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## ADMINISTRATIVE FEES FOR THE DIVISION OF DEVELOPMENT AND ALUMNI AFFAIRS

### Recommendation

It is recommended that the Board of Governors approve the following two-part proposal to support ongoing costs of the Division of Development and Alumni Affairs.

1. Authorize the extension of the current 0.5 percent administrative fee through FY 2017 on the average fair market value (FMV) of endowment funds as defined in the Board of Governors Common Trust Fund statute governing the University endowments, unless prohibited by an existing Memorandum of Agreement with a donor.
2. Authorize the extension of the current 2.0 percent administrative fee on non-endowment cash gifts through FY2017.

### Background

In March 2005, the Board of Governors approved a proposal to help fund the projected costs of the *Wayne First* capital campaign. The first component was authorization of the 0.5 percent administration fee; the second was authorization of a 2 percent administrative fee on non-endowment cash gifts; and the third was the authorization of a line of credit from the University's cash pool.

In March 2008, the Board approved the extension of these fees through FY 2015. The line of credit was retired and paid back and is not part of the current recommendation.

The intent of these actions was to provide the necessary resources to accommodate the heightened level of expenditures for the capital campaign.

With this proposed extension, it is the recommendation of the administration to continue to use these funds to support the resources critical to the University's fundraising efforts. This will allow the Division to retain current staff and maintain fundraising activities at existing levels by allowing these funds to be included with the FY2016 and FY 2017 University's overall budget.