



## **Gift Acceptance & Donor Recognition Policy**

*Revised: 2023*

Attached is a copy of the Wittenberg University ("the University") **Gift Acceptance and Donor Recognition Policy**.

The purpose of this document is to give the University a standardized procedural approach to fundraising, the proper valuation of gifts and donor recognition. All members of the University community are expected to know and follow the policies, procedures and guidelines contained in this document. Therefore, all members of the University community should become familiar with its contents.

Three key points should be emphasized:

1. All members of the University community are expected to obtain approval before any and all formal and/or informal gift solicitations from the Vice President for University Advancement, or their designee, prior to making any such contact with current or prospective donors (this includes individuals, corporations, foundations and government bodies).
2. If, on behalf of the University, any member of the University community receives any gift to the University (including but not limited to cash, checks, securities, property, or other items) it is essential that the Office of University Advancement be notified immediately. It is also essential that all letters, certificates, or other documents relating to such gifts, **including the envelope in which it arrived with post-marks intact**, be saved and forwarded to the Office of University Advancement. This is to ensure that all gifts are credited to the appropriate University account, and to further ensure that the University complies with all legally mandated gift acknowledgement procedures.
3. If you have any questions or are in doubt about a particular point, please contact the Office of University Advancement at (937) 327-7430 or [development@wittenberg.edu](mailto:development@wittenberg.edu).

Thank you for your cooperation.

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## I. PURPOSE

The Gift Acceptance and Donor Recognition Policy of Wittenberg University (hereafter, “the University”) is established to govern and administer the solicitation, acceptance, reporting and crediting of all gifts made to the University in a financially prudent and efficient manner.

Contributions from all donors are critical to the University’s mission:

Wittenberg University provides a liberal arts education dedicated to intellectual inquiry and wholeness of person within a diverse residential community. Reflecting its Lutheran heritage, Wittenberg challenges students to become responsible global citizens, to discover their callings, and to lead personal, professional, and civic lives of creativity, service, compassion, and integrity.

The following policy details the types of gifts which may be accepted, who has authority to accept gifts on behalf of the University, the manner in which the University may accept physical funds, ethical considerations of accepting gifts, and necessary approvals for special situations or exceptions to this policy.

## II. ADMINISTRATION OF POLICY

Approval of this policy shall be made by the University Board of Directors. Oversight of this policy is the responsibility of the Committee on Advancement and Alumni Relations of the Board of Directors. The Gift Acceptance Committee (as defined in Section V and hereafter, “GAC”) is responsible for the administration of this policy and the divisional procedures that support this policy.

For the purpose of clarity, definitions of terms are as follows:

According to Council for Advancement and Support of Education (CASE) Reporting Standards & Management Guidelines, a *gift* is “a contribution received by an institution for either unrestricted or restricted use in the furtherance of the institution for which the institution has made no commitment of resources or services other than, possibly, committing to use the gift as the donor specifies.”

A *pledge* is a signed and dated commitment to make a gift over a specified period, generally more than one year, payable according to terms agreed upon by the donor and the University.

### **Office of University Advancement**

The Office of University Advancement (hereafter, “Advancement”) has primary responsibility for all fundraising to benefit the University and any of its programs. Advancement staff solicit current and deferred gifts through annual giving, leadership giving, gift planning, foundation and corporate programs.

Confidentiality shall be maintained for all information garnered by the staff and no information shall be disclosed to anyone except as necessary in administering the gift and in recognition and publicity mutually agreed upon by the donor and the University.

All University departments, organizations and individuals outside of Advancement must notify and have approval of the Vice President for University Advancement for any efforts being undertaken to raise funds from any alumnus/alumna or friend of the University.

### **Revising the Gift Acceptance Policy**

The GAC, in consultation with necessary staff and administration, will periodically review these policies and make recommendations for revisions to the Committee on Advancement and Alumni Relations of the Board of Directors. Any changes in these written policies require approval of the Board of Directors.

## **III. ETHICAL STANDARDS**

The University seeks to uphold the highest standards of ethical behavior and has adopted the Statement of Ethics from CASE to guide and reinforce professional conduct in all areas of institutional development. Advancement presents the following statement for all staff and volunteers to uphold:

Institutional advancement professionals, by virtue of their responsibilities within the academic community, represent their colleges, universities and schools to the larger society. They have, therefore, a special duty to exemplify the best qualities of their institutions and to observe the highest standards of personal and professional conduct.

- A. In so doing, they promote the merits of their institutions, and of education generally without disparaging other institutions;
- B. Their words and actions embody respect for truth, fairness, free inquiry, and the opinions of others;
- C. They respect all individuals without regard to race, color, marital status, sex, sexual orientation, creed, ethnic or national identity, handicap, or age;
- D. They uphold the professional reputation of other advancement officers and give credit for ideas, words, or images originated by others;
- E. They safeguard privacy rights and confidential information;
- F. They do not grant or accept favors for personal gain, nor do they solicit or accept favors for their institutions where a higher public interest would be violated;
- G. They avoid actual or apparent conflicts of interest and, if in doubt,

seek guidance from appropriate authorities;

- H. They follow the letter and spirit of laws and regulations affecting institutional advancement;
- I. They observe these standards and others that apply to their professions and actively encourage colleagues to join them in supporting the highest standards of conduct.

### **Donor Bill of Rights**

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the University, we declare that all donors have these rights:

- A. To be informed of the University's mission, of the way the University intends to use donated resources and of its capacity to use donations effectively for their intended purposes.
- B. To be informed of the identity of those serving on the Board of Directors of Wittenberg College and to expect the Board to exercise prudent judgment in its stewardship responsibilities.
- C. To have access to the University's most recent financial statements.
- D. To be assured their gifts will be used for the purposes for which they were given.
- E. To receive appropriate acknowledgment and recognition.
- F. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law and the donor's wishes.
- G. To expect that all relationships with individuals representing the University will be professional in nature.
- H. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
- I. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- J. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

## **IV. GIFT ACCEPTANCE GUIDELINES**

### **Donor Intent and Gift Restrictions**

Donors are encouraged to make unrestricted gifts to support the greatest need of the institution, with any asset transferred to the University. Unrestricted gifts from private sources for current operations shall be processed through Advancement.

Donor intent may be manifested in the donor's directions for how a gift is to be used to benefit the University. The University will fulfill the donor's specified gift intent to the extent it is legal, consistent with the University's stated academic mission, purposes and priorities, and capable of being performed.

The University may accept restricted gifts for certain purposes. Generally, the designated purpose should be described broadly with detailed restrictions avoided, to provide flexibility for consistent use of the funds. All gifts for restricted purposes are accepted on the condition that should the purpose for which they are provided ceases to exist, the Board of Directors has the authority to reallocate the funds for purposes that are consistent with the original intent to the extent possible.

The University has the absolute right to accept or refuse any gift for reasons that it deems prudent and in its best interest. The University will not accept gifts that are inconsistent with its academic mission, illegal, or would threaten the University's tax-exempt status.

Gifts accepted by the University for specific purposes will follow the guidelines for naming opportunities as set forth in Appendix A (Minimum Gifts & Naming Opportunities) and Appendix B (Naming and Name Removal Policy).

Gift agreements between the donor and the University should include the purpose of the gift, any restrictions, and a payment schedule subject to change upon agreement of both parties. Advancement staff must communicate with the donor and document in writing their understanding of the donor's intention. If the donor has made either an outright or deferred gift with a restriction that has not been previously communicated to the University, Advancement shall work with the donor or, if deceased, through the GAC to determine the best way to carry out the donor's intent for benefit within the institution.

### **Signatory Authority on Proposals to Individuals**

The GAC must approve all proposals of a contractual nature before submission to the donor, if the proposal requests support that directly relates to the institutional mission. When a proposal requires an extraordinary commitment by the institution, approval from the President must be obtained prior to submission to the donor.

## **V. GIFT ACCEPTANCE COMMITTEE**

### **Composition**

The Gift Acceptance Committee (GAC) shall consist of the Vice President for University Advancement (or designee) and the Vice President for Finance & Administration (or designee). Representatives from other campus departments may be asked to participate on a case-by-case basis depending upon the gift being considered.

### **Purpose**

The GAC shall review proposals for all gifts of personal tangible property, closely held securities, family limited partnerships, patents, real estate, and any other assets the donor may wish to transfer that necessitate a commitment of the University. Gifts of these types must be brought before the GAC prior to acceptance. The review should determine whether the gift is:

- A. Readily marketable; or
- B. Needed by the University for use in a manner related to one of the purposes for which the tax-exempt status of the University was granted.

The review process for all potential gifts brought before the GAC shall follow the guidelines set forth in this policy.

## **VI. NAMING OPPORTUNITIES**

The University provides many opportunities for donors to be recognized for their financial support and contributions through named gifts of both physical entities (buildings, facilities, classrooms, etc.) and non-physical entities (departments, prizes, academic and non-academic positions, student support, etc.). Naming opportunities and gift levels are approved, case-by-case, by the Committee on Advancement and Alumni Relations within the Board of Directors. The President and Board of Directors must approve each naming arrangement prior to any representation to the donor. Naming is generally granted for the useful life of the entity unless otherwise specified in the gift agreement or, in the case of a restricted use gift, naming terms shall be set forth in writing by the University and the donor. All naming gifts are subject to the terms of revocation as set forth in this policy.

Ordinarily, the University requires that at least 75 percent of the commitment must be paid on pledges of \$100,000 or more; and 100 percent of the commitment must be paid on pledges of less than \$100,000 before proceeding with fulfilling the donor's designation (i.e., filling a chair, providing a scholarship, building construction or establishing a named endowment).

Accepted funding for naming opportunities may include gifts of cash, marketable securities, retirement plan assets, and realized bequests. Deferred gifts, such as annuities, life insurance policies, and charitable remainder trusts where Wittenberg is named as the

irrevocable beneficiary, may be used as a portion, but not the sole component, of such funding if the agreement includes a named entity.

Because minimum gift levels for named opportunities may increase between the time the donor signs a deferred gift agreement and their death, the donor must provide for additional assets to be distributed under the terms of their will or living trust, if necessary, to meet the relevant fund minimums at the time the deferred gift is realized. If this is not possible, such gifts will be used as non-endowed restricted-use funding, as recommended by the GAC and determined by the Board of Directors, to most closely support the donor's original intent.

Current naming opportunities and minimum funding levels are set forth in Appendix A (Minimum Gifts and Naming Opportunities).

Both endowed funds and non-endowed restricted-use funds require a signed fund agreement.

### **Endowed Gifts**

Gifts to the University endowment (or endowed funds) assure continual support of the donor's designated purposes through an annual distribution to a current-use fund; earned through the institution's pooled investment performance, the distribution percentage rate is determined annually by the Board of Directors. All funds designated for endowment will be restricted to the purpose and intent of the donor (if a designation has been made), and the principal will be preserved to the extent possible in accordance with Uniform Prudent Management of Institutional Funds Act (UPMIFA).

Generally, endowed funds may be named in honor or in memory of the donor or a designated person or entity. All such gifts, if accepted, will be placed in a named endowed fund and will be restricted to comply with the donor's intent.

Responsibility for management of the endowment is delegated to the Vice President for Finance & Administration with oversight responsibilities conducted by the Committee on Finance & Investments of the Board of Directors. The University has an investment policy which is designed to preserve the real value of endowed funds and to enhance the purchasing power of earnings, so as to keep pace with inflation and with the University's evolving needs. All individually restricted or unrestricted endowed funds that comprise the University endowment follow the same investment and spending policies.

Generally, only the annual current-use income distributed from the invested principal of the endowment may be spent for the intended purpose. Endowment earnings realized beyond those necessary to fund the annual distribution and costs of portfolio management are added to the principal of the endowed fund.

### **Non-Endowed Restricted-Use Funds**

The University will accept gifts to other restricted-use funds, that can be restricted by the donor for a period of years and not invested in the University's endowment. Non-endowed restricted-use funds are considered to be part of the annual operating budget of the University. These gifts are typically held in current-use accounts until expended; with the



approval of the Vice President for Finance and Administration, balances within non-endowed restricted-use funds can be transferred or carried over to another fiscal year if they are not expended in the year they are gifted, or if the fund agreement does not specify otherwise.

### **Donor Recognition**

The University understands the need and importance of recognizing the donor for their financial support. The University has established several recognition societies for this purpose. Additional publicity and recognition of gifts are agreed upon at the time of the donation.

Retirement plan assets and realized bequests may be used to fund a named opportunity as described in this policy, however, the gift and named entity will not be publicized until after the funds are received by the University.

The University may revoke a naming if the pledge obligation is unfulfilled and/or written off, the University determines that its association with the donor will materially damage the reputation of the University, or if a change in family or organizational circumstances causes the donor or other affected individual(s)/organization(s) to request a name change or revocation. Revocation decisions shall be made by the President based on the recommendation of the Vice President for University Advancement. The University shall make all reasonable efforts to inform the original donor or the donor's heirs/designees in advance of any revocation or change.

## **VII. GIFT ACCOUNTING**

The University operates in compliance with all regulatory, governing agencies and the policies and rules set forth by them.

All gifts shall be recorded and receipted according to the standards recommended by the CASE and the National Association of College and University Business Officers (NACUBO).

### **Gift Substantiation**

For the donor's federal income, gift, or estate tax purposes, the University will provide an acknowledgement stating the amount of cash the donor has donated and whether or not the donor has received anything of value in return for the gift.

Substantiation for in-kind gifts will omit the value, though Advancement may acknowledge the value for purposes of donor recognition. Further substantiation, such as for in-kind gifts and the fulfillment of IRS requirements, will be the responsibility of the donor and must be accompanied by a qualified appraisal consistent with IRS regulations pertaining to gift validation.

## **Hard and Soft Credit**

A gift to the University made by an organization on behalf of an individual or other donor will be hard credited to the entity distributing the gift to the University. Soft credit may be recorded to the individual directing such gifts to the University for recognition purposes only. For the purpose of clarity, definitions of terms are as follows:

*Hard Credit* is given to the individual, organization or entity from which a contribution is received. The official receipt is sent to the entity which receives hard credit for a gift.

*Soft Credit* is given to the individual or organization which deserves credit or recognition for a gift received. As an example, when the donor directs a family foundation to make a gift, the foundation receives hard credit while the donor receives soft credit.

## **Requirements for Recording and Modifying Gifts and Pledges**

### **Gifts**

To record a gift, the actual gift must be in hand. For purposes of this policy, only hard (gifts made by the donor), as opposed to soft (gifts made on behalf of the donor), pledges and gifts are being considered.

### **Pledges**

Pledges may be recorded in gift records by Advancement:

- A. When obtained through an authorized phone calling program and submitted to the gift processor;
- B. When instructed in writing by the donor and the gift processor has a copy of the pledge document or executed fund agreement; or
- C. When the donor makes a verbal commitment to a member of the Advancement staff who confirms his/her understanding of the pledge in writing, with confirmation from the donor. Gift Processing must have a copy of this correspondence.

Pledges made by individuals may be fulfilled through available funds to the donor including, but not limited to, organizations such as family foundations, community foundations, family or closely held corporations, or other donor-directed funds as directed by current IRS regulations.

An existing pledge or payment should be modified only when the gift processor receives written documentation from the donor. The donor holds the right to alter the payment schedule or future designation of a pledge; any such alterations shall be communicated to the University in a timely fashion.

Pledge payment schedules that are longer than five years in length require the approval of the Vice President for University Advancement.

### **Pledge Write-offs**

If deemed appropriate by Advancement, donor pledges may be terminated. If requested, an entire pledge balance, or the remaining portion of a pledge, may be written off. Such requests may originate either with the donor or Advancement staff.

All pledges scheduled to be completed by the end of a fiscal year will be written off at the closing of each fiscal year unless Advancement is notified that the pledge is still collectable.

Pledge write-offs associated with previously assigned naming opportunities will be handled in a manner appropriate to the pledge and on a case-by-case basis by the GAC.

### **Physical Acceptance of Funds**

When a University staff member receives a check, cash, or other currency, it is the responsibility of that staff member to transmit the funds to Advancement. Gifts of cash or checks must be delivered to Advancement in person. At the time of delivery, Advancement staff will verify the cash amount with the deliverer.

The use of campus or interoffice mail to transmit funds to Advancement is not permitted.

If a University or Advancement staff member receives a gift while traveling for the University, they shall transmit the funds to Advancement immediately upon return.

No University staff member may take physical possession of any non-cash item (such as books, artwork, musical instruments, etc.) prior to approval by the GAC where such is required. If GAC approval is not required for a non-cash item, the staff member shall consult with Advancement on appropriate gift acceptance procedures.

### **Quid Pro Quo and Events**

According to the IRS, the definition of a *quid pro quo* contribution is any payment donors make to a charity partly as a contribution and partly for goods or services. The University is required to provide a written disclosure to the donor who receives goods or services from the University in exchange for a single payment from the donor in excess of \$75 or the current IRS limit. This disclosure will:

- A. Inform the donor that the amount of the contribution that is deductible for federal income tax purposes is limited to the excess of any money (and the value of any property other than money) contributed by the donor over the fair market value of goods or services provided by the charity; and
- B. Provide the donor with a good faith estimate of the fair market value of the goods or services the donor received.

Any University department, team, or group sponsoring a fundraising event should contact Advancement for guidance and support in advance of the event.

It is the responsibility of the department, team, or group to submit to Advancement information on the fair market value of any benefits or premiums provided to the donor in exchange for their contribution to the University. Any printed or web-based materials (including email) advertising the event must contain language about the full market value of the event.

All charitable gifts, including participation in an event, outing, or other sponsorship for the University are processed through Advancement. Checks must be made payable to **Wittenberg University** in order to provide a charitable gift receipt to donors. Gifts of cash or check must be delivered to Advancement after the event within 3 business days.

## VIII. ASSETS FOR MAKING A GIFT

Donors shall be encouraged to secure independent expert advice in advance of making a gift. All financial information obtained from the donor will be kept confidential. The University will work closely with the donor to ensure that the donor's intent is clear and acceptable to both parties.

- A. Cash or Check – the donor may direct a contribution of cash or a check to the University
- B. Credit Cards – VISA, MasterCard, Discover Card or American Express credit cards can be used to initiate a gift to the University
- C. Bank Drafts – the donor may elect to electronically debit their checking or savings account
- D. Foreign Currency – foreign currency and US dollars drawn on foreign banks may be treated as gifts; the donor will receive credit in US dollars for the amount at which the gift is valued based on exchange rates in effect on the day of receipt
- E. Wire Transfers – the donor may initiate a wire transfer to facilitate a gift to the University
- F. Publicly traded securities – gifts of securities to the University are accepted through an approved Depository Trust Company (DTC), through the donor's own broker, or by registered mail; once the securities are transferred, it is the policy of the Board of Directors to immediately sell the securities. The GAC must approve any exceptions to this policy.

- G. Closely Held Securities – gifts of closely held securities will be considered after review by the GAC. Valuation must be substantiated through other sales prices or by expert appraisal prior to acceptance and shall be in accordance with generally accepted accounting principles for closely held businesses and methods consistent with IRS regulations pertaining to gift validation.
  - 1. Gifts of closely held securities will be recorded as cash gifts in the amount of the sale’s proceeds.
- H. Family Limited Partnerships – gifts of interests in a family limited partnership will be considered after review by the GAC.
- I. Retirement Plan Assets – donors may wish to withdraw or transfer retirement plan assets during his/her lifetime to fund a gift to the University.
- J. Payroll Deduction – University staff members may elect to donate to the University with automatic deductions from their paycheck; payroll deduction forms are processed by Advancement and recorded in the staff member’s Human Resources record.

At this time, the University, in accordance with this policy, does not accept charitable gifts of crypto-currency or through third party payment entities such as Apple pay or Venmo. As currency options are made available and secure, the GAC will review and make recommendations to the President for future changes to this category.

### **Services**

This term includes professional or personal services or time which is freely given. Gifts of service are not recognized by the IRS as a charitable, tax-deductible donation and the University will not provide a tax receipt for such gifts.

### **Tangible Personal Property or Gifts-in-Kind**

Typically, non-monetary gifts considered for gift recognition purposes are pieces of tangible personal property or gifts-in-kind. The University will consider gifts-in-kind only after a thorough review of the item’s consistency with the University’s mission, the cost of maintenance, cataloging, delivery, insurance, display, any space requirements for exhibiting or storage, and any other pertinent issues surrounding the gift. The University will also ensure that acceptance of such gift will not involve financial commitments in excess of budgeted items or other obligations disproportionate to the usefulness of the gift. The GAC has the right of refusal of any tangible personal property or gift-in-kind.

Legal and ethical requirements prohibit Wittenberg from appraising gifts. This protects both the donor and the University. Appraisals of gifts-in-kind are to be conducted by certified, independent appraisers not associated in any way with the University as per IRS Form 8283; the cost of the appraisal shall be the donor’s responsibility.

Gifts-in-kind valued at or under \$100,000 will be considered after review and approval by

the GAC. Gifts-in-kind valued over \$100,000 will need approval by the GAC, the President, and Board of Directors.

The University must be given full transfer of gifts-in-kind; partial interest in property over which the donor retains control is not a gift.

Prospective donors are advised that the University retains the right to sell or otherwise dispose of the personal property in question, if such action is financially advisable or necessary, and if there is no formal agreement to the contrary with the donor. In the event a gift in kind is sold, donated or otherwise disposed of by the University within three years of receipt, the Office of Finance & Administration will provide the donor with a copy of IRS Tax Form 8282. It is advised, however, that gifts of tangible personal property not be accepted if it is the University's intention that they are to be sold within three years of receipt.

### **Real Estate**

The Real Estate Subcommittee of the Board of Directors is authorized to act on behalf of the Board to acquire and dispose of off-campus real estate. According to Section 3, Item (d)(3) of the Bylaws of the Board of Directors:

The Real Estate Subcommittee has oversight responsibility for the real property owned or used by the University. It shall consider and recommend to the Board the acquisition, use and disposition of real estate. Unless specifically authorized to do so by the Board or Executive Committee, the subcommittee shall have no authority to incur debt or to mortgage, lease or otherwise encumber any real estate or other assets of the University.

Gifts of real estate require the approval of the Real Estate Subcommittee of the Board of Directors. A Phase I Environmental Report, funded by the prospective donor, will be performed on every real property asset prior to its acceptance by the Real Estate Subcommittee.

The University may accept gifts of real estate where no mortgage is involved including, but not limited to, outright gifts, testamentary gifts, bargain sales, and retained life estates.

### **Life Insurance**

Donors may choose to designate the University as the beneficiary of a life insurance policy. A whole life insurance policy may be accepted as a gift to the University and credited to the donor if the University is made the owner and irrevocable beneficiary of the policy. The University will obtain the cash surrender value of all gifts of life insurance upon transfer to the University; any exceptions must be approved by the GAC. Annual policy payments made by the donor will be considered additional gifts to the University.

### **Patents & Royalties**

Gifts of patents and royalties may be accepted only after careful review by the GAC. Consideration will be given to whether the donor intends to make a gift of the entire

interest to the patent estate (or will be retaining partial interest) and whether or not the gift will include funding for future expenses for patent maintenance. Approval by the Board of Directors is required.

## **IX. DEFERRED GIFTS**

Deferred gifts are commitments made to the University now, but generally do not mature to benefit the University financially until some point in the future. Deferred gifts accepted by the University include bequests, life insurance, gifts of retirement assets and life income gifts in the form of charitable remainder trusts, charitable lead trusts, and charitable gift annuities. Donors may choose to use a variety of the assets as listed in Section VIII to fund a deferred gift to the University. Acceptance of the asset(s) shall be governed by the policy section relating to the asset(s). Advancement is authorized to negotiate deferred gifts on behalf of the University.

Deferred gift documents are to be reviewed by the GAC prior to the President's signature. The President (or designee) are authorized by the Board of Directors to sign deferred gift agreements on behalf of the University.

### **Bequest pledges**

Bequest pledges will be recorded when the donor has formally documented their intent with Advancement. The documentation must have a specified amount or percentage of the estate as stated in the will, or a credible estimate of the current value of the intended gift, at the time the commitment is made. If a value is not provided, the bequest pledge will not be recorded as part of the donor's gift record.

#### **A. Allocation of Realized Bequests**

The use of unrestricted funds from a realized bequest in excess of \$250,000 will be determined by resolution of the Board of Directors.

#### **B. Administration of Realized Bequests**

The handling of estate distributions will be coordinated by the GAC. The Vice President for University Advancement (or designee) will also serve as primary liaison with professional and non-professional individual executors or administrators.

### **Life Income Gifts**

Generally, life income gifts provide an income to the donor for their lifetime (and potentially, additional beneficiaries) or some other period of time while providing the donor with possible tax deductions; upon maturity, the University receives the remainder of the gift's value. Advancement and the Office of Finance & Administration will coordinate the solicitation of life income gifts, prepare all life income gift calculations, communicate regularly with current life income recipients, and distribute and file all administrative documentation and copies of life income gifts.

The Vice President for Finance & Administration, working with the Committee on Finance & Investments of the Board of Directors, shall be responsible for the determination of investment strategies for retained life income funds, in consultation with the Board of Directors and in accordance with the appropriate guidelines of the domicile state.

The payout rates offered for charitable gift annuities shall not exceed the rates recommended by the American Council on Gift Annuities. The GAC shall approve exceptions to the guidelines on a case-by-case basis.

The University has established minimum gift amounts for funding Charitable Remainder Trusts, Charitable Lead Trusts and Charitable Gift Annuities. These minimum amounts are set forth in Appendix A (Minimum Gifts and Naming Opportunities).

Life income agreements must be in keeping with IRS regulations regarding the requisite percentage of the face value of the gift at the time of funding:

A. Charitable Remainder Trusts

Charitable Remainder Trusts are gift vehicles that provide annual income to the donor or designees and may provide them with an immediate tax deduction and avoidance of capital gain tax at the time that the gift is funded. Donors may choose to receive either a variable annual income in the form of a Charitable Remainder Unitrust (CRUT) or a fixed annual income in the form of a Charitable Remainder Annuity Trust (CRAT). Other charitable remainder trust vehicles, including but not limited to net income and flip trusts, will be considered by the University on a case-by-case basis.

1. University-managed

The University will only act as trustee of a Charitable Remainder Trust when it is named the irrevocable remainder beneficiary.

2. Externally-managed

In the case where trusts are administered by organizations other than the University, the University encourages submission of annual statements showing the trust's value.

a. University is irrevocable beneficiary

The value of the assets in trust shall be included in the University's gift totals for the year, provided the University has an irrevocable right to all or a predetermined portion of the income or remainder interest.



b. University is not irrevocable beneficiary

A charitable trust, established through an entity other than the University where the donor reserves the right to change, modify, substitute or add beneficiaries will be recognized as a bequest expectancy, once properly documented with the University.

B. Charitable Lead Trusts

Charitable Lead Trusts are vehicles through which the University receives the annual income either variable or fixed, from the trust for a designated period. At the trust's expiration, the remainder is given to the designated beneficiaries. All Charitable Lead Trusts shall comply with aforementioned policies relating to deferred gifts.

C. Charitable Gift Annuities

Charitable Gift Annuities are vehicles that provide the beneficiaries with a fixed annual payment and may provide an upfront tax deduction and avoidance of capital gain tax at the time of the gift for the donor. The agreement is a contract between the donor and the University and is backed by the assets of the University.

The University offers Charitable Gift Annuities to beneficiaries over the age of 65. The University also offers deferred Charitable Gift Annuities to beneficiaries over the age of 55 with a minimum deferral period until they reach age 65. The University reserves the right to reject annuities if the value is disproportionate to the total pooled assets.

All Charitable Gift Annuities shall comply with aforementioned policies relating to deferred gifts.

D. Pooled Income Funds

The University does not actively promote the availability of Pooled Income Funds. As options are available and secure, the GAC will review and make recommendations to the President for future changes to this category.

**X. CAMPAIGNS**

A campaign is a catalyst for the University's fundraising operation, which in turn will significantly support the implementation of the University's strategic plan.

The University operates in compliance with all regulatory, governing agencies and the

policies and rules set forth by them. The University will credit and report on campaign gifts in a lawful, ethical manner, as described through this policy.

To support ongoing operations and long-term goals, the University may undertake special, capital, and comprehensive campaigns with the approval of the Board of Directors. Campaigns will be governed by this policy in addition to any specific campaign-related policies approved by the Board of Directors and implemented for the purpose of the campaign. Any applicable campaign policies informed by this Policy will be reviewed and adopted prior to the launch of any new campaign.

Campaign Counting Policies (or guidelines) are designed to provide transparency and a reasonable foundation for crediting decisions throughout the campaign, while allowing for flexibility in those cases which the University could not predict in advance.

Campaign counting decisions that become necessary and are not addressed within this policy will be made by the GAC and, if necessary, a Campaign Steering Committee.

## APPENDIX A

### MINIMUM FUNDING LEVELS FOR PHYSICAL NAMING OPPORTUNITIES

Naming opportunity requests are handled on a case-by-case basis. Naming opportunities that involve deferred gifts must be irrevocable. Guidelines for naming opportunities include:

**A. New building and furnishings**

A gift of at least 51 percent of the total cost of construction; the Board of Directors must approve the proposed name by a majority vote

**B. New rooms and spaces**

The cost of construction and furnishings or such amount as determined by the GAC

**C. Existing or renovated buildings, rooms and spaces**

Such amount as determined by the GAC; the Board of Directors must approve the proposed name by a majority vote

**D. Permanent fixtures or memorials on campus requiring tiles (plaques) or installations**

Proposed memorials or honor designations which are not currently funded must be presented to the Board of Directors for consideration and approval

### MINIMUM GIFTS AND NAMING OPPORTUNITIES

A.	Endowed Chair (naming opportunity)	\$1.5M
	1. Suggested additional \$100,000 current-use gift to be used in support of the professor's research.	
B.	Endowed Professorship/Position (naming opportunity)	\$1M/\$500,000
C.	Endowed Scholarship Fund (naming opportunity)	\$25,000
D.	Endowed Funds in Support of a Department, Program or Lecture	\$25,000
E.	Immediate Gift Annuities (minimum age of beneficiary – 65)	\$25,000
F.	Deferred Gift Annuity (minimum age of beneficiary – 55)	\$10,000
G.	Charitable Remainder Annuity Trusts & Unitrusts	\$100,000
H.	Charitable Lead Trusts	\$250,000

Funding for endowed chairs, professorships/named positions, endowed named scholarships, and endowed funds supporting departments, programs, and/or general scholarship may include gifts of cash, marketable securities and realized bequests, or as otherwise stated in this policy.

Advancement staff or other University employees may not commit to a naming opportunity without first obtaining the approval of the GAC and the President, prior to approval by the Board of Directors. Naming opportunity requests are handled on a case-by-case basis and must follow the Naming and Name Removal Policy in Appendix B.

## APPENDIX B

### POLICY ON THE NAMING AND REMOVAL OF NAMINGS OF FACILITIES AND PROGRAMS

#### A. Naming Approval Criteria

1. Namings as set forth in Section VI. Naming Opportunities must be included in the signed agreement and adhere to the following criteria:
  - i. There are no conflicts with other names on campus.
  - ii. The name does not call into question the public respect of the University.
  - iii. The GAC has approved requests and the Provost has reviewed any proposed academic unit namings.

#### B. Removal of Naming Criteria

1. Removing a naming designation is a serious step that cannot be taken lightly or hastily. It should occur only under exceptional circumstances with the recommendation of the GAC, President and the Board of Directors.
  - i. When a facility, program, space, or organization ceases to exist, the University will make every effort to continue to commemorate memorial or donor recognition in an appropriate way with recommendation from the GAC, President and approval of the Board of Directors; however, the University will not usually transfer a name to another facility or organization.
  - ii. Additionally, the University reserves the right to withdraw a name of buildings, schools, spaces, programs, chairs, professorships, scholarship and the like under extraordinary circumstances when, based on information available, the continued use of the name would compromise the public trust and reflect adversely upon the University. Any such reputational risk to the University where the donor's actions are found to be outside the bounds of acceptable conduct, violations or ethical concerns shall be reviewed with recommendation from the GAC to the President with approval of the Board of Directors. In the case of donor-funded namings, the University may remove a name upon the failure of financial commitment to be satisfied.
2. Process for submitting a written request for removal:
  - i. The process for deciding whether to remove a naming designation should reflect a consistent set of standards, a careful and deliberate balancing process, and an acknowledgement of the complex intersection between the lessons of our past and present in conjunction with the mission of the University. The President may begin the process of reconsidering a naming at their own initiative or in response to a written request.
    - I. A written request to the President should include:
      - a. The specific conduct by the namesake of the entity that jeopardizes the University's integrity, mission or values.
      - b. The character of the named individual and the extent of the harm to the University caused by continuing to honor the namesake.
      - c. The sources and strength of the evidence that supports the allegation(s) of the harm.

- d. Alignment of the allegation(s) with the principles detailed here:
  - i. The namesake was found to have committed a serious violation of a current state or U.S. law during their lifetime (regardless of whether or not that law was intact during the namesake's lifetime).
  - ii. The conduct in question was central to a namesake's career, public identity, or life as a whole.
  - iii. Allegations are supported by documentary evidence that demonstrates both the extent and the intentionality of a namesake's actions.
  - iv. Honoring a namesake demonstrably jeopardizes the University's integrity and materially impedes its mission or contributes to an environment that excludes some members of the University community from opportunities to learn, engage and belong.
  - v. The removal of the name would not fail to acknowledge the historical complexity or holistic contributions of the individual to the University or the public.

- II. Upon receipt of a written request, the President shall refer a written request for removal of a name to a committee appointed by the President, which shall investigate the claims and provide a written report back to the President in a timely manner. As part of the investigation, the committee may invite comments from members of the University community, on or off campus. The appointed committee will provide their findings to the GAC and President for review based on the principles detailed above in deciding whether to formally request that the Board of Directors consider a request for removal.
  - a. In the event it is determined a formal request to the Board of Directors is warranted, the President will provide a report and a recommendation to be reviewed by the Committee on Advancement and Alumni Relations of the Board of Directors, prior to consideration by the Board of Directors.
  - b. In the event it is determined the written request does not warrant a formal request of the Board of Directors, the President and appointed committee will provide a response to the requesting party.
- III. Opportunities for education and preservation of historical knowledge to advance the University's mission and values must be considered in any final determination on the potential removal and/or renaming of a University space.

## APPENDIX C

### DONOR RECOGNITION, MEMORIALS & HONORARIUMS

Due to the rapid fluctuations of material costs, the minimum gift amounts listed below will be re-evaluated biennially by a representative from Advancement and a representative from the Office of Finance & Administration. Honorariums or Memorials of \$1,200 or more are to be approved by GAC. Due to product availability and maintenance requirements, brick and landscape availability is determined on a case-by-case basis.

#### Alumni & Senior Bricks

4" x 8" Engraved brick and installation	\$500
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#### Miscellaneous Honorariums/Memorials

Plaque and installation (cost will vary depending on size and type) (includes \$200 plaque)	\$1,500
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#### Landscape

Existing tree or flowerbed w/plaque installation (includes \$200 plaque)	\$1,500
Planting of new tree w/plaque installation	\$5,000

#### Bench

New bench w/plaque installation (includes \$200 plaque)	\$7,500
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#### Million Dollar Donor Wall

Name engraved on the donor wall around the seal in center of campus *in cumulative giving to the University	*\$1,000,000
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