



## ***Share in the Care Colorado***

### **Administrative Fee Guidelines**

**February 16, 2012**

**Problem:** The General Assembly Contract pursuant to which Colorado Preservation, Inc. (CPI) is acting to develop support for the Share in the Care Colorado program specifically provides in Section 7 that CPI shall be entitled to collect a 15% administrative fee on contributions made to support the program, subject to the limitation that no administrative fee will be collected on (1) contributions by the State Historical Fund, (2) contributions under the "children's campaign", or (3) the "public gift campaign." Unfortunately, the agreement was drafted and agreed to prior to the time that the development professionals began to give much thought to precisely what the fundraising campaign would specifically look like. As a consequence, the program has actually developed in ways that do not appear to have been specifically contemplated in the agreement. CPI is proposing to develop specific guidelines that will allow its personnel to determine, with a greater sense of clarity and certainty, when it should and should not be collecting the 15% administrative fee.

**Proposal:** In keeping with what we believe is the spirit of the legislation and agreement, CPI proposes that it will not collect the 15% administrative fee on:

- Contributions made by the State Historical Fund;
- Contributions received from the general public where the contribution cannot be identified to a specific corporate-sponsored marketing sub-campaign that forms a part of the larger "Share in the Care Colorado" fundraising effort (for example, the Ornament Campaign or the mGive Campaign);
- Contributions made to collection boxes placed within schools; or
- Any in-kind donations.

CPI would be entitled to collect the 15% administrative fee on contributions made by the public or by private entities in support of a specifically identified campaign (for example, both public and private monies received under the Ornament Campaign and under the mGive Campaign).

**Rationale:** There was clearly a legislative intent that contributions coming from the public in terms of a general marketing program were not to be subject to the administrative fee. However, we believe that

campaigns such as the Ornament Campaign or the mGive Campaign, which were separately designed and funded by corporate donations utilizing the development resources of CPI and its third-party contracting assistance, were not intended to be included within the exclusion and should not be excluded. By their nature, these special programs require a much higher degree of involvement and supervision on the part of CPI and its contractors since they involve securing up-front corporate support to "seed" the program and, in the case of the Ornament Campaign, involve considerable up-front expense to create the ornaments themselves. The administrative funds are needed to support payments to contractors, design and manufacture of ornaments, etc., in a way not required for contributions that are simply received from the public as a result of general awareness and advertising.

**Robert E. Musgraves, Esq.**  
**Executive Director**  
**Colorado Preservation, Inc.**