift commitments are structured so that the contributed amount is to remain in perpetuity. Earnings from the invested assets are expended for the purpose agreed upon by both the donor and university. The current endowment spending policy for the pooled endowment funds provides 5 percent of the endowment's 12 quarter rolling average market value, discarding the highest and lowest quarters' value as of June 30. The total spending allocation is then divided by the number of units each endowment has invested into the investment pool. Upon reaching the minimum endowment threshold of \$25,000, awards supported by the fund may begin the second academic year following the first annual valuation to determine investment earnings.

Gift-in-Kind: Non-cash contributions of equipment, software, or other property upon which the donor may place a monetary value and claim a deduction for income tax purposes. Before a gift is accepted, the appropriate university representatives must review and approve the proposed contribution based on explicit criteria involving the need and the use of the non-cash contributions and any prospective additional expenses associated with the contribution among other legal and valuation considerations. In some cases, a qualified appraisal is required. Must also complete official WCU gift-in-kind form to receive official acknowledgment from the WCU Foundation.

Gift Planning/Philanthropic Advising: WCU provides certified gift planning advisors to assist with exploring a variety of gift arrangements that benefit the donor, family and heirs, and charitable interests. Some gift asset donations can be made with no additional expense to donor or heirs. Some donors may want to give and receive a lifetime income, make an outright gift of personal or real property now, or defer their gift until a later time. Whether giving from current or future assets, gift planning is a complimentary/confidential service to help plan annual, major and future interest giving.

Examples include bequests, revocable living trusts, life estate agreements, life insurance and annuity policies, IRAs and other retirement plans, products from financial service institutions and credit unions, pooled income funds, charitable remainder unitrusts, charitable remainder annuity trusts and charitable gift annuities.

Major Gifts: Gifts of \$25,000 or more made to any area of the university and generally fulfilled through contributions of cash and/or appreciated securities in addition to the full complement of gift planning vehicles. The minimum amount for an endowment at WCU is also \$25,000.

Merit-based Scholarships: Awarded based on criteria aligned with individual achievements, such as academic, athletic or artistic accomplishments.

Need-based Scholarships: Awarded based on criteria aligned with a student's financial need.

Phonathon: Fundraising vehicle using paid WCU student callers to solicit funds for the annual giving program and specific WCU designations. Part of an integrated solicitation program also including direct mail and e-appeals and occasionally, personal solicitations.

Pledge: A signed and dated commitment to fulfill a gift intention extended over a specified period of months or years, payable according to terms set by the donor and WCU, with scheduled monthly, quarterly, semi-annual or annual payments. WCU is responsible for the generation of pledge reminders and pledge payment acknowledgements based on documentation of the terms of the pledge agreements in Banner.

Prospect Research: The discovery and evaluation of prospective donors, and their interests, relationships, inclination to give and philanthropic capacity to inform WCU's fundraising strategies including cultivation and solicitation efforts.

Restricted or Designated Gift: A gift commitment made for a specific purpose and designated for a specific use. Terms are codified and communicated through a written gift agreement co-signed by the donor(s) and the appropriate WCU representative(s).

Stewardship: Process whereby WCU seeks to be worthy of continued philanthropic support, including the acknowledgment of gifts, donor recognition, the honoring of donor intent, prudent investment of contributed gift revenue, and the effective and efficient use of funds to further the mission of the university or the area(s) supported through the gift commitment.

Unrestricted or Undesignated Gift: Contributions to be used at the university's and/or designated unit/program's discretion.