



Administrative Gift Fees at the Bates Technical College Foundation

Effective: July 1, 2015

The Bates Technical College Foundation is committed to being accountable to our donors and provides timely gift receipts, accurate records, expert management of funds, and efficient disbursement of funds to programs at the College. For the purpose of strengthening the development program, and partially defraying related administrative costs, a fee of 5% will be assessed on all gifts and contracts made to the Bates Technical College Foundation, effective July 1, 2015.

The administrative gift fee will be assessed at the time of the gift. Any deferred or planned gift will be assessed the fee when the gift is realized, not when the pledge is made.

If a gift is made by a private foundation that has a written policy stating it will not pay administrative fees, the Bates Technical College Foundation will waive the fees.

FAQ's on Administrative Gift Fees

Q. Why does the Bates Foundation have a gift fee?

A. Gift fee revenue is directly related to the Bates Technical College Foundation's cost of doing business. Effective fundraising requires deployment of financial resources to cover direct costs of soliciting, processing, and accounting for donated funds. As gifts to benefit Bates Technical College increase, the costs of gift receipting, accounting, investment and disbursement increase. Unrestricted gifts made to the College for the area of greatest need are not assessed a gift fee.

Q. How are operations of the Bates Technical College Foundation funded?

A. Foundation operations are funded through a combination of revenue from special events, unrestricted gifts from individuals, corporate/foundation support, and gift fees.

Q. Do other colleges and universities charge gift fees?

A. A gift fee ranging from 3 to 6 percent is not uncommon at university and college foundations throughout the country.

Q. The local non-profit organizations I support don't charge gift fees. What's the difference?

A. The difference is primarily one of terminology. All community organizations have operating costs. In general, revenue from contributions helps in part to support them—whether or not a formal gift "fee" is identified. United Way, for example, typically charge fees of 15 percent or more.

In the non-profit sector, best practice standards hold that operating costs in the range of 15-20 percent are considered to be excellent, assuring that approximately \$.80 of every dollar contributed goes to providing direct services. By comparison, \$.95 of each dollar you give to the Bates Technical College Foundation gets put to work by the College for the specific purpose you choose to support.