



MEMORANDUM

DATE: May 1, 2024

TO: Campus Community

FROM: Heath Niemeyer 
Interim Vice President for University Advancement and Executive Director, California State University, Bakersfield Foundation

SUBJECT: Administrative Fee Policies & Procedures

This memo serves as a **reminder** of the California State University, Bakersfield (CSUB) Foundation Administrative Fee policies and procedures.

Purpose

The CSUB Foundation with the support of the CSUB University Advancement Division, provides essential fundraising and management services that benefit CSUB. As a result of the solicitation and management of philanthropic activity on behalf of CSUB, the CSUB Foundation incurs administrative costs related to accepting, processing, receipting, and recording payments, as well as auditing and compliance reporting. The CSUB Foundation relies on various revenue sources, including administrative fees and endowment fees (refer to [Investment Policy](#) for endowment fees) to cover administrative costs and support the CSUB Foundation operating expenses.

Policy

The CSUB Foundation administrative fee was approved by the CSUB Foundation Board of Directors on September 27, 2006 with an effective date of July 1, 2006. The current board approved rate is 5%.

Procedure

Collection

A one-time administrative fee of 5% is assessed and collected on all cash and cash equivalents upon receipt by the CSUB Foundation. For stock gifts and gifts-in-kind, the fee is assessed and collected when the gift is converted to cash. The administrative fee is computed on gross revenue and will be charged to all fundraising activities. The administrative fee is assessed on the value of goods and services provided in a quid pro quo transaction (i.e. meals, golf tournaments, tickets, etc.).

Assessment of the administrative fee does not affect the tax-deductible amount of a donor's gift to the CSUB Foundation. Donors will receive a gift receipt, as required by the [Internal Revenue Service](#), for the full amount of their gift.

The administrative fee applies to any and all payments to CSUB Foundation, from any and all fundraising activities, including but not limited to the following:

- Annual funds and gifts for current operations
- Capital gifts for facilities or the enhancement of facilities
- Endowment gifts including additions to currently established endowment funds
- Fundraising event donations, sponsorships, ticket sales, and auction purchases
- Memorial gifts and honoree gifts
- Stock gifts
- Planned gifts, bequests, trusts and annuities, and insurance policies

Exceptions to Fees Collected for Fundraising Activities

Gifts-in-kind not converted to cash are not subject to the administrative fee.

The administrative fee may only be adjusted with the consent of the CSUB Foundation Board of Directors. The administrative fee is not permitted to be waived, as doing so would create an inequality for all other payments received by the CSUB Foundation. However, nonprofits organizations, corporations, and foundations that have a written board-adopted policy that prohibit the payment of an administrative fee to any organization may submit such documentation for consideration.

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 program, plus the administrative fee calculated based on the current rate.

Example: For a net gift amount of \$10,000, the donor would give \$10,000 divided by 95% for a total gift of \$10,526.32, with \$10,000 benefitting the program and \$526.32 charged as the administrative fee.

Disclosure

The CSUB Foundation with the support of the CSUB University Advancement Division staff will ensure that the amount and purpose of the fee is readily available to donors.

Disclosure of the administrative fee to donors should be made before the payment is made, but failure to make the disclosure will not exempt the payment from this policy. Disclosure may be made in a variety of ways including fundraising materials (e.g., remittance envelopes, pledge forms, fundraising event flyers) and in written gift or grant proposals and agreements.

Resources

For questions regarding the above policy and procedures, please contact CSUB University Advancement at ua@csub.edu or call (661) 654-2136.