

University of Alaska Foundation

Fee Policy

I. Policy and Purpose

The Board of Trustees of the University of Alaska Foundation (Foundation) will establish reasonable fees, including fees applied to the gifts upon receipt and fees applied to certain funds held by the Foundation. The fee structure will be set initially by motion of the Board of Trustees and reviewed annually by the Finance & Audit Committee, in coordination with the Development and Investment Committees.

The purpose of the fees is to offset the operating cost of the Foundation, including costs of gift receipt, processing, management, and disbursement, investment oversight, accounting and tax reporting, and systems and data management support, donor relations and development efforts to increase the level of private support for both the Foundation and the University of Alaska.

II. Administrative Fee

An Administrative Fee, as a percentage of the amount received, will be applied to all gifts received by the Foundation commencing on the effective date of this policy. Gifts received by the University after the effective date will be assessed the Administrative Fee at the time of transfer to the Foundation.

The minimum gift and fund levels as defined in the University's Gift Acceptance Policy and Regulations will not be affected by the Administrative Fee, except that for endowments established through a single gift the limitation will be applied before deduction of the Administrative Fee. For endowments established through multiple gifts, the limitation will be applied after deduction of the Administrative Fee.

A. Regular Exceptions

The Administrative Fee will not be levied on:

- 1) Non-cash gifts, such as auction and inventory items, except gifts of securities and other assets (such as gold) that are expected to be sold upon receipt (and which will be assessed an Administrative Fee on the net cash sale amount).
- 2) Gifts of real estate (the Administrative Fee will be levied at the point the gift is sold and the proceeds are transferred to the Foundation).
- 3) Non-gift portions of Quid Pro Quo Gifts.
- 4) Pledges (Administrative Fee will be applied to all payments on pledges regardless of when the pledge was made).

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B. Case by Case Exceptions

The University President and Chancellors may decide, on a case by case basis, to waive the Administrative Fee on specific gifts but such exceptions must be identified to the Foundation accounting department prior to processing. An amount equal to the waived Administrative Fee charged to the appropriate President's or Chancellor's Undesignated Account or such other account as may be identified by the campus.

III. Endowment Fee

A. Pooled Endowment Fund

An Endowment Fee, expressed as a percentage of the market value of each endowment valued as of each December 31 will be levied on the endowments managed by the Foundation in the Pooled Endowment Fund. Fee deductions will commence the following July and be transferred on a monthly basis.

The Endowment Fee will be deducted from the accumulated earnings portion of the endowments and will be assessed before spending distributions are made. In cases where there are insufficient accumulated earnings in an account to pay the Endowment Fee, the Endowment Fee will be carried as a deficit in the accumulated earnings portion of the endowment.

B. Land Grant Trust Funds

An Endowment Fee, expressed as a percentage of the market value of the funds as of December 31 shall be charged to the Land Grant Endowment Funds. The Endowment Fee will be charged commencing on July 1 based upon the market value of the Fund on December 31 and funds will be transferred on a monthly basis.

IV. Notification

All donors and prospective donors will be notified of the Foundation's Fee Structure through appropriate statements in each Endowment Fund Administrative and Gift Agreement, on the Foundation and University Development Websites, on each Foundation Gift receipt, in all fund raising publications and materials, and through formal notifications to the University Development Offices for further dissemination to all offices at the University engaged in solicitation of gifts.

*Adopted May 8, 2006 by the UA Foundation Board of Trustees
Amended December 14, 2006 by the UA Foundation Board of Trustees*