I.17 Reporting Pledges

Development Offices or any other portion of the University which receives a pledge (definition below) by a donor will need to report that pledge in writing to the Foundation. The Pledge information will need to include the following:

1. Name of Donor making the pledge
2. Address of Donor making the pledge
3. Amount of the pledge
4. Account or Fund to which the Pledge is being made
5. Year pledge is to expected to be fulfilled (current year, one to five years, or more than five years)
6. Any conditions pertaining to the Pledge (e.g. pledge will be fulfilled only if some other action occurs such as the completion of a building, the receipt of additional funds etc.)

How to Report Pledges:

1. In the case of organized campaigns for which you create a donation form or pledge card, you may send the Foundation a copy of the pledge card or donation card filled out by you or the donor. The card will need to contain the above information.

2. In the case of pledges received any other way you will need to send the Foundation a completed Pledge Form.

What Pledges to Report:

1. You only need to report promises to give (pledges) in which the donor has specific an amount. Be sure to note any conditions the donor may have placed on the pledge being fulfilled such as the commencement of a program or the construction of a building etc. Such pledges are accounted for separately as "conditional pledges." Pledges made which are not conditioned upon some future event are considered "unconditional pledges."

2. Even if the pledge is made orally by the donor and is specific as to amount, it will need to be reported on the Pledge Form (attachment 1).
Examples of How and What to Report:

1. You are talking on the telephone with a donor who says "You've convinced me. I'll give $2,000 to the campaign before it ends next year." This is reportable. It must be documented using the Pledge Form.

2. You are talking on the telephone with a donor who says "You've convinced me. I will give some money to it." That is not reportable (the amount is not specific).

3. A donor sends you a letter that says "You've convinced me. I'll give $2,000 to the campaign before it ends next year." This is reportable. Send a copy of the letter, along with a Pledge Form adding any missing information, to the Foundation.

4. A donor fills out the donation form for your annual fund campaign and indicates a pledge of $100. This is reportable. Send the form to the Foundation (assuming it contains the information noted above - if it does not, you will need to provide any missing information using the Pledge Form.

5. A donor stops you on the street and says "You know I saw your ad on television last week about the new penguin research project you are trying to get started and I am impressed. I'll be sending you a check for $100 before the end of the year." This is reportable. When you get back to the office fill out a Pledge Form and send it to the Foundation.

6. A donor stops you on the street and says "You know I saw your ad on television last week about the new penguin research project you are trying to get started. I'll be sending you a check for $100 next year as long as that project actually gets started." This is reportable as a "conditional pledge" since the pledge will only be fulfilled if the University starts the project. When you get back to the office fill out a Pledge Form and send it to the Foundation. Be sure to indicate the condition placed on the pledge by the donor.

When to Report Pledges:

You should report the pledges as they are made, essentially treating them as gifts.

How the Information will Be Used:

The Foundation will not use the information to "bill" or remind donors that pledges are due. That will continue to be the responsibility of the University. The Foundation will total the pledges outstanding, based upon their expected due date, and report it in its financial statements as three
figures; the amounts expected to be received in less than one year, from one to five years, and more than five years. For conditional pledges, the Foundation will report the total amount pledged by broad category of condition.