One of the goals of Rutgers executive leadership is to transform the university to a higher level of national prominence. To help achieve this goal, Rutgers will need to raise substantially more money from private sources, especially as the state of New Jersey continues to face revenue shortfalls and is unable to significantly increase its funding of higher education. Rutgers has been developing strategies to obtain increased funding from private sources including individuals, corporations, and foundations in order to invest in the university and its transformative goals.

Effective October 1, 2006, a gift assessment fee policy was approved for implementation as part of the funding strategy that will build capacity for increased private donations to Rutgers University and to the Rutgers University Foundation. The gift assessment fee is one of nine resources identified to support university fundraising efforts. Others include direct university support, an endowment management fee, and special allocations from the university’s governing boards. All contributions received from donors are subject to the fee.

Many universities nationwide include a gift assessment fee over and above indirect costs. Grant-making associations, corporations, and foundations have been very supportive of this action as they consider this practice an investment in the future advancement efforts of the organization.

The assessment fee will help generate the assets needed to meet the increasing demands for private support to the Foundation and to support the rising costs related to private fund raising. It will allow for the necessary expansion of its fundraising initiatives and development efforts. Without the efforts of the Foundation in obtaining these funds, there would be far fewer private gifts to the university, resulting in fewer scholarships, fellowships, programs, and research funds. These funds are essential in the efforts to transform Rutgers University to a higher level of excellence.

The policy maintains the following guidelines:

- All gifts of $10,000 or more received by either Rutgers University or the Rutgers University Foundation will be subject to a 5% assessment fee. All gifts below $10,000 will be subject to a 10% assessment fee.
- Donors will be notified that a portion of the gift received has been allocated to cover the cost of fundraising.
- Donors will receive credit for the full amount of their gifts.
- For gifts and grants from non-profit foundations and corporations, the assessment fee applies only to foundation and corporate philanthropic grants and must be added to the proposal. The fee is requested in addition to the allowable F&A.

These guidelines serve to ensure that funds are used specifically to support university fundraising initiatives and activities, and to represent the gift assessment policy to donors.

Any questions regarding this gift assessment fee policy can be directed to Janine Purcaro, Chief Financial Officer, of the Rutgers University Foundation at 732-932-2223.