

REPORTING STANDARDS FOR OPTIONAL SECTION 2B ADVANCEMENT INVESTMENT

These advancement functions, and the expenditures made to fulfill them, occur within sets of organizational frameworks, legal entities, program structures, and names that vary from institution to institution. As a result, completing this survey may require the collection of data from beyond the centralized advancement unit at your institution.

Advancement Expenditures and FTEs: These correspond to the rows in [Question I](#) and [Question II](#) in Section 2b. The columns A-F are covered in the next section.

Question I: This question is about financial expenditures. (Staff FTEs are reported in Question II.)

1. Salaries

In this row, include the cost of salaries, even if these are paid for centrally. Allocate salary costs by functions described below. So, the salary of a single employee may be spread over multiple functions. The salaries by function should correspond to the FTEs by function in Question II. Report the salary costs (exclusive of employment benefits, which go on row 2) of full-time, part-time, and Temporary *exempt* employees. EXCLUDE salaries of presidents and heads of academic units. Do NOT report all support staff under Advancement Management/Advancement Services.

2. Benefits

Report the share of benefits paid by the institution for the salaries and wages reported on row 1. These benefits usually include social security; medical, disability, and life insurance; and retirement plan contributions. Professional staff benefits may also include car allowances, housing subsidies, memberships, and other perquisites. Report these even if they are paid for centrally.

3. Current Operations Expenditures (Exclusive of Salaries and Benefits)

Expenditures to be **included**:

- postage and delivery services;
- telephone and personal communication devices (Blackberries, Trios, etc.);
- printing and duplicating, both in-house and contracted;
- travel including transportation, tolls, mileage, parking fees, lodging, meals, conference fees and incidentals;
- meeting and entertainment costs;
- professional fees and honoraria for fund-raising counsel, commercial fundraisers, consultants, wealth screening, attorneys, realtors, escrow agencies, writers, designers, advertising and public relations agencies, and the like;
- general office supplies, equipment and software valued at under \$5,000;
- subscriptions and memberships; and

- training

4. Capital Expenditures:

(Equipment and Software Valued at \$5,000 or More)

These expenditures may be amortized over a three-year period.

Expenditures to be **included**:

- Specialized equipment and software supporting the functional activities of Advancement; i.e., calling systems, donor management software (BSR, Raisers Edge, Donor Perfect), planned giving software (Crescendo Gift Legacy), public relations software (Kintera, RSS), including licensing and technical support for implementation and upgrades.

Expenditures to be **excluded**:

- Renovations, alterations or improvements to office space
- standard office equipment found in any well-furnished administrative office – tables, desks, chairs, lamps, and the like.

5. Total Expenditures:

This row auto-totals on the online survey and is the sum of rows 1-4.

Question II. This question is about FTEs. (Salaries and benefits are reported in [Question I.](#))

6. Advancement Staff FTEs:

Using the functional categories you used for expenditures, report FTEs here. You can use up to two decimal places to report personnel distribution. For example, if you have 4 full-time and 3 half-time staff working in a functional area, you would enter 5.50. The time of a single employee may be distributed over more than one functional area. Only include staff who receive W-2s. Report the expenditures for outside counsel under expenditures in row 3 of [Question I](#), but do not report these individuals as staff in [Question II](#) or as part of salaries in [Question I](#).

Advancement Functions: These correspond to the columns in [Question I](#) and [Question II](#) in Section 2b. (The rows 1-6, corresponding to types of expenditures and FTEs, are covered above.)

A. Fundraising / Development

The primary purpose of this activity is to secure philanthropic gifts in support of the institution. Advancement units included under this section should include (where present at an institution) the annual fund, major/principal gifts, planned giving, corporate and foundation relations, central development, college-based development, and educational fundraising campaign management. The fundraising costs to be reported include those incurred by central

development, campaigns, institutionally related foundations, academic units, athletic associations and their affiliate organizations, and fundraising consortia.

Expenditures to be **included**:

- cultivating and soliciting actual and prospective donors, including reimbursed expenditures incurred by the president, faculty, non-advancement staff, or volunteers
- preparing, producing, distributing and evaluating fundraising print and electronic literature, such as websites, newsletters, brochures, case statements, and proposals
- enlisting and servicing fundraising volunteers and volunteer groups, including the costs of meetings, travel, communication mechanisms, service recognition, and other supplies
- volunteer expenses in connection with fundraising/development functions, but only if billed as a direct cost
- fundraising events, such as luncheons, dinners, golf tournaments, benefit concerts, auctions, and the like
- evaluating philanthropic capacity, including advancement counsel, feasibility studies, organizational assessments, and data screening; and
- acceptance of gift instruments, including professional advisors such as legal counsel, appraisers, or special asset experts.

Expenditures to be **excluded**:

- database management, reporting, prospect research, and gift processing (these should be reported under “Advancement Services”)
- administering gift revenue after it has been received and acknowledged, including costs incurred for accounting and treasurer functions and the use of external services such as realtors and attorneys to liquidate gifts of real and personal property **after** they have been accepted
- securing revenue other than private gifts, such as contract revenue, government support, auxiliary enterprise income, tuition and fees; and
- conducting activities that are not primarily for the purpose of fundraising.

B. Alumni Relations / Affairs

The primary purpose of this activity is to build long-term relationships with alumni to develop champions of the institution's mission, enhance participation in the institution's activities, and enhance alumni financial support. The alumni relations expenditures include those incurred in institution administered programs, independent alumni associations, and programs administered by academic units. Expenditures by alumni relations on fundraising/development, communications and marketing, and advancement management/ advancement services functions within alumni relations, should be reported under those other disciplines.

Expenditures to be **included**:

- publishing, producing and distributing alumni newsletters and magazines (newsletters and magazines that are produced for general/multiple external audiences should be counted under Communications and Marketing)
- creating and maintaining websites, social networking sites and other electronic media targeting alumni
- organizing, promoting and maintaining memberships in clubs and chapters, including their communications, activities, and special events
- organizing and holding alumni events, such as class reunions, homecoming, and meetings of alumni boards and committees
- volunteer expenses in connection with alumni relations functions, but only if billed as a direct cost
- organizing, promoting, and conducting noncredit instructional programs for alumni
- providing special programs such as alumni travel programs, career counseling, and health and fitness programs; and
- recognizing the achievements and service of alumni.

Expenditures to be **excluded**:

- providing career counseling for students
- recruiting students
- rental operations of alumni facilities
- developing affinity business relationships
- soliciting gifts or conducting alumni donor events (fundraising efforts managed by alumni relations; i.e., annual fund should be reported under Development)
- advocating the interests of the institution to government agencies and elected and appointed officials; and
- conducting activities that are not primarily for the purpose of alumni relations.

C. Communications/Marketing

The primary purpose of this activity is to keep the institution's *external* audiences informed of activities, achievements and priorities to build public support. Expenditures specifically dedicated instead to Alumni Relations or Development should be counted under those categories.

Expenditures to be **included**:

- maintaining news or press bureaus that respond to media requests and issue news releases
- maintaining a publication unit that prepares print and electronic brochures, pamphlets, leaflets, newsletters, posters, certificates, reports and other promotional materials
- maintaining a marketing unit that researches, develops and promotes the institution's identity, brand, image, awareness, academic reputation and strategic positioning

- providing writing, editorial, graphic, photographic, and other technical services for public relations purposes
- maintaining records, files and archives on persons of influence, press contacts, newsworthy individuals, institutional data, photographs, printed material, and other items of use in public relations
- organizing and conducting events that serve to cultivate the interest of external constituencies
- providing visitor and guest services, including informational material, tours, and entertainment;
- volunteer expenses in connection with communications and marketing functions, but only if billed as a direct cost
- conducting or commissioning research and evaluations that support the public relations program, including attitude surveys, opinion polls, readership surveys, content analysis, focus groups, and the like
- developing, producing or buying media such as print, radio, television and internet advertisements or features.

Expenditures to be **excluded**:

- operating television and radio stations, printing plants, and copy, duplicating, or word-processing centers that serve more than the public relations organization
- carrying out public service functions, such as extension service, continuing education, or community service learning
- conducting communications with federal, state, and local government officials and agencies;
- providing technological equipment, networking or programming that supports the foundational architecture or utility of data services used broadly across the institution;
- providing emergency communications services such as reverse calling systems, blast texting, and audible alarms
- providing audio-visual services to the instructional, research, and public service programs of the institution
- maintaining programs for the enhancement of student life on campus, such as student organizations, counseling, visiting lecturers and cultural events, job placement services, and the like
- holding events at which regular institution business is conducted, such as commencement, opening convocations of students and faculty, and faculty meetings
- supporting the requirements of the governing board, including the costs of its travel, lodging, meals, and meetings
- providing services or publications for the recruitment of prospective students
- producing publications “of record,” including the website, catalogs, staff directories, and faculty and staff handbooks and manuals
- marketing merchandise
- conducting sports information programs

- conducting institutional research, where the primary function is to provide data that supports management functions or reporting requirements
- conducting activities that are not primarily for the purpose of public relations.

D. Advancement Services

Advancement Services functions include database management, reporting, prospect research, and gift processing.

Expenditures to be **included**:

- budgeting and resource administration in advancement
- accountability reporting in advancement
- database management in advancement
- maintaining records and lists of actual and prospective donors (alumni, parents, other friends, corporations, foundations, and other organizations)
- identifying prospective donors, including prospect research; peer evaluations; and the acquisition of services, information, and materials that assist in this process.

Expenditures to be **excluded**:

- overhead and general operational support provided by the institution for all functions
- functions that may be uniquely assigned to advancement at the reporting institution but are not generally considered advancement functions, such as athletics administration.

E. Advancement Management

The primary purpose of this activity is to provide multi-discipline advancement leadership and operational support. The chief advancement officer and his or her support staff should be included under this category.

Expenditures to be **included**:

- strategic leadership, management, and goal setting in advancement
- recruitment and retention of advancement personnel
- volunteer expenses in connection with alumni relations functions, but only if billed as a direct cost.

Expenditures to be **excluded**:

- overhead and general operational support provided by the institution for all functions
 - functions that may be uniquely assigned to advancement at the reporting institution but are not generally considered advancement functions, such as athletics administration.
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Question III: Capital Campaigns

Expenditures and staffing increase during campaigns, so it is important to note if your institution is in a campaign. Use the check box to indicate that your institution is in a campaign, and then use the next three boxes to indicate the start of the silent phase and then the official start and end dates of the campaign. If you prefer not to indicate silent phases, only check the box when the official campaign has started, and only enter those dates.

Question IV: Comments and Notes:

Use this space for comments about Section 2b, including any recommendations about the section you would like to share with CAE.