PROCEDURES: Delinquent Pledges
Effective: 04/27/09

Objective: To set forth procedures implementing the Delinquent Pledge Policy.

Exclusions:

1. These procedures do not apply to deferred or estate commitments (pledge types BE and DF).
2. These procedures do not apply to payroll deduction pledges (pledge types PD, PU)
   a. Because these pledge payments are automatically deducted from the donor’s paycheck, they do not become delinquent.
   b. When an employee with a payroll deduction pledge terminates, retires, goes on unpaid leave or chooses to cancel a pledge, Payroll requires the employee to complete a Cancellation Form. That form is used to cancel both the payroll deduction in IRIS and the pledge in ANDI.

Delinquent Pledge defined: See the Delinquent Pledge Policy.

Inactivating Delinquent Pledges: delinquent pledges shall be cancelled according to the following schedule:

1. Telefund Pledges: weekly (Saturday)
   a. TF pledges are inactivated (status is changed to “W”) via script that runs every Saturday
   b. Any TF pledge that becomes delinquent during the week will be inactivated in that Saturday’s run
2. All other pledges: quarterly (January, April, July, October)
   a. All other delinquent pledges are inactivated (pledge status changed to “W”) via script that runs on the last day of the quarter (January 31, April 30, July 31, October 31).

Payments received after inactivation: If a payment is received after a delinquent pledge has been inactivated, the payment will be entered as a gift.

Notes:

The pledge status of “W” will be assigned by the programmatic pledge inactivation process and should not be used by gift processors. Status code “C” (cancelled) or “I” (inactivated) should be used by processors to terminate a pledge upon receipt of proper notification and documentation.

The following data integrity scripts have been implemented to insure the accuracy of the pledges receivable balance calculations:

1. Identify pledges deemed delinquent and eligible for write off at the next quarterly run
   a. This script is run quarterly, 6 weeks before the quarterly write off scrip is run.
b. The resulting list is circulated to development officers, giving them the opportunity to contact donors and cure the delinquency.

2. Identify active pledges with no active donor.
3. Identify active pledges, any type pledge, at least one active donor found AND at least one non-active donor found.
4. Identify active pledges, type PD or PU, overdue by two or more months.
5. Identify paid pledges where the amount of pledge does not match the amount paid.
6. Identify pledge payments coded as gifts.
7. Identify active pledges with $0 balance due.
8. Identify pledges with Joint check box erroneously checked.
9. Identify pledges without payment schedules.
10. Identify pledges with expired payment schedules.
11. Identify active pledges with invalid dates.
12. Identify active pledges with duplicate allocation codes.

Exceptions to the above procedures must be approved by the Assistant Vice President for Advancement Services.

For questions regarding these procedures, contact the Advancement Services help desk at (865) 974-4153 or email ANDIHelp@tennessee.edu