

Texas Wesleyan University

Crowdfunding Policy and Procedures

Purpose:

To regulate how Texas Wesleyan University students, faculty, staff and organizations solicit donations for University programs and activities from the general public using crowdfunding.

Definitions

Crowdfunding

An online fundraising strategy that programs, clubs, groups and individuals employ to

- I. tell the story of causes, projects and initiatives,
- II. share that story with their communities, and
- III. solicit gifts and other forms of support.

Crowdfunding Appeal

A fundraising effort launched on the approved platform that is designed to raise a specified sum of money within a defined timeframe for a specific project or program.

Applicant(s)

Individual(s) affiliated with the University who is responsible for preparing and submitting an **application for approval** to the Office of Advancement to launch a crowdfunding appeal on the approved platform.

Approved Platform

Within the last decade, crowdfunding has become a popular method of fundraising to help secure small amounts of gifts from large groups of people using the Internet and social media.

Several programs, clubs, and organizations affiliated with Texas Wesleyan University have begun using different crowdfunding platforms, such as GoFundMe and Kickstarter, to promote and raise funds for various initiatives. The dollars raised through these crowdfunding platforms are not received by the University, or counted as part of its annual fundraising totals. Therefore, donors do not receive an official acknowledgement letter and/or a tax deductible donation receipt from the University.

To streamline all crowdfunding appeals, and ensure that all donations to university initiatives and programs are received, acknowledged and properly receipted, the University has adopted an approved platform called ***everydayhero***.

everydayhero is a peer-to-peer online giving solution that integrates with Texas Wesleyan's merchant account system which allows the University to process the transactions as tax-deductible donations and capture donor identities, and provides a clean integration with the Office of Advancement's alumni/donor database – **The Raiser's Edge**.

Applicants

Applicants must be faculty, staff, or students of Texas Wesleyan University.

This crowdfunding policy applies to any group who, in connection with their crowdfunding efforts:

- uses the intellectual property of the institution including but not limited to, the institution's brand, name, logo, trademark, or mascot, as a part of their communication,
- uses technology provided by the institution including but not limited to computers, tablets, or emails, or
- collects money to be used in any institution related programs and/or accounts.

Application & Approval

In order for a University affiliated program, group or organization to crowdfund on **everydayhero**, they must complete a crowdfunding application with the Office of Advancement.

All applications to use *everydayhero* require review and approval by the division's senior administrator prior to submission. However, final approval of the crowdfunding application rests solely with the Vice President for Advancement.

Based on the details provided for the funding project, the Office of Advancement will develop an **everydayhero** crowdfunding page for the requesting program, group or organization. Once launched, the page will remain active for 60 to 90 days.

If an application is not approved, the Office of Advancement will provide specific reasons for why the crowdfunding appeal was declined. Applicants may resolve concerns and reapply.

Third-Party Platforms

If an application is not approved, but a person, group, or entity wishes to conduct a crowdfunding appeal on a third-party platform, they may not do so in the name of Texas Wesleyan University, or on behalf of any programs affiliated with the University.

In addition, the person, group, or entity may not use Texas Wesleyan University's name, or any of its marks or symbols for any purpose unless explicitly granted permission in writing by the Office of Advancement and Office of Communications.

The crowdfunding appeal may also not use Texas Wesleyan student, faculty, staff, alumni, donor or friend data in the execution of a fundraising effort on a third-party platform unless approved by the Office of Advancement.

If the applicant is approved to use another platform, that platform must meet all IRS regulations for ensuring gifts are recognized as charitable contributions, and be able to provide all gift data to the Office of Advancement in a form acceptable to that office for recording the gift.

The conduct of any outside crowdfunding appeal is done at the participant's sole risk, including any tax implications of raising funds on an individual basis and legal or criminal ramifications of using private data not in compliance with HIPPA.

Gift Processing

Crowdfunding appeals on the **everydayhero** platform will be charged a gift-processing fee of 7.9% + \$0.30/ per transaction, which covers 100% of vendor cost.

The Office of Advancement retains no portion of the processing fee.

Donors may choose to cover the processing fee. If donors do not cover the processing fee, the fee will be deducted from their gift.

Regardless of whether the crowdfunding appeal reaches its goal, 100% of all gifts (minus the processing fee) will go directly to the approved program/group.

Once all money raised is deposited into the designated university account, the group/individual will receive notification along with a list of all donors.

Stewarding Donors

Donors will receive the following from the Office of Advancement:

- An immediate acknowledgement notice and tax-deductible receipt email following any online gift.
- Additionally, donors with gifts of \$1000 or more will receive a formal thank you letter from the university.

Donors who provide their personal contact information and indicate approval to be contacted by Texas Wesleyan will receive annual giving society recognition.