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## 2224 PLEDGE: PAST DUE PLEDGES

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Effective: July, 2003  
Revised: August, 2008  
Last Reviewed: April, 2016  
Resp. Office: Treasurer  
Approval: Treasurer

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### PURPOSE:

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To ensure that the University appropriately records contributions receivable on its balance sheet, the University must have policies for appropriately recording and managing past due pledges.

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### POLICY:

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Pledge bills and resolving past due pledges:

- ❖ Bills are generated by the Atlas System and sent to donors following a review by the appropriate development officer. {Billing instructions are recorded on Atlas based on donor instructions from the pledge agreement.}
- ❖ The Office of Gifts Accounting & Administration generates reports of outstanding past due pledges for development officers and senior business administrators to review.
- ❖ Following the review of these past due pledges, development officers must make attempts to contact donors within in order to resolve the outstanding past due balance
- ❖ The University will reserve against all past due pledge receivables

Revising pledge agreements to resolve past due pledge issues:

- ❖ All new payment schedules must be in writing and signed by the donor
- ❖ Development officers can not revise the anticipated fulfillment date of a pledge without the approval of the Vice President for Development and Alumni Relations
  - Revisions are appropriate only if there has been a change in the donor's financial circumstances or there exist other extenuating factors that preclude payment on the original schedule. Such a pledge then becomes conditional
  - All revisions require the approval of the Vice President for Development and Alumni Relations
- ❖ Revision of pledge agreements for building projects or other restricted gifts of a time sensitive nature requires the approval of the school/center's Business Administrator in addition to the Vice President for Development, prior to the execution of the revised pledge fulfillment schedule
- ❖ If a payment schedule is revised for a pledge of \$1 million or more, the development officer must notify the Vice President of Finance and Treasurer, in writing, of the new fulfillment terms
- ❖ If a revised payment schedule for a pledge of \$1 million includes a fulfillment period of more than five years, it must be approved by the Dean or Center Director, the Vice President for Development and Alumni Relations, and the President

- **The Vice President for Finance and Treasurer should be informed of all such changes**
- **Pledges in the amount of \$25,000 and below which are past due five years or more are automatically written off by the Office of the Treasurer.**