



University of Venda

UNIVEN FOUNDATION

GUIDELINES FOR FUNDRAISING

1. PREAMBLE

The University of Venda Foundation is a registered nonprofit organization which exists to mobilise resources to support the strategic objectives as set out by the University Strategic Plan. The Foundation reports to the Council of the University of Venda. The operation of the Foundation is overseen by the Director and staff answers ultimately to the Board of Trustees.

The mission of the Foundation is to secure investment for the development of the University by securing bequests, endowments, grants and gifts from corporate, governments, embassies, Alumni and other interested donors. All this are used to advance the goals and aspirations of the University of Venda and to satisfy the objectives of its partners and students.

The Foundation, given the magnitude and urgency of the challenges faced by the University embarked on a one Billion rand Capital Campaign to raise resources for infrastructure – expensive teaching equipment, student living space, endowed chairs in key areas and capacity building.

The Foundation subscribes to the following values of the University.

- Quality and excellence
- Accountability
- Transparency
- Integrity
- Respect diversity
- Social responsibility
- Community engagement and Ubuntu

Its staff is committed to the best qualities of the University that is, to pursue the highest standards of personal and professional conduct and to observe

the code of ethics outlined in the draft communication strategy of the department of Communication and Marketing.

The goals of the Foundation amongst other things are to raise resources both in cash or kind from donors, corporate, foreign governments and its alumni to support the University over a period of time and to establish a platform for sustainable giving to the University for generations to come.

To realise the above goals, the Foundation need to align more effectively its activities with the University strategic priorities and key developmental needs. The involvement of key constituencies in fundraising provides a better diversified and more sustainable donor base.

The Foundation's chances of success will almost certainly depend on investment sufficient to cover the staffing and operating budgets upon which the overall income target of one billion based.

It will also depend largely on well qualified and experienced staff in specialist and management position in the Foundation and of course, stability in the local and international grant making and philanthropic funding communities.

The University should sharpen the focus of its fundraising endeavours, prioritise and develop a coherent range of projects which will be attractive to prospective donors. The Foundation has to think strategically in order to address the real needs of the University and its peripheral communities.

The University of Venda Foundation engages in least five forms of fundraising:

- Partnership resources raised for capacity development and training from parastatals and other government agencies
- Resources raised through the office of the Univen Foundation from corporate South Africa
- Graduation awards raised through the alumni office from local business and alumni chapters established around the country.
- Social responsibility fund(fundraising from individuals)
- Corporate Social Investment (CSI)

Univen Foundation does not ordinarily engage in fundraising for research but will, if necessary, provide support for research, should the prospective donor be interested in such. The role of the Univen Foundation is to cultivate and solicit prospective donors on behalf of the University to support strategic developmental needs of the University. In its drive to secure investment for the University's development, its mode of operation, first, is to build donor loyalty ladder (potential donor, prospect, high value donor and advocate) as well as to establish alliances and partnerships with corporate and grant-making bodies across the country. In so doing, it facilitates and supports donor cultivation and solicitation efforts by all staff of the University. A sound management of donor relations is critical to the standing of the institution within the donor community. Central to the brief of the Foundation, is to

ensure that a co-ordinated approach to fundraising is pursued by the University, and that interactions with donors which are initiated by staff are of an acceptable kind and quality.

The proposed guidelines establishes the necessary conditions for co-ordinating the University's fundraising efforts and ensuring that expected standards are met. The intention is neither to impose undue bureaucratic control over fundraising activities by staff, nor to stifle good relations that may already exist between grant-makers and members of the University. These relations are enormously beneficial to the University and are strongly encouraged. At the same time, it is clearly to the advantage of all fundraisers within the institution that the good image of the University is not tarnished, whether by dual approaches to the same donor, by inappropriate or poor quality proposals, reports and other submissions, or by projects which are likely to fail or compromise the institution in any way. The purpose of these guidelines and associated procedures are to ensure not only that all fundraising efforts have the best chance of succeeding, but also that they contribute towards reinforcing, and enhancing further the University's good standing within the donor community.

2. SCOPE AND DEFINITIONS OF TERMS

These guidelines outline procedures for use by both staff, students and independent fundraisers when engaging in fundraising activities excluding research resources raised in terms of contracts, consultancies, and from statutory bodies such as the National Research Foundation (NRF) and Water Resources Council. There are four main offices within the University which are responsible for accessing and administering externally derived sources of funding (Third Stream Income):

- The Research and Innovation Directorate
- The Student Financial Aid (Nafsas, HCL Foundation)
- The Univen Foundation.
- The Univen Income Generation Centre (UIGC)

The guidelines apply only to the income streams for which the Foundation is responsible and these include:

- All sources of income which qualify for tax exempt certificates in terms of Section 18A of the South African Tax Act of 1962 (as amended):
- All private donations, philanthropic grants, bequest programs and other non-research income which is tax exempt in South Africa.

- All donations in kind or cash from the corporate sector;
- Grants from national, foreign governments and multinational aid organisations.

3. DEFINITIONS OF TERMS

3.1 Project/Programme

In the context of this document, a project/programme is any training need, limited research need, community-directed need or the need for a facility for which funds from the external environment have to be raised in the name of the University of Venda.

3.2 Project Leader

A project leader is the person who is responsible for the management and execution of the project, the expenditure of the funds and progress and financial reports to the donor through the Fundraising Unit.

3.3 Proposal

A proposal (including a detailed budget) is the document describing the nature of the project and is used to solicit funding.

3.4 Donor

A donor is an individual/corporation/foundation/trust making a grant (in cash, by cheque or by electronic transfer) or an *in-natura* donation (in-kind donation), whether for a specific purpose/project/programme or for general use. This includes sponsorships, but excludes funds for contract research such as when the Foundation assists in leveraging funding for scholarships or when it pursues support for the establishment of a new centre or institute which includes research funding as part of its overall budget. In these instances, donor income will be channelled through, and interactions with the donor or donors will be administered or co-ordinated by the Foundation, in terms of the procedures set out here-in.

4. THE ROLE OF THE UNIVEN FOUNDATION

4.1 Management and Governance

The Univen Foundation is a registered charitable Trust of which the University is the sole beneficiary. It is governed by a Board of Trustees which comprises of representatives of Council members, representatives from commerce, industry and the community. The role of the Board is to ensure good governance of the Foundation in terms of the objectives of the

Trust Deed and the King III report on corporate governance. The Trustee assists the Foundation in its fundraising efforts by using their skills and influence among the donor community.

4.2 Responsibilities

The Univen Foundation is responsible specifically for:

- Co-ordinating fundraising aimed at contributing to the developmental needs and advancing the interests of the University;
- Building the image of the University within the donor community;
- Managing relationships with donors;
- Providing stewardship
- Providing support and advice to members of the University community who engage in fundraising which is related to the core business and strategic goals of the institutions;
- Identifying, encouraging and assisting with development of projects and programmes within the University which donors have an interest in supporting – that is, undertaking strategic University-specific projects;
- Presenting approved projects and programmes to donors and other prospective partners;
- Monitoring and reporting on overall donor income flows into the University to the Management structures, University Executive, Council and the Boards of Trustees of the Foundation;
- Issuing tax certificates in accordance with Section 18A of the South African Tax Act of 1962 (as amended);
- Administering income from grant-makers and individuals where the Univen Foundation has tax exempt status;
- Administering donor income from international donors and other agencies; and
- Managing the comprehensive data of the University stakeholders.

4.3 Services

In addition to fundraising, projects taken on under the direction of the Vice-Chancellor and other members of the Executive Management, the Foundation aims to assist members of the University by:

- Developing ideas for new projects and programmes specific to schools, academic centres and institutes;
- Drafting and refining proposals;

- Providing information about corporate social investment (CSI) policies and prospective partnerships with other higher education institutions;
- Networking and maintaining relationships with current and prospective donors;
- Providing project and programme leaders with feedback from donors;
- Making information available to University community regarding possible funding opportunities.

4.4 Fundraising Categories

- Collaborative Fundraising
- Major University developments

These are the strategic projects of the University, which have implications for the whole institution and demand a significant level of input from the Executive and the University stakeholders (e.g. new building/s, laboratories, Science and Engineering facilities, etc.)

- School/Faculty projects

These are projects which are supported and managed by faculties, with assistance from the Fundraising Unit. They need to comply with the University's corporate plan and are ultimately subject to approval by the Vice-Chancellor/Dean/Director - making sure that the projects are in line with the Vision and Mission of Univen. Examples would include academic chairs, institutes and centres.

- Departmental initiatives

These are smaller scale fundraising initiatives supported and managed by the department's academic and/support services (including Alumni and student bodies). The Fundraising Unit will provide general advice, but direct assistance is limited. As mentioned, Projects need to comply with Faculty plans and be approved by the Dean/Director.

The University's point of departure is that,

- The Foundation is responsible for fundraising for University projects and for the advancement of its operations and strategic plans;
- Schools, faculties, departments, centres, institutes, students, sport clubs, can and should also raise funds themselves but in co-ordination with the Foundation Office and should be in line with the University's strategic focuses and partnerships with corporations; and
- The Foundation Office is responsible for database development and reporting to the VC in terms of all donations received by any Univen entity in order to help monitor third stream income.
- The Foundation through the Development Office will initiate all external engagements and compile or coordinate reports emanating from such visits for purposes of reporting to the Board of Trustees.

To this end all interested parties must follow the guidelines and procedures contained in this document for the sake of the larger interests of the University and its fundraising needs.

4.5 Different Funding Needs

Besides priority projects for Univen entities, funds are also needed for other purposes that include.

4.5.1 Study Tours / Congress Attendance in Foreign Countries

The Foundation does **not** ordinarily raise funds for study tours and congress attendance locally or abroad. Faculties have to budget for such expenditure (unless academics are sponsored from elsewhere).

4.5.2 Hosting of Congress/Conferences/Seminars/Courses

Fundraising for conferences is not a priority for the Foundation.

4.5.3 Professorship/Chairs

Guidelines for establishing a chair are available from the VC's office. The Foundation is involved in the fundraising actions for "Chairs" if the

VC gives instructions to this effect. A “Chair” will also be regarded as a project.

4.5.4 Scholarships (Bursaries)

The Foundation will raise funds for bursaries/scholarships.

4.6 **Projects and Proposals Review**

An internal projects and proposals review is administered by the Foundation in consultation with the VC to ensure that proposed fundraising projects align with the strategic priorities and goals of the University and that their presentation is of a standard expected by the institution. The Foundation also prioritises projects in terms of their urgency and potential contribution to the teaching, researching and community engagement profile of the University. As the procedures below indicate, members of the University should be discouraged to undertake or engage potential donors/soliciting support without first obtaining clearance from the Foundation in these respects.

5. **PROCEDURES FOR ENGAGING DONORS**

In pursuing their fundraising activities, the University staff students and independent fundraisers shall be obliged to follow the procedures set down below.

5.1 **Proposal Approval**

- All University fundraising proposals or concept papers must have the prior approval of the Vice Chancellor, Deans and Heads of Departments. It may be discussed at inception with the Foundation team before such approval is obtained.

The draft proposal or concept paper should include information on the project’s context and background, its rationale and motivation, an implementation plan, academic champions/project leaders, monitoring and evaluation, and budget.

- The Deans and Heads of Departments may, at their discretion, and in consultation with the relevant university staff or any unit of the university, approve proposals, refer them back to initiators for alteration or improvement, or reject them. The Board of Trustees will also prioritise all approved projects in terms of merit, urgency and the workload of the Foundation. Such proposal(s) shall be ratified by the Board of Trustees at its ordinary meetings.
- In exceptional circumstances, the Director of Communication and Marketing may approve proposals, with the proviso that

such decisions will need to be ratified subsequently through the process mentioned above.

5.2 Donor Solicitation

- Depending on the level of the priority accorded them, the Vice-Chancellor and the fundraising team may undertake to present approved proposals to prospective donors and may call upon proposal initiators to assist with this through preparation of appropriate materials or meetings with donors.
- All independent approaches to donors by proposal initiators should be made known to and within reason should be approved in advance, by the Foundation office. This is to ensure that donor(s) are not subjected to multiple approaches by the University simultaneously, and that a full record of fundraising activities can be maintained by the Foundation. It will also ensure that donors are acknowledged appropriately.
- Proposal initiators who approach prospective donors directly should regularly inform the Foundation office of their progress and the outcomes of their interactions.

5.3 Contracting, Receipting and Meeting Donor Requirements

All formal agreements with donors, such as signature of grant award letters or some other form of contract shall be administered by the Foundation and signed by the Vice-Chancellor and Principal. Under no circumstances should members of the University enter into such agreements independently.

It is vital that copies of all contracts and reports of funded projects are lodged with the Foundation

5.4 Receipt of Funds

With the exception of consultancy and research grants, all other grant income and donations awarded to the University shall be channelled through, and receipted to the Foundation account.

The banking details of the Foundation banking details are as follows:

*Bank: **Standard Bank of South Africa**
Account Holder: **University of Venda Foundation**
Account no: **031434681***

5.5 Payments

All donors should be requested to send payment(s) notifications of monetary deposits into the Foundation's bank account directly to the Foundation, together with a letter indicating the purpose of the donation or grant. In the event that a payment notification of deposit is received by a beneficiary within the University, these should be forwarded to the Foundation for processing.

5.6 Handing Over of Donations

The Foundation should be informed in advance about handing over functions and a representative of the Foundation should be invited to attend all events at which donors formally hand over cheques or make other presentations to the University.

5.7 Contractual Obligation

It is the responsibility of beneficiaries within the University to meet any contractual obligations specified by donors. Where reports are required, it is the responsibility of the beneficiary to ensure that deadlines are met and that reports are of a satisfactory standard. All reports and related communications should be copied to the Foundation for record-keeping, quality control and audit purposes.

5.8 Compliance

Compliance with these Guidelines internally and with donor contractual requirements externally is obligatory: non-compliance constitutes a risk to the University and the operations of the Foundation.

6. GENERAL

6.1 The Foundation shall not be obliged to take on any project or programme which, in its view, is unlikely to appeal to the donor community or which incur minimal returns for the University to the resources required for donor cultivation and solicitation.

6.2 Any request by an affiliated unit of the University for use of the services of the Foundation, whether as a vehicle for fundraising or as conduit for funds raised, will be treated separately and on its distinctive merits.

6.3 The Foundation will only provide assistance to affiliated units which agree to provide it with full financial and narrative reports as required at any time. Under no circumstances will the Foundation act as a conduit for funding on behalf of any affiliated unit whose financial credibility is in question.

6.4 In circumstances where the Foundation has assisted in securing support for a project or programme, a fee of no more than five per cent (5%) may be levied by the Foundation. This fee will be negotiated in advance and will be built into the project or programme budget. The Foundation may waive the fee at its discretion and shall be obliged to forfeit it in instances where it will clearly compromise receipt of any particular donation or grant.

7. **SOURCES**

Quick Guides: Everything you need to know.....fast about fundraising.
Inyathelo : The University and Urban Renewal and Advancing
Philanthropy in South Africa.
Tshikululu Social Investments: Growing your Social Investment.
UKZN Foundation.

Guidelines compiled by: Mr BL Makhado
 Development Officer
 Mr C Windell
 Univen Fundraiser