



**POLICY & PROCEDURE  
MANUAL**  
*California State University  
Channel Islands Foundation*

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**Revised 2021**

**Policy on Gift and Endowment Management Fees**

**Purpose:**

The CSU Channel Islands Foundation with the support of the CSUCI University Advancement Division, provides essential fundraising and asset management services that benefit the entire university. To cover expenses, the Foundation relies on a mix of revenue sources; these include gift fees, endowment management fees, and investment earnings. For the purpose of strengthening the development program so that it may work to increase philanthropic support of CSUCI as well as partially defray administrative costs, a portion of all donations will be used to further advancement efforts on behalf of CSU Channel Islands.

**Policy:**

All gifts shall be subject to the following fees:

| <b>Fee Policy Rates</b>                         |  |
|---|--|
| <b>Fee Type</b>                                 | <b>Rate</b>                                  |
| Gift Fee  | 5% A one-time fee that is taken upon receipt |
| <i>Sliding Scale for Gifts Over \$2 Million</i> |  |
| <i>First \$2 million</i>                        | <i>5% gift fee</i>                           |
| <i>Third million</i>                            | <i>4% gift fee</i>                           |
| <i>Fourth million</i>                           | <i>3% gift fee</i>                           |
| <i>Over \$4 million</i>                         | <i>2% gift fee</i>                           |
| Endowment Management Fee                        | 1.75% Annually                               |

- ❑ Gift fee shall be charged to any philanthropic grants and non-endowed cash gift including securities and gift-in-kind that are converted to cash. The gift fee shall be assessed at the time of receipt. It shall not reduce the “gift value” for the purpose of accounting and gift reporting.
- ❑ Endowment Management fee will be charged on each endowment and quasi-endowment.
- ❑ Donors will be made aware of CSUCI Foundation’s Policy on Gift and Endowment Management Fees. Disclosure is made to donors on all donation receipts and gift agreements. The policy will be posted on the CSUCI Giving Website as well as the CSUCI Foundation Website. Additionally, written or oral disclosure of the fees to donors is encouraged at the time of solicitation. Fee information should be included in any proposal and gift documents.
- ❑ If a donor wishes to ensure that the benefiting program receives a specific amount from their gift, they can provide a gift calculated as the net amount intended for the department, plus the gift administrative fee calculated based on the current rate.

*Sample calculation: For gift net amount of \$10,000, Donor gives \$10,000 (95%) + \$526.32 (5%) for a total gift of \$10,526.32.*

- ❑ Established CSUCI Foundation non-endowed restricted program funds of all types (ex. scholarships and campus program funds) will not recognize any interest/earnings, nor will be charged a management fee.

Waiving fees is not permitted by policy and by doing so would create an inequality for all other gifts received by CSU Channel Islands and CSU Channel Islands Foundation. However, nonprofits organizations, corporations, and foundations that have written, board-adopted policy that prohibit fees to any organization may submit such documentation for a waiver consideration.

Under the following conditions, the gift may be wholly used to fulfill the donor's intended purpose, to address an urgent need, or to serve the best interest of the program:

- ❑ The vice president, dean, director or administrator of the recipient division, college, department or unit may request the equivalent of the fee be taken from another unrestricted fund within their purview, thus releasing 100 percent of the gift for intended use.
- ❑ The CSUCI Foundation Board may approve the fee to be taken from foundation's unrestricted fund, thus releasing 100 percent of the gift for intended use.

Policy on Gift and Endowment Management Fees shall be consistent and supplemental to the CSUCI Foundation Gift Acceptance Policy and the Investment Policy Statement, which are approved by the University President. The University will review the policy periodically and modify fees as appropriate. CSUCI Foundation Board has the right to adopt this policy as written for gifts to CSUCI Foundation.