

Policy & Procedure

Title:	Administrative Fee Policy for Restricted Funds	Date of Origin:	09/2019	Policy #:			
		Last Reviewed:					
		Last Revised:					
		Effective:	12/2019	Page:	1	of	1
Affiliate(s):	<input checked="" type="checkbox"/> Foundation: <input checked="" type="checkbox"/> Rochester Regional Health Foundation						
Purpose:	<p>The purpose of this policy is to establish an administrative fee on restricted gifts to the Rochester Regional Health Foundation (RRHF). The dollars collected through this fee are used to fund Foundation operations. This is an investment in the future of the Foundation to build capacity in fundraising in order to ensure growth in philanthropic dollars raised for Rochester Regional Health.</p>						
Policy Statement:	<p>This policy outlines the administrative fee percentage and delineates the types of gifts that are charged this fee. This policy will be reviewed on an annual basis to determine whether the percentage charged is adequate based on operating expenses.</p>						
Background:	<p>RRHF will establish a 5% administrative fee on Foundation cash receipts to restricted funds. Gifts to endowment funds are excluded from this policy, as they will instead be subject to an annual management fee. These fees are considered best practice and consistent with industry standards.</p>						
Procedure:	<p>A one-time administrative fee of 5% will be charged to every restricted donation at the time cash is received, with the exception of gifts to endowment funds. The amount of the fee for any individual commitment will be limited to \$50,000. Examples are as follows:</p> <ul style="list-style-type: none"> • Cash, check, and credit card donations • Pledge payments • Stock gifts • Fair market value of gifts of property • Proceeds from life insurance <p>The percentage will be reviewed annually for reasonableness and may fluctuate based on operating costs.</p>						