1 2	GEORGIA STATE UNIVERSITY FOUNDATION, INC.					
3	Procedure number/name: 2.3a Pledge Fulfillment Procedure					
4	Ff. 11 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1					
5	Issuing date: <u>1/26/2009</u> Effective date: <u>7/1/2008</u>					
6 7	Rela	ted policy number/name: 2.3 Gift Acceptance Policy, Title III, Pledges				
8	=== ==================================					
9	Procedures Approved by: President of the foundation/vice president for development					
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11	I.	Introduction				
12		Consistent with the gift acceptance policy (title III), pledges are accepted for				
13		intended gifts. As written pledges are considered unconditional promises to				
14		give, they may be recorded as receivables on the financial statements of the				
15		Georgia State University Foundation, Inc. Pledges, therefore, are assets that				
16		must be carefully monitored from a fiduciary as well as a donor relations				
17	perspective. This procedure is implemented to ensure that pledges are given					
18		proper care and honored in a timely manner to the mutual benefit of the				
19		foundation and the donor.				
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21	II.	Revision history				
22		Originally approved as Pledge Collection Procedure, 6/21/07				
23						
24	III.	Definitions				
25		Definitions are contained within the Procedure section.				
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27	IV.	Persons affected				
28		Donors, development officers, Gifts and Records Management staff, Annual				
29		Programs staff, president of the foundation, associate/assistant vice presidents of				
30		development.				
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32	V.	Roles and responsibilities				
33		A. <u>Director of gifts and records management</u> . The director of gifts and records				
34		management staffs the pledge collection process. She or he ensures that				
35		milestones are observed and that information is shared on a timely basis. She or				
36		he keeps the official records of all actions. The director may designate Office of				
37		Gifts and Records Management personnel to handle his or her office's				
38		responsibilities.				

- B. <u>Development officers</u> have responsibilities in the action and review phases below.
- C. Office of Annual Programs collaborates with the Office of Gifts and Records
 Management in sending reminders for telephone outreach pledges.

D. The <u>president of the foundation/vice president for development</u> has the final authority on write offs and is active in review phases.

E. The <u>associate/assistant vice presidents for development</u> are involved as a consequence of the supervisory roles and job responsibilities.

VI. Procedures

A. <u>Basic procedure</u>. Generally, the foundation will write off pledges that are 120 days past due. Due care, however, will be given to each past due pledge having an original pledge amount of \$1,000 or more. The development officer associated with such a past due pledge will have the opportunity to petition to delay a write off. Decisions will be well documented on paper and in Raiser's Edge and the scope of communications will be broad. The president of the foundation will have the final authority on write offs. The details of the collection process are specified in this procedure.

B. Reminders. The gift acceptance policy provides that, "Unless the donor indicates otherwise, the foundation will send courtesy reminders of pledge payments." It is the responsibility of the development officer associated with the pledge to report to the Office of Gifts and Records Management cases where the donor declines a courtesy reminder. The Office of Gifts and Records Management in collaboration with the Office of Annual Programs is responsible for sending reminders for telephone outreach pledges. This procedure does not apply to reminders related to life insurance premiums.

C. <u>Pledge set up</u>. The Office of Gifts and Records Management enters a pledge into the gift records system based on written information presented by the development officer associated with the pledge. Pledge forms and letters of intent shall be consistent with the requirements of the gift acceptance policy and shall be approved in advance by the director of gifts and records.

79 D. <u>Under-paid pledges</u>. An under-paid pledge is one for which a donor makes 80 a payment that is less than the scheduled payment. In such cases, the 81 director of gifts and records management shall contact the development 82 officer associated with the pledge to determine if contact with the donor is 83 necessary and whether the unpaid amount should be rescheduled. 84 85 E. Pledge Fulfillment Phases. 86 87 1. There are three phases in the pledge collection process: 88 the reminder phase 89 the action phase 90 the review phase 91 92 2. Reminder phase. 93 94 a. The reminder phase is administered by the Office of Gifts and 95 Records Management. The director of the office may designate 96 office personnel to handle his or her office's responsibilities. 97 98 b. The director of gifts and records management will take the 99 following actions at the intervals designated below. 100 101 c. Thirty days prior to pledge installment date (0 - 30 days). The first 102 letter reminder is mailed to the donor for pledges over \$1,000. 103 104 d. Thirty days past pledge installment date (1 - 30 days). If there is no 105 response from the donor, a second reminder letter is mailed. A first 106 reminder is mailed to overdue pledges of less than \$1,000. 107 108 e. Sixty days past pledge installment date (31 – 60 days). If there is no 109 response from the donor, a third reminder letter is mailed. A 110 second reminder is mailed to overdue pledges of less than \$1,000. 111 112 Ninety days past pledge installment date (61 – 90 days). If there is 113 no response from the donor, a second reminder letter is mailed to 114 overdue pledges of less than \$1,000. 115

116 3. Action phase. 117 118 i. If a pledge over \$1,000 becomes 90 days past due (61 – 90 days), the 119 director of gifts and records management will refer the pledge to 120 the development director for staff contact with the donor for 121 purposes of completing a <u>clearance action</u> with copy to the 122 president of the foundation and all associate/assistant vice 123 presidents for development. 124 125 b. Acceptable clearance actions are: 126 127 i. The donor makes a pledge payment which brings the pledge 128 current; 129 ii. The donor and/or the development officer decide to adjust the 130 terms of the pledge; or 131 iii. The donor requests cancellation of the pledge. Note: A 132 development officer may not unilaterally write off a pledge. 133 Write off authority is reserved to the president of the 134 foundation. 135 136 c. Completion of a clearance action is expected before the pledge 137 becomes more than 90 days past due. The development officer 138 shall communicate the completed clearance action in writing to the 139 director of gifts and records management who shall remove the 140 pledge from the past due list and record a comment in Raiser's 141 Edge. The development officer shall provide a copy of the written 142 clearance action to the president of the foundation, all 143 associate/assistant vice presidents for development and the director 144 of university stewardship and event. 145 146 4. Review phase. 147 148 a. For pledges with original amounts of \$1,000 or more, a review period 149 commences at 91 days past due which culminates with dispositions by 150 the president of the foundation by the 120 day past due date. The 151 review is initiated by a report from the director of gifts and records 152 management to the president of the foundation with notice to 153 development officers associated with pledges listed in the report. All

associate/assistant vice presidents for development shall also receive

notice. The president shall conduct a case-by-case review of pledges

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157 officers, the director of gifts and records management, and the 158 associate/assistant vice presidents for development. The director of 159 gifts and records management shall record determinations as 160 comments in Raiser's Edge. 161 162 b. The determination will be: 163 i. to write off the pledge, 164 ii. to adjust the terms of the pledge, or 165 iii. to defer the write off. 166 167 c. Development officers will have 10 days to petition the president of the 168 foundation to adjust the terms or defer write offs. During the review 169 period, staff shall report immediately to all parties any new 170 information about the donor or the pledge. 171 172 5. Write off. 173 174 a. The director of gifts and records management shall write off all 175 pledges 120 days or more past due and record comments in Raiser's 176 Edge. To recapitulate, such past due pledges include: 177 178 i. Pledges with original amounts of less than \$1,000 which are 179 authorized for automatic write off by virtue of the president of 180 the foundation approving this procedure; and 181 182 ii. Pledges with original amounts of \$1,000 or more that were 183 authorized by determination of the president of the foundation 184 during the review phase described in this procedure. 185 186 b. The director of gifts and records management will report/confirm the 187 write-offs to the president of the foundation, the associate/assistant 188 vice presidents for development, and appropriate development 189 officers. 190 191 6. Review of procedure. The director of gifts and records management shall 192 annually convene in April or May a task force composed of staff identified 193 by the associate/assistant vice presidents for development. The functions 194 of the task force will be (1) to review all pledges written off during the

and render determinations in writing to the appropriate development

195	fiscal year and (3) to review this procedure and make recommendations					
196	for changes that may be deemed necessary.					
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198						
199	HELP					
200						
201	People to contact					
202	Position Title	Campus Location	Phone Number	Email Address		
203	Director, Gifts and Records Management					
204		531 1PP	3-3446	alumsc@langate.gsu.edu		
205						
206	Additional information and resources					
207	Foundation policy 2.3, Gift Acceptance Policy, Title III, Pledges					
208	Financial Accounting Standards Board statements on unconditional promises to					
209	give					