



University of the West Indies Development & Endowment Fund

Gift Policy & Stewardship Manual



Definition of Stewardship

The University of the West Indies has embraced the traditional concept of Stewardship which can be broadly defined as the act of managing and supervising another's property while caring for the owner of that property. Stewardship begins with thanking donors and donors' families for their gifts to our institution. If the gift is a planned gift, stewardship includes administering the gift properly at The UWI and providing donors with appropriate financial information about their gift. Stewardship also includes reporting information to a donor about the use of donated funds and ensures that the donor is satisfied with the way the gift is used. A critical part of the stewardship process is continued cultivation that may include, at some point, soliciting the donor for additional gifts.

Stewardship is important because it is the lifeblood of all nonprofit organizations that hope to establish and continue long-term relationships with donors and their families. It is one way that The UWI expresses care about the donor and the donor's gift, and helps demonstrate the permanence of The UWI and its future. Sustained stewardship demonstrates to a donor that he or she is a partner with The UWI in providing valuable services. Stewardship maintains a donor's positive feelings about The UWI that result in the donor's first gift and is a step in producing additional gifts.

Stewardship Task Force

- Executive Director
- Administrative Assistant
- Data Processing Assistant
- Financial Management Assistant
- Board of Directors

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Section I

Mission of UWI Development & Endowment Fund

“In keeping with the University of the West Indies to unlock the enormous potential of our people, the University of the West Indies Development & Endowment Fund is dedicated to raise and secure annual funds and expand endowed monies to ensure institutional growth, advancement and perpetuity.” To that end, The Fund will properly steward all gifts and give appropriate recognition to the accomplishments of our volunteers, alumnae, and students.

To fulfill its mission, The Fund solicits and receives gifts and pledges of money and other property, both real and personal, by outright gift, by deferred gift arrangements, and by bequest. The Fund is the primary channel for all gifts to the University from all private and government sources.

The Fund recognizes the critical importance of philanthropic contributions to the continued existence of The University and further accepts its responsibility to ensure that gifts from external sources:

- Are appropriate to the mission of the University,
- Do not carry restrictions or conditions that may compromise the University,
- Are legal,
- Are from donors whose intents are charitable, and
- Are administered to protect donor’s rights and wishes,

The Fund cannot accept gifts that involve unlawful discrimination based upon race, religion, sex, age, national origin, color, handicap, or any other basis prohibited by national laws and regulations. Nor can the Fund accept gifts which obligate it to violate any other applicable law or regulation or which violate the charter or mission of the University.

The Fund will keep confidential all information about donors and prospective donors, including but not limited to their names, address, telephone numbers, gift amounts, and personal financial status of any kind. This policy shall become effective immediately and shall supercede any existing policy or policies purporting to cover the subject matter of this document.

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 assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the non-governmental organizations and causes they are asked to support, we declare that all donors have these rights:

- I. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- II. To be informed of the identity of those serving on the organization's governing board and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- III. To have access to the organization's most recent financial statements.
- IV. To be assured their gifts will be used for the purposes for which they were given.
- V. To receive appropriate acknowledgment and recognition.
- VI. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
- VII. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- VIII. To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors.
- IX. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- X. To feel free to ask questions when making a donation and to receive prompt, truthful, and forthright answers.

Adopted by:
 American Association of Fund Raising Counsel (AAFRC)
 Association for Healthcare Philanthropy (AHP)
 The Association of Fundraising Professionals (AFP)
 Council for Advancement and Support of Education (CASE)
 Endorsed by (information)
 Independent Sector
 National Committee on Planned Giving (NCDG)
 National Catholic Development Conference (NCPG)
 National Council for Resource Development (NCRD)
 United Way of America

Section II

Gift Acceptance Policies

Outright Gifts

This section describes the acceptance criteria and procedures for accepting outright gifts, including cash, securities, and property. This section identifies types of outright gifts the Fund will accept, defines the minimum gift level requirements for gifts types, identifies those authorized to accept gifts, details acceptance procedures, and gives recording standards.

The Fund will accept gifts of cash, including local currency, foreign currency, cheques drawn on Localmacion and foreign banks, credit card payments, payroll deductions, and third-party cash/cheques.

Local Currency/Cheques: The Fund will accept outright gifts of LOCAL currency and cheques drawn on LOCAL banks that are deemed to be from legal sources.

Minimum Gift Level: There is no minimum gift level for outright gifts of cash.

Authorization for Acceptance: The Executive Director of The Fund is responsible for authorizing acceptance of gifts of \$1,000,000 or more.

Acceptance Procedure: Administrative Staff will ensure that cheques are made payable to The Fund and that gifts are forwarded for deposit. The names of the donors and allocations must be included.

Recording Standards: Administrative Staff will record the amount of gifts of LOCAL currency and cheques drawn on local banks as of the date they are received.

Foreign Currency/Cheques: The Fund will accept outright gifts of foreign currency and cheques drawn on foreign banks that are deemed to be from legal sources.

Minimum Gift Level: There is no minimum gift level for outright gifts of cash.

Authorization for Acceptance: The Executive Director of The Fund is responsible for authorizing acceptance of gifts of \$20,000 U.S (equivalent) or more.

Acceptance Procedure: Administrative Staff will ensure that cheques are made payable to the Fund and that the gifts are forwarded for deposit. The names of the donors and allocations and the value of the gifts based on exchange rates on the date of receipt must be included.

Recording Standards: Foreign currency and local dollars drawn on foreign banks will be recorded as gifts as the date they are received. Donors will receive credit

in local dollars for the amounts at which gifts are valued. Gift values will be based on exchange rates on the date of receipt.

Credit Card Payments: The Administrative Staff will accept outright gifts via credit card payments that are deemed to be from legal sources.

Minimum Gift Level: The minimum gift level is \$1,000 per month.

Authorization for Acceptance: The Executive Director of The Fund is responsible for authorizing acceptance of gifts of \$1,000,000 or more.

Acceptance Procedure: Administrative Staff will provide the administrative staff with donors' names as they appear on their credit cards, credit card types (VISA, MasterCard or American Express only), account numbers, expiration dates, and allocations. It is not necessary to be in possession of the credit card to accept a credit card gift. The Fund will take all reasonable precautions to keep donors' credit card information confidential.

Recording Standards: The administrative staff will record the amount of credit card gifts as of the date they are billed to donors' credit cards.

Payroll Deductions:

Minimum Gift Level: The minimum gift is \$250 per month.

Acceptance Procedure: Interested employees will contact the Fund's administrative staff to establish a program of recurring payroll deductions. Donors will submit signed payroll deduction cards authorizing gift deductions. The deduction may be changed or stopped by contacting the Fund's administrative staff. Notice must be provided at least two weeks prior to pay period.

Recording Standards: The administrative staff will record gifts on a monthly basis when the assets are passed by payroll deduction procedures to the business office.

Electronic Funds Transfer:

Minimum Gift Level: The minimum gift level is \$1,000 per month.

Acceptance Procedure: Interested donors must fill out an authorization form (which can be obtained from the Fund office or website) and attach a voided check. The donor's account will be debited on the 10th of each month. The number of monthly deductions is pre-determined by the donor.

Recording Standards: The administrative staff will record gifts on a monthly basis when the assets are passed by the financial institution to the Fund.

Assignments of Income: The Fund will accept third-party gifts (Assignment of Income). A donor may assign to The Fund income the donor is entitled or authorized to receive from a third party, such as payment for service on a corporate board, honoraria, consulting payments, etc.

Minimum Gift Level: There is no minimum gift level for outright gifts of cash.

Authorization for Acceptance: The Executive Director of The Fund is responsible for authorizing acceptance of gifts of \$1,000,000 or more.

Acceptance Procedure: Administrative Staff will record the monetary amount of the gifts, the names of the donors (to be credited with the gift), names of third-party payers (the people or entities making the payment), and the allocations. *Note: Gift credit will be given to the individual to whom payment would otherwise have been made. These donors must declare the payment as income for tax purposes, and may claim a charitable deduction as a result of the donation. Even if a third party makes payment directly to the Fund, the Inland Revenue Department considers it a payment to the donor.*

Recording Standards: Gifts will be recorded upon receipt of payment from either the donor or the third party.

Quid Pro Quo Contributions: The Fund will accept quid pro quo contributions, specifically including gifts generated by fund-raising events. Quid pro quo contributions are defined as “a payment made partly as a contribution and partly in consideration for goods or services provided to the payer by the donee organization.

Minimum Gift Level: There is no minimum gift level for outright gifts of cash.

Authorization for Acceptance: The Executive Director of The Fund is responsible for authorizing acceptance of gifts of \$1,000,000 or more.

Acceptance Procedure: Administrative Staff will record the amount of the gifts, the names of the donors, and the allocations. The gift amount of a quid pro quo contribution is deemed to be that portion of a donor’s payment which exceeds the value of benefits the donor receives from the Fund.

Recording Standards: The Fund will record only the amount of payments that exceed the value of benefits donors receive from the Fund in return for payments. The Fund considers gifts generated by fund raising events, including but not limited to “benefit auctions”, to be quid pro quo contributions and will record them as such.

Securities: The Fund will accept gifts of securities, including stocks and bonds, that are deemed to be derived from legal sources and that are passed irrevocably from a donor's control. Gifts of securities pass irrevocably from a donor's control when (a) a donor puts them in the mail, (b) a donor delivers them to the Fund, or (c) a donor irrevocably instructs his or her broker to transfer securities to a the Fund's account.

Minimum Gift Level: There is no minimum gift level for gifts of securities.

Authorization for Acceptance: The Executive Director of the Fund in consultation with the Finance Committee is responsible for approving and accepting gifts of publicly traded stocks and/or bonds. Gifts of securities, which are not publicly traded, are subject to review and approval by the Executive Director of The Fund, Chairman of the Board and Finance Committee, and, where appropriate, a professional investment advisor.

Acceptance Procedure: Administrative Staff are responsible for notifying the Executive Director of the Fund of gifts of stocks and/or bonds and the allocations.

Recording Standards: All gifts of securities will be registered to the Fund (taxpayer registration number # 000 993 204), regardless of restrictions on uses of gifts. In addition, The Fund will secure letters of intent from donors that include the number of shares and stock type to be given. To facilitate securities transfers, administrative staff members shall instruct donors to contact the Executive Director of The Fund who will work directly with donors and their professional advisors to effect gifts of securities in accordance with prevailing internal policies and procedures. The administrative staff will record the gift of securities with the date issued to the Fund and the value as determined below. Inland Revenue Department regulations require that securities be valued as follows:

- Publicly Traded Stocks: Value is determined by the average of the high and low trades on a public exchange (the "mean market value") on the date of the gift.
- Over-the-Counter Stocks: Value is determined by the mean of the bid/ask prices of the stock on the date of the gift.
- Publicly Traded Bonds: Value is determined by the mean of the bid/ask prices of the bond on the date of the gift.
- Non-Traded Stocks and Bonds: Assets may be transferred through a broker or bank with a value and quality rating, or assets may be valued in consultation with professional experts or institutions in related trade or business as an appraisal value.

Donors will be advised to consult their financial advisors for specific information regarding the tax consequences of any gift of securities.

Non-Publicly Traded Securities: Before the Fund will accept gifts of securities that are not publicly traded, these gifts shall be reviewed by the Executive Director of the Fund and the Chairman's of the Board and Finance Committee. This review is required because (a) these stocks are not traded on stock exchanges and are difficult to value, (b) they may be subject to shareholder or other agreements that may limit the ability to convert them into cash, and (c) there may be securities regulations and financial laws to which the Fund must adhere. Gifts of such stocks will be recorded only when assets pass irrevocably from donors' control.

Property: The Fund will accept gifts of property, including tangible personal property, intangible personal property, and real property.

Tangible Personal Property: Gifts of tangible personal property are defined as those gifts, other than land and improvements to land, that "can be touched." The Fund will accept gifts of tangible personal property such as works of art, books and manuscripts, audio and video productions, boats, motor vehicles, and computer hardware and software.

Minimum Gift Level: The Fund will accept gifts of tangible personal property for which there is a ready market and for which it can reasonably expect to net a minimum of \$50,000 if sold. The Fund may waive the minimum gift requirement if the gift may lead to other gifts, is part of a larger estate gift, or is from a prolific donor.

Authorization for Acceptance: The Executive Director of the Fund or his or her designee is responsible for approving and accepting gifts of tangible personal property; however, gifts of works of art must be made with the knowledge and/or involvement of the Director of the University's Fine Arts Museum. Gift of books and manuscripts, must be made with the knowledge and/or involvement of the University's archivist.

Acceptance Procedure:

1. Administrative Staff or other appropriate department officials will prepare written summaries of gift proposals and submit them to the Executive Director on Non-Cash Gifts forms. Each summary will include: a description of the asset; the purpose of the gift; identification of the department(s), program(s) or endowment(s) to benefit from the gift; an estimate or appraisal of the gift's fair market value and marketability; descriptions of any potential University uses, including written review(s) by department(s) to benefit from the asset and descriptions of any special arrangements concerning disposition of the asset. For gifts of art, Administrative Staff or appropriate department officials also will obtain written statements or contracts from donors that define gifts of art as short-term loans, long-term loans or irrevocable gifts. *Note: A "promised gift" of art will be treated as a long-term loan until such time as the art becomes an irrevocable gift, either outright or through a*

bequest. The Fund will not take possession of any collection or piece of art that is not clearly designated in writing as a short-term loan, long-term loan or irrevocable gift.

1. The Executive Director will review each written summary with appropriate University officials to (a) approve the proposed gift, (b) reject the proposed gift, or (c) postpone a decision pending receipt of additional information.
2. The Executive Director will inform the Administrative Staff or other appropriate department official of the decision of the Fund.
3. The Administrative Staff or other appropriate department official will inform the donor in writing of the decision.
4. The Administrative Staff will inform the donor that the Fund will neither appraise nor assign value to the gift property. It is the donor's responsibility to establish a value for the gift and to provide, at his or her expense, a qualified appraisal is required. The Administrative Staff will also inform the donor that the Inland Revenue Department requires the donor to file for gifts of tangible property, and that this form should be sent to the Executive Director for execution by The Fund. The Administrative Staff will also advise the donor that the Fund will have to report a disposition price to the Inland Revenue Department if the gift is sold within two years. The gift will be completed upon the execution and delivery of a deed of gift or other appropriate property acceptable to the University and/or upon delivery of the property, as applicable.
5. The Executive Director of the Fund will acknowledge the gift on behalf of University.

Recording Standards: Provided a gift of tangible personal property meets the criteria set forth above, the administrative staff will record it as having been made either a) when physically delivered by the donor to the Fund directly or b) upon receipt of a legally binding document conveying ownership of the property from the donor to the Fund. The value assigned to the gift will be the amount set forth in a qualified appraisal provided by the donor or, if no appraisal is available (as may be the case where the value of the donated tangible property is less than \$5,000), the amount reported as the fair market value of the property on the donor's Inland Revenue Department documentation.

Intangible Personal Property: The Fund will accept gifts of intangible personal property, such as patents, copyrights, goodwill, trade names and trademarks, partnership interests, and installment obligations.

Minimum Gift Level: The Fund will accept gifts of intangible personal property for which there is a ready market and for which it can reasonably expect to net a minimum of \$50,000 if sold. The Fund may waive the minimum gift requirement if the gift may lead to other gifts, is part of a larger estate gift, or is from a prolific donor.

Authorization for Acceptance: The Executive Director or his/her designee is responsible for approving and accepting gifts of intangible personal property. Acceptance of gifts of intangible personal property will be based on whether the property (a) is readily marketable, (b) is needed by The University for use in a manner which is related to the purposes for which its tax exempt status was granted, and (c) promotes its tax exempt purpose.

Acceptance Procedure:

1. Administrative Staff or other appropriate department officials in consultation with the planned giving officer will prepare written summaries of gift proposals and submit them to the associate Executive Director on Non-cash Gifts forms. Each summary will include: a description of the asset; the purpose of the gift; identification of the department(s), programs(s), or endowment(s) to benefit from the gift; an estimate or appraisal of the gift's fair market value and marketability; descriptions of any potential University uses, including written review(s) by department(s) to benefit from the asset; and descriptions of any special arrangements concerning disposition of the asset.
2. Administrative Staff in consultation with the Executive Director will review each written summary with appropriate University officials to (a) approve the proposed gift, (b) reject the proposed gift or (c) postpone a decision pending receipt of additional information.
3. The Executive Director will inform the Administrative Staff or other appropriate department official of the decision of the Fund.
4. The Administrative Staff or other appropriate department official will inform the donor of the decision in writing.
5. The Administrative Staff will inform the donor that the University will neither appraise nor assign value to the gift property. It is the donors' responsibility to establish a value for the gift and to provide, at his or her expense, a qualified appraisal required by the Inland Revenue Department for gifts of intangible personal property valued in excess of \$50,000. The Administrative Staff will advise the donor that the Fund will have to report a disposition price to the Inland Revenue Department if the gift is sold within two years. Such disposition at below the appraised gift value could have a negative impact on donors' tax situations.

6. The gift will be completed upon the execution and delivery of a deed of gift or other appropriated conveyance acceptable to The University and/or upon delivery of the property, as applicable.

7. The Executive Director of The Fund will acknowledge the gift on behalf of the University.

Recording Standards: Provided a gift of intangible personal property meets the criteria set forth, administrative staff will record it as having been made upon receipt of a legally binding document conveying ownership of the property from the donor to The University. The value assigned to the gift will be the amount set forth in a qualified appraisal provided by the donor or, if no appraisal is available (as may be the case where the value of the donated property is less than \$50,000), the amount reported as the fair market value of the property.

Note: Ownership of intangible personal property, especially patents and copyrights, can often result in earned income; such income, however, is not to be treated and recorded as a gift if the value of the underlying intangible personal property has already been recorded.

Real Property: The Fund will accept gifts of real property; improved and unimproved, including detached single- family residences, condominiums, apartment buildings, rental property, commercial property, farms, and acreage. These gifts may include real property subject to a retained life estate or other planned gift vehicles. Donors may make outright and planned gifts of real property, undivided interests in real property, and real property subject to debt.

Minimum Gift Level: The Fund will accept gifts of real property for which it can reasonably expect to net a minimum of \$500,000 if sold. The Executive Director of The Fund may waive the minimum gift requirement if the gift may lead to other gifts, is part of a larger estate gift, or is from a prolific donor.

Authorization for Acceptance: The Executive Director of The Fund is responsible for approving and accepting gifts of real property in consultation with the Board of Directors.

Acceptance of gifts of real property will be based on:

- Market value and marketability based on a reasonably current appraisal from a qualified appraiser indicating the fair market value of the property and interest in the property that the Fund would receive.
- Potential environmental risks based on environmental audits that must be obtained for any preferred gift of real property except for residential property that has been used solely for residential purposes.
- Limitations and encumbrances, including any and all mortgages, deeds of trust, restrictions, reservations, easements, mechanic's liens and other limitations of record. No gift of real estate will be accepted until all mortgages, deeds of trust, liens and other encumbrances have been discharged. Exceptions may be made

when the fair market value of the Fund's interest in the property net of all encumbrances is deemed to be substantial, or when a separate agreement to pay any encumbrances, that might be charged to the Fund has been executed by a financially responsible party.

- The existence and amount of any carrying costs, including real estate taxes, insurance, utility services, transfer fees, and property owners' association or membership dues.
- Title information in the possession of the donor, such as the most recent survey of the property, a title insurance policy, and/or an attorney's title opinion.

Acceptance Procedure:

1. Administrative Staff is responsible for working with the donor and/or the appropriate department officials to prepare a written summary of the gift proposal and to submit it to the Executive Director of The Fund. The summary shall include: a description of the real property; the purpose of the gift; identification of the department(s), program(s), or endowment(s) to benefit from the gift; an appraisal of the property and disclosure of The Fund's interest in the property's fair market value and marketability; disclosure/discussion of any potential for income and expenses, encumbrances, and carrying costs prior to disposition; disclosure/discussion of any environmental risks or problems revealed by audit or survey; descriptions of any potential University uses of the real property; descriptions of any special arrangements requested by the donor concerning disposition of the real property; and title information.
2. The Executive Director of The Fund, with consultation of the Board of Director's are responsible for reviewing the summary material in order to (a) recommend to the acceptance of the proposed gift of real property, (b) reject the proposed gift, or (c) postpone a decision pending receipt of additional information.
3. The University will neither appraise nor assign value to the gift property. It is the donor's responsibility to establish a value for the gift and to provide, at the donor's expense and a qualified appraisal is required.
4. A gift of real property will be completed upon the execution and delivery of an acceptable deed or other appropriate conveyance document. The costs associated with the conveyance and delivery of the gift, recording fees, a current survey, title insurance, and/or an attorney's title opinion will be either paid by the donor or charged to the Fund.
5. The Administrative Staff is responsible for informing the donor of required forms for gifts of real property and for instructing donors to return this form after it has been signed by the appraiser for execution by the Fund.
6. Agreements: The Administrative Staff or other appropriate department official responsible for accepting a gift will consult with the Executive Director for

special guidance regarding procedures in place for preparing donor gift agreements.

Recording Standards: Provided a gift of real property meets the criteria set forth earlier, administrative staff will record it as having been made on the date The Fund receives the fee simple/quit claim deed of gift or other appropriate conveyance evidencing the Fund ownership of the property. The value assigned to the gift will be the amount set forth in a qualified appraisal provided by the donor.

Gift-in-Kind: Gifts-in-kind are non-cash donations of materials, consulting services, executive on-loan programs, or long-lived assets. Gifts of materials or long-lived assets that serve the purpose of the University should be reported at their face (fair market) value. Gifts-in-kind might include such items as equipment, software, printed materials, food or other items used for hosting dinners, etc. For items such as equipment and software, the gift will be reported at the educational discount value – that is, the value the Fund would have paid had it purchased the item outright from the vendor.

Minimum Gift Level: There is no minimum gift level for gifts-in-kind.

Authorization for Acceptance: The Executive Director of the Fund is responsible for approving all gifts-in-kind which are receipted and recognized by the Fund.

Acceptance Procedure: Administrative Staff or other appropriate department officials in consultation with Executive Director will prepare written summaries of gift proposals and submit them to the Executive Director on Non-Cash Gifts forms. Each summary will include: a description of the asset; the purpose of the gift; identification of the department(s), program(s), or endowment(s) to benefit from the gift; an estimate or appraisal of the gift's fair market value and marketability; descriptions of any potential University uses, including written review(s) by department(s) to benefit from the asset; and descriptions of any special arrangements concerning disposition of the asset.

Recording Standard: The administrative staff will record the gift as of the date the gift was received or the date the service was performed. The value assigned to the gift will be the amount set forth on the Non-Cash Gift form.

Section III

Deferred Gifts

Deferred Gifts: The University will accept deferred gifts, including life income gifts, gifts of life insurance and bequests made through donors' wills. The Fund may serve as sole trustee of any deferred gift that requires the appointment of a fiduciary and will serve as sole trustee or co-trustee of any deferred gift in which the remainder interest is 50% or more of the value of the assets transferred.

Life Income Gifts: Life income gifts are those that provide recipients with annual incomes, including trusts, annuities, and pooled income funds.

Trusts: Trusts include:

1. *Charitable Lead Trusts*, agreements by which The University accepts assets in trust for a specified term of years, during which it receives periodic distributions from the trust. At the expiration of the time period determined by donors, assets are transferred back to donors and/or beneficiaries specified by donors.

2. *Charitable Remainder Trusts*, agreements that provide distributions to one or more term beneficiaries. Established during life or at death, the donor (or his or her estate) receives a current income for estate tax deduction and the beneficiary(ies) receive periodic distributions from the trust. When the trust terminates, the remaining trust funds are paid over to The Fund for purposes designated by the donor. Charitable Remainder Trusts can last either for the life of the income beneficiary(ies) or for a term between one and twenty years. Charitable Remainder Trusts may take the forms of Charitable Remainder Annuity Trusts and Charitable Remainder Uni-trusts (straight entrusts, net income entrusts or net income with make- up entrusts).

Minimum Gift Level: The Fund will accept charitable lead and remainder trusts initially funded with a minimum gift of \$50,000. In the case of a charitable remainder trust, the value of the Fund's remainder interest must be 50% or more of the value of the assets transferred, and all income beneficiaries must be at least 60 years of age at the time the trust begins income payments.

Authorization for Acceptance: The Executive Director & Board of Directors of the Fund must approve all documents pertaining to all life income gifts, including charitable lead and remainder trusts.

Acceptance procedure:

The Executive Director and, if applicable, the Administrative Staff responsible for soliciting the gift, are responsible for ensuring that the donor's interests are served and that there is no undue influence placed on the donor. The University will not knowingly enter into agreements that jeopardize donor's interests and well being. Every effort will be made to ascertain prior to solicitation that donors have sufficient financial resources to sustain themselves during their lifetimes; however, it shall be the sole responsibility of the donor to make this determination

to his or her own satisfaction. If assessment suggests a donor is not fully capable of making a rational, informed decision regarding a charitable deferred gift, consultation with family members and professional advisors will be sought as the gift is being negotiated.

- The Executive Director of The Fund must approve all documents pertaining to all deferred gifts. Documents will be executed in duplicate, one original copy for the donor and the other copy for the office of the Fund.

If legal counsel is required, the Executive Director will secure the advice of legal counsel. (For deferred gifts that require legal counsel, no agreement will be approved without the advice of the University legal counsel and approval of the Executive Director of The Fund.

- If donors designate deferred gifts for restricted use, gift agreements will include wording that allows for modification of the agreement if unforeseen circumstances prevent the Fund from using the funds in accordance with donors' original purpose.

- If the Executive Director of The Fund determines that a gift will place unreasonable constraints and/or conditionals upon the resources and finances of the Fund and/or University, the Administrative Staff will contact the donor or executor of the donor's estate to request that unacceptable restrictions be altered or eliminated. If these restrictions cannot be altered or eliminated, the Fund may refuse to accept the gift.

- In every instance, the role of the Executive Director of the Fund and Administrative Staff is to act professionally and responsibly on behalf of the University by informing, assisting and guiding donors in the fulfillment of their philanthropic objectives as they relate to the University. In this regard, whenever circumstances warrant, the Administrative Staff in consultation with the Executive Director of The Fund, and/or other senior officers of the University in order to evaluate a deferred gift proposal.

Recording Standards:

Charitable Lead Trusts: Only the actual amount received each year from a charitable lead trust during the term of the trust will be reported.

Charitable Remainder Trusts: Only gifts made to establish charitable remainder trusts (regardless of whether or not the Fund is the trustee), where the remainder designation to the Fund is irrevocable will be reported as a deferred future commitment at both the full face value of the gift made to establish the trust and the discounted present value of the designated remainder interest which legally allows the donor to claim as an income tax charitable deduction for the gift.

Annuities: Charitable gift annuities are contractual agreements between a donor and the Fund under which the donor makes a gift and guarantees a fixed annual payment for one or two lives/entity. The rate of the annual payment will be determined from time to time.

While payout is not ensured by any governmental agency, it is endorsed by the assets of the Fund. A gift annuity provides a current income tax deduction and a payout that may be current or may be deferred for one year or more.

Minimum Gift Level: The University may accept charitable gift annuities that meet a minimum gift level of \$500,000, provided that all annuity payment recipients must be at least 55 years age at the time the annuity payments begin.

Authorization for Gift Acceptance: The Executive Director of the Fund must approve all documents pertaining to all life income gifts, including gift annuities.

Acceptance Procedure: (same as trusts)

Recording Standards: Gifts made in a charitable gift annuity transaction will be reported as a deferred future commitment at both the full face value of the gift made to establish the charitable gift annuity and the amount which is legally allowed for the donor to claim as an income tax charitable deduction for the gift, (i.e. the full face value of the gift minus the present value of the gift).

Pooled Income Funds: A pooled income account is a trust established and supervised by the Fund. The account operates to accept, commingle and invest the gifts of numerous donors. Donors may contribute cash, securities or other assets. The Fund invests those assets in a large diversified portfolio. Donors receive income from the account proportionate to the value of their contributions. Donors also receive income tax deductions based on the rate of return the previous three years, the number of beneficiaries, and the ages of the beneficiaries. Obtaining a “unit” in a pooled- income account is similar to buying a share of a mutual fund. Upon the donor’s death, his or her portion of the assets in the account is severed and turned over to the Fund. The account itself does not terminate, but continues to administer the gifts of other donors.

Minimum Gift Level: The University may accept initial contributions toward pooled income funds that meet a minimum gift level of \$250,000 and additional contributions that meet a minimum gift level of \$50,000, provided that all income beneficiaries must be at least 40 years of age at the time income payments begin.

Authorization for Acceptance: The Executive Director of the Fund must approve all documents pertaining to all life income gifts, including pooled income funds.

Acceptance Procedure: (same as trusts)

Recording Standards: Gifts will be reported as a deferred future commitment at both the full face value of the gift and the discounted present value of the Fund’s remainder interest which the Inland Revenue Department allows the donor to claim as an income tax charitable deduction for the gift.

Life Estates: A life estate is a form of deferred gift whereby a donor irrevocably transfers legal ownership of a personal residence or a farm property to the Fund but retains the right to live in or on or otherwise use the property for the remainder of his or her life (or for the lives of the donor and his or her spouse or partner) or until such time as the donor or his or her spouse or partner may elect to relinquish or terminate the retained life interest.

Minimum Gift Level: The University will accept gifts of real property subject to a retained life estate if the fair market value of the remainder interest in the property at the time the gift is made is a minimum of \$500,000. The Executive Director of the Fund may waive the minimum gift requirement if the gift may lead to other gifts, is part of a larger estate gift, or is from a prolific donor.

Authorization for Acceptance: The Executive Director of The Fund is responsible for approving and accepting gifts of real property subject to a retained life estate. Acceptance of such gifts will be based on:

- Market value and marketability based on a reasonably current appraisal from a qualified appraiser of the fair market value of the property and interest in the property that the University would receive.
- Potential environmental risk audits must be obtained for any proffered gift of real property except for residential property that has been used solely for residential purposes.
- Limitations and encumbrances, including any and all mortgages, deeds of trust, restrictions, reservations, easements, mechanic's liens, and other limitations of record. A gift of real estate subject to a retained life that is encumbered may be accepted when the fair market value of the Fund's interest in the property net of all encumbrances is deemed to be substantial, or when a separate agreement to pay any encumbrances that might be charged to the Fund has been executed by the donor or another financially responsible party.
- The existence and amount of any carrying costs, including real estate taxes, insurance, utility services, transfer fees, and property owners' association or membership dues.
- Title information in the possession of the donor, such as the most recent survey of the property, a title insurance policy, and/or an attorney's title opinion.

Acceptance Procedure: In addition, all procedures set forth in trusts with regard to the acceptance of gifts of real estate shall apply also to the acceptance of gifts of real estate subject to a retained life interest.

Recording Standards: Gifts will be reported as a deferred future commitment at both the full fair market value of the real property and the present value of the real

property which the Inland Revenue Department allows the donor to claim as an income tax charitable deduction for the gift.

Life Insurance: The Fund will accept gifts of whole life insurance policies.

Minimum Gift Level: There is no minimum gift level for gifts of life insurance policies.

Authorization for Acceptance: The Executive Director must approve the proffer of all gifts of life insurance by reference to the following preferred criteria:

The policy is a whole life insurance policy which is either (a) paid-up as of the date of gift, or (b) not paid-up as of the date of the gift but has a payment schedule, not to exceed ten years, which requires charitable contributions from the donor to the Fund in the amount of any premiums, including unscheduled premiums, which may become due.

Acceptance Procedure: If a gift of life insurance meets all of the criteria above, Administrative Staff is the point of contact for all life insurance policies and may accept it if the purpose of the gift is otherwise acceptable.

The Executive Director and Board of Directors is responsible for reviewing the life insurance policy, including type, face value, premium payment schedule, interest rate, age of ensured(s), and other relevant information, and the purpose of the gift and the department(s), program(s), or endowment(s) to benefit from the gift, in order to (a) approve the proposed gift, (b) reject the proposed gift or (c) impose any conditions for approval, including but not limited to requiring donor pledges for contributions to cover premiums and revising proposed payment schedules.

1. If a proposed gift of a life insurance policy is approved, the Executive Director of The Fund is responsible for acknowledging receipt of the gift on behalf of the University. The gift will be completed upon the execution and delivery of the life insurance policy to the Fund or upon assignment of the policy if the donor is not the original owner of the policy.
2. Administrative Staff is responsible for forwarding the policy to the Fund's Finance Committee will examine it to verify that the Fund is the owner and beneficiary, enter it into the control sheet and place it in the safe.
3. Administrative Staff is responsible for administering and maintaining records of all gifts of life insurance, including records of all donors, contribution schedules, and donor designations of death benefits. Administrative Staff also shall be responsible for monitoring payments of premiums, and upon receipt of death benefits, for providing notice to the department(s), program(s) or endowment(s) to benefit from the gift.
4. The Finance Committee is responsible for confirming the existence and cash value of all policies in force at least annually and for collecting and distributing death benefits.

Recording Standards: If the University is both the owner and the irrevocable beneficiary of the life insurance policy, the following reporting standards will apply:

The policy will be reported as an outright gift at its cash surrender value.

- Premium payments made by the donor directly to the insurer or to the Fund, which then makes the payments to the insurer, will be reported as an outright cash gift at the full value of the premium paid.
- Premium payments made by the Fund directly to the insurer with no offsetting payment received from the donor will be reported as an operating expense and not as a gift.
- Realized death benefits will be reported as a gift only if the cash surrender value of the policy has not previously been reported or if any donor-paid premiums have not previously been reported.

If the Fund receives the proceeds of an insurance policy in which it was named beneficiary but not owner, the full value of the proceeds paid by the insurer will be reported as a cash gift on the date the proceeds are received.

Bequests: A bequest is a gift made upon the death of a donor to the Fund in a donor's Last Will and Testament or other legally binding testamentary document. Gifts made via a bequest may be outright or contingent, unrestricted or restricted, and may include any item or thing of value.

Minimum Gift Level: There is no minimum gift level for bequests made via donors' wills which the Fund may receive and accept.

Authorization for Acceptance: The Executive Director is responsible for approving and accepting gifts made through bequests.

Acceptance Procedure:

1. Administrative Staff shall determine initially if the bequest is to the Fund. If it is to the Fund, the planned giving officer will cooperate with the executor of the donor's estate to complete whatever action is required to affect legal transfer of the gift from the donor's estate to The Fund.
2. If a donor designates a bequest for restricted use, the Staff designee will prepare an agreement for execution by the donor's next-of-kin or if none are known, the executor of the donor's estate, which will include wording that allows for modification of the agreement if unforeseen circumstances prevent the Fund from using the bequest in accordance with the donor's original purpose.
3. If the staff person in consultation with the Executive Director determines that a bequest will place unreasonable constraints and/or conditions upon the resources and finances of the Fund, or that any restrictions regarding the use of a bequest gift are unreasonable, or legally impermissible, the staff person will contact the executor of the donor's estate to request that unacceptable restrictions be altered or eliminated. If this approach is not successful, The Fund may consider engaging legal counsel to petition an appropriate court for permission to alter or eliminate a restriction; alternatively, acceptance of the bequest may be refused or waived.

Recording Standards: A bequest provision or other testamentary intention that is not irrevocable is only expectancy, and it will not be reported as a gift until such time as the bequest is actually realized and received. When the bequest is realized and received, it will be reported as a gift of either, as the case may be, cash at its full value on the date it is actually received by the Fund or property or other non-cash asset at its full fair market value on the date of the donor's death.

Note: *Recording undesignated bequests to the Fund: Bequests made to and received by the Fund that are not designated for a specific purpose will be submitted to the Board of Directors for review and action status.*

Section IV

Recording Standards

Outright and Deferred Gifts: Outright gifts of cash, securities, and property will be recorded only when the assets are in the possession of the Fund. Gifts will be valued on the date donors relinquish control of assets to the Fund. Securities will be valued on the date issued to the Fund. Except as noted below, gift values will be determined without regard to (a) donors' personal estimates of gift valued or (b) the worth and date of gifts reported by donors to the Inland Revenue Department.

Modifying Gift Records: Written documentation is required for all modifications to a donors' gift record. Administrative Staff must be in possession of the required written documentation.

Acceptable written documentation is limited to:

- A letter from the donor;
- A letter to the donor from a member of the development staff; or
- A completed updated pledge form.

Exceptions: Gift records may be modified without written documentation only in the case of (a) corrections of errors made by staff or (b) personal contact by the donor.

Legal Credit: Legal credit will be given to the individual/entity from whom/which a contribution is received. These donors can legally treat their gifts as charitable contributions for income tax purposes.

Soft Credit: Soft credit will be given to show affiliation with a gift. Soft credit donors cannot regard the gift as a charitable contribution for income tax purposes. Examples of gifts for which soft credit will be recorded include but are not limited to second party gifts, (i.e. matching gifts from corporations).

Second Party Gifts: Second-Party Gifts will be entered as soft credit or "on behalf of" gifts under those individuals' records designated to receive gift credit by second parties. This ensures proper recognition and gift accounting. This is done only when specifically requested by an appropriate development staff member or donor.

Corporate Cheques: The CASE/NACUBO *Management Reporting Standards for Educational Institutions* states specifically: "A check drawn from a business account should be credited to the Corporations and Businesses category." Failure to follow this policy could result in false information being provided to the Inland Revenue Department and negatively affect corporate fund raising totals. This policy applies to corporate matching gifts and any other corporate gifts.

Any possible exceptions to this policy will be addressed on a case-by-case basis. In this regard, the University recognizes that, for some donors, there is little difference between personal and business checking accounts; therefore, in appropriate instances a decision may be made to give credit to the donor by inserting the following at the bottom of the gift transaction form: *On behalf of [name of individual]*.

Donor-Advised Funds: Donor-advised funds are non governmental organizations (NGO)/501(c) (3) charitable organizations that are established to accept, invest, and distribute irrevocable contributions to other NGO/501(c) (3) charitable organizations. A donor who contributes to a donor-advised fund can "recommend" that the donor-advised fund make distributions to other non-profits of the donor's choice. However, because donors lose legal control over their gifts to a donor-advised fund, the donor-advised fund is not required to follow the donor's recommendation. Hence, the donor-advised fund is considered the legal donor of the distribution to another non-profit. The Fund gives the donor-advised fund legal credit for the distribution. The affiliated donor receives gift recognition or "soft" credit. The recommended contribution cannot be applied against the affiliated donor's persistent pledge. The personal pledge will be reduced by the amount of the gift from the donor-advised fund. Matching gift companies may or may not match contributions from a donor-advised fund.

Section V

Recording Standards for Pledges

Pledges are unconditional promises or arrangements to give money in the future.

Minimum Gift Level: There is no minimum pledge level aside from those established for Electronic Funds Transfer and Payroll Deductions.

Authorization for Acceptance: The Executive Director of The Fund is responsible for authorizing acceptance of pledges of \$1,000,000 or more.

Acceptance Procedure: Administrative Staff will record the donor's name, pledge amount, purpose of the pledge and payment schedule. Pledges are to be recorded only when full payment is expected at a pre-established time in the future. All copies of pledges (except Telethon pledges) will be forwarded to the central files and filed with the corresponding donor's file.

1. Recording Pledges with Written Documentation: Pledges are to be recorded when the staff receives written documentation either (a) from the donor to the Fund or (b) from the Fund to the donor. Written documentation must provide

information about the donor's payment intentions or payment schedule. Pledge agreements and signed fund agreements constitute adequate written documentation for recording pledges. Pledge agreements are required for all gifts of \$50,000 or more. A letter from a Administrative Staff to a donor who has made a verbal pledge may be considered adequate documentation if (a) the letter confirms the development staff's understanding of the verbal pledge, (b) the letter is approved by the Executive Director of The Fund and administrative staff is in possession of the correspondence. Memos to "file" or other internal memoranda are not adequate forms of written documentation for recording pledges.

2. Recording Telethon Pledges: Pledges made through an authorized telethon event may be recorded and are exempt from the requirement to secure written documentation.

3. Recording Pledges in Good Standing: There must be evidence that pledges are in good standing. Pledges not in good standing, for which there is no correspondence with the donor outlining revised payment terms, are subject to review by the Executive Director of The Fund.

4. Modifications Due to Pledge Overpayments: It is possible that pledges may be overpaid. If the final payment against a pledge will cause the sum of all payments to exceed the original pledged amount, the administrative staff will accept the payment without requiring a modification to the pledged amount. This situation most likely will occur when the payment is made by a gift of securities. However, pledge overpayments will require modifications in the following circumstances:

- a. If a donor who has made an overpayment indicates he or she is increasing his/her pledge, the pledge record must be modified.
- b. If a donor has made an overpayment and wishes to establish a new pledge with the excess payment, a new pledge record must be created and the payment split accordingly.

5. Personal Pledges and Donor-Advised Funds: Donor-recommended contributions that are received by the Fund through donor-advised funds cannot be applied against personal pledges. A donor-advised contribution is credited as a gift from the donor-advised fund, and the affiliated donor's personal pledge is reduced by the gift amount that is received from the donor-advised fund.

Section VI

Gift Processing

All gifts and pledges to the Fund are recorded, receipted, and acknowledged by The Fund. The current system used for tracking gifts and pledges is *SCT Banner*. CASE Management Reporting Standards are used in recording and counting gifts and pledges

STEP 1 - Receiving Gifts and Pledges

The majority of gifts sent to 1 Gibraltar Camp Road are picked up daily. Any gifts and pledges received by the office of the Executive Director of The Fund are recorded in a

gift log. It is the responsibility of the administrative assistant to collect these gifts for processing each day.

Gifts are also received by:

- Principal's Office
- Faculty Office - primarily department gifts

The administrative staff is notified by each of these offices when gifts are received. It is the administrative staff's responsibility to collect the information regarding the gift from the receiving offices for processing. If the gift is to be forwarded to the Fund the staff person must collect the contribution and all documentation.

STEP 2 - Entering Gifts and Pledges

The administrative staff enters all transactions into the *Banner* database.

Mandatory information required:

Gift Amount: Amount of the transaction

Gift Date: Date transaction received

Gift Type: The vehicle in which the transaction was contributed. (cash, check, credit card, securities, etc.)

Campaign: The type of campaign (capital, annual fund, endowment, endowed scholarship, annual scholarship/award) and the fiscal year.

Designation: Purpose/restriction for this transaction; i.e., Annual Fund, Capital Initiative, General, Scholarships. If the administrative staff does not have an account number for the gift restriction, a number must be requested from the appropriate institution. To request a new account number, the administrative staff submits a Request to Establish Gift Account Form along with gift documentation to the appropriate institution. The gift/pledge is entered only when the account number is received.

Solicitation Code: Tracks specific mailings or solicitation that generated the gift/pledge (i.e. direct mail, telethon, etc.)

STEP 3 – Running the Feed-to-Finance Process

Gifts are managed internally by the Finance Officer and the system will not have a feed through the *Banner* system to the Bursars Office

STEP 4 - Submitting Gift Transmittal to the Finance Officer

Once gifts are processed, the following documents are submitted to the Finance Officer by the administrative staff:

- All cheques/money orders/cash/credit cards

- A Report, which lists all gifts sorted by account number
 - Adding machine tape confirming total amount of gifts transmitted
- Copies of all transmittals, receipts, and documentation for gifts are kept in The Fund files for at least seven years.

Pledge

A pledge is an unconditional promise or agreement to give money in the future; appropriate documentation is required including a signed pledge form, letter of intent, telethon pledge card, etc.

Policies regarding entering pledges:

Documentation is required. Must have a pledge form or letter signed by the donor. If the donor is reluctant to sign a pledge form, but is quite clear about his or her promise to give, the solicitor should write a letter to the donor confirming the Fund's understanding of the donor's pledge and provide a copy of the letter to the administrative staff. Telethon pledges require a completed telethon card.

Minimum information required is:

- Gift Amount of the pledge
- Gift Designation - purpose of the pledge
- Payment schedule specified. Maximum payment period is five years. (Telethon and Annual Fund pledges are expected to be paid out in one year)

Challenge grants and major announcements are entered as pledges *only* when the appropriate documentation is received. Challenge grants are entered as pledges with the condition requirements and the status listed as "exist" or "met" in *Banner*.

Section VII

Gift Acknowledgment Process

Gift Acknowledgment: The Fund is responsible for acknowledging all private gifts to the University.

- The administrative staff produces a variety of standard acknowledgment letters for different types of gifts. “Personal” letters are written for the signature of the Executive Director of the Fund for gifts from board members, major and leadership gift donors, faculty/staff, students, special donors, and for all gifts of \$250,000 or more.
- The administrative staff produces a variety of standard acknowledgment letters for different types of gifts. “Personal” letters are written for the signature of the Executive Director of the Fund and Principal of the University for gifts of \$1,000,000 or more.
- The administrative staff produces receipts for all private gifts to the University. The Administrative Staff must send pertinent gift documentation to the person in charge of donor relations.
- All acts of kindness (e.g., gatherings sponsored and paid for by alumnae) are to be acknowledged by personal letter from the Administrative Staff. Said letter is not to be an indication of value. A gift contribution/donation is an unconditional transfer of cash or other assets from an individual or organization to the University where no goods or services are expected, implied, or forthcoming for the donor. Recognizable gifts are:
 - Gifts of cash
 - Gifts- in-kind
 - Life insurance
 - Other non-revocable planned gifts
 - Bequest

Excluded from gifts are:

1. Membership dues/fees
2. Governmental funds
3. Contract revenue
4. Services

If further definition is needed, use the NACUBO Guide to distinguish between Contracts and Gifts (CASE Management Reporting Standards, Appendix D, pp. 76-77). If the majority of characteristics meet the factors of a gift, then classify as a gift.

1. **Gifts of cash**
2. **Gifts-in-kind:** Fair market value.
3. **Life Insurance:** The donor of a life insurance gift is recognized for the amount of the policy payments as they accumulate until the policy is paid (where the policy has been placed in the name of the institution). Once the insurance policy is paid in full, the donor is recognized for the entire value of the life insurance.

4. **Other non-revocable planned gifts:** A planned gift, usually considered to be a gift from capital rather than from income, is recognized for the value of the gift on the day that it is legally transferred to the Fund, providing the terms of the Planned Gift contract identify it as a non-revocable gift.

5. **Bequest:** A bequest is recognized when it is received, not at the time it is described in the will of a prospective donor. Donors who wish to receive recognition for bequest type contributions are encouraged to establish a non-revocable trust or some other form of non-revocable planned gift. Donor must provide a copy of the page in the will designating The Fund as a beneficiary.

6. **Pledges:** A pledge is recognized for its annual payment amount only. The total amount pledged is recognized in the year that the final payment is received.

Gifts may be in the form of cash, cheques, credit cards, payroll deductions, and wire transfers. Gifts may also be other assets including securities, land, buildings, or use of facilities or utilities, materials and supplies, intangible assets, and gifts-in-kind.

Policies Regarding Entering Gifts:

- The legal donor of a gift/contribution is the person or organization who makes the gift.

Examples:

Alumna sends her personal check. The alumna is the legal donor.

Alumna sends a check from her own company. The company is the legal donor.

Donor makes gift through a personal foundation. The foundation is the legal donor.

Company makes gift through the corporate foundation. The foundation is the legal donor.

- Soft credit may be given, as appropriate, to persons or organizations other than the legal donor who is responsible for facilitating or providing the gift.
- Official receipts are sent to the legal donor.

Gift Acknowledgment

All gifts and pledges processed by the Fund will be acknowledged.

1. A standard acknowledgement letter with receipt is sent to all donors within three to five working days. All letters will have a penned signature by the Executive Director of The Fund. In cases where the gift involves works of art, the Executive Director of the Fund and the Chairman of the Board of Directors will sign all acknowledgement letters. The administrative staff will write the letter with final approval from the Executive Director of The Fund.

2. In addition to the general acknowledgement/receipt, gifts of \$50,000-\$249,999 (Principals' Society members) will also receive a standard letter from the Executive Director. These letters will be prepared, tracked for signature, and mailed by the administrative staff. The administrative staff will send a file with the name and address of the donor to the Executive Director.

3. In addition to the general acknowledgement/receipt, gifts of \$250,000 and up will continue to receive a personalized letter from the Executive Director. The administrative

staff will send a file with name, address, to the Executive Director. Administrative Assistant is responsible for preparing letters, obtaining the Executive Directors signature and mailing letter.

4. All current and former Board of Directors, members and faculty/staff will receive a letter from the Executive Director. If a gift is below \$250,000, the letter will be the standard letter. If it is \$250,000 or more, a personalized letter will be prepared by Administrative Assistant.

Criteria for Public Announcements of Private Gifts

All recommendations for publicity surrounding gifts should be brought to the attention of the Board of Directors. The Executive Director will sign off on all press releases surrounding announcement of gifts.

Gift Size: Gifts of \$1,000,000 or more are automatically considered for public announcement.

Special Circumstances: Gifts of less than \$1,000,000 may be considered for public announcement if they include special circumstances that warrant publicity, as determined by the Executive Director of The Fund and office of Planning and Institutional Research as needed. Special circumstances include, but are not limited to: (a) gifts with close ties to the University's strategic plan (b) gifts critical to elements of the University's mission, (c) gifts that offer opportunities for cultivation of new or potential donors to the University, (d) gifts with close ties to capital projects and campaign.

Procedures for Public Announcements of Private Gifts: The Fund has in place procedures for targeting gifts for public announcement, selecting gifts for public announcement and orchestrating the gifts for public announcement. These include the following:

- The Administrative Staff responsible for soliciting a gift also is responsible for bringing the gift to the attention of the Executive Director of The Fund who will review gifts targeted for public announcement and select those gifts appropriate for public announcements.
- If a gift is selected for public announcement, the Administrative Staff is responsible for securing written authorization from the donor for a public announcement of his or her gift, and for advising the donor that a public announcement may lead to contact by media representatives and articles in external media over which the University has no control.
- The Executive Director in conjunction with the Director of public relations is responsible for determining the most appropriate method of public announcements, including, but not limited to external media releases, presidential speeches, and/or speeches and/or reports to boards. The Executive Director is responsible for approval of all news releases prior to distribution to internal and external media, and for coordinating publicity efforts within The Fund and the University.

Special Issues VIII

Donor Designations: Contributions will be used only for the purposes designated by the donor.

Annual Reporting: If required by the donor agreement, interim and/or annual reports on the uses of gifts will be sent to individual donors and granting agencies on time and in such detail as to accurately report on the activity of the fund during any fiscal year.

Gift Oversight: If the nature of a gift is such that it requires particular oversight, the donor agreement will identify (a) the person responsible for decisions about oversight, and (b) the person responsible for communicating with the donor. Scholarships, donations of art, and endowed funds often require oversight.

Reassignment of Restricted Gift Funds: All restricted gift contribution agreements will include wording that allows for modification of the agreement if unforeseen circumstances prevent the Fund from using the contribution in accordance with donors' original purposes. Any modification or reassignment of restricted gift funds is subject to the following provisions:

Changes in the use of donor re-designated funds should be effected in only the most extreme circumstances when it becomes clear that a donor's wishes can no longer be honored due to changed circumstances in program offerings or to insufficient funds available to accomplish the original purpose of the gift. If unavoidable circumstances require changes in the use of donor-designated funds, any decision to change the use of funds will be made in accordance with the laws of the country.

Any change in the use of funds will be carefully considered by the Executive Director of The Fund in consultation with the Board of Directors, and/or appropriate academic dean or department chairperson. Funds shall be reassigned for purposes most closely allied to the original intent of the donor.

Any change in the use of funds will be made with the full and express approval of the donor. If it is determined that the purpose of a restricted gift from a deceased donor is no longer valid, the Fund may consider engaging legal counsel to petition an appropriate court for permission to establish a new use for the funds. However, a release from restrictions may not change an endowment fund to a fund that is not an endowment fund.

Payout Rates: Payout rates of endowed funds shall be determined by the Board of Directors. Request by donors for non-competitive or unusual rates will be examined individually and will be subject to approval by the Executive Director of the Fund and the Board of Directors on a case-by-case basis.

Stewardship of Payroll Deductions: Reminders to renew payroll deductions will be sent to donors 45 days prior to the expiration of their pledges. Donors may cancel or make

changes to their pledges at any time by contacting the Annual Fund Department of UWI Development & Endowment Fund.

Modifying Gift Records: Written documentation is required for all modifications of gift records. Donor Relations must be in possession of the required written documentation. Acceptable written documentation is limited to the following:

- A letter from the donor
- A letter to the donor from a member of the development staff
- A completed Change Request Form

Exceptions: Gift records may be modified without written documentation only in the case of corrections of errors made by administrative staff or (b) personal contact by the donor.

Scholarship, Prize Agreements: Donor-signed award agreements are required for all scholarship, fellowship, and prize funds.

Section IX

Named Gift and Endowment Opportunities

The success of any University is largely dependent upon the quality of its faculty. Dedicated faculty create an atmosphere of excellence in which students will be challenged to learn and excel. The teaching, research, publication, and service of renowned faculty also bring national and international attention to the University and prominent faculty attract talented colleagues and top-quality students to campus. It is important to recognize these distinguished members of the University and invest in their potential.

Endowed Chairs

Endowed chairs and professorships are two types of named gifts that directly benefit The University's faculty members. A chair establishes a new faculty position in the name of a donor or an individual designated by a donor. The new position can then be filled by a teacher whose presence on campus will enrich the educational environment for faculty, students, and the community.

Financial Level to Establish an Endowed Chair

- By annual gift: \$ 5 million
- By endowment: \$ 20 million

Professorships

A professorship enhances a current faculty position by supplementing salary and benefits thus providing additional funds for projects, travel and related expenses. Appointment to a named professorship is a highly valued distinction in the University. For the dedicated scholar or teacher awarded such esteem, it is an honor as well as an inspiration toward higher achievement.

Financial Level to Establish an Endowed Professorship

- By annual gift: \$2.5 million
- By endowment: \$10 million

Facilities

(To be itemized and listed)

See Campus Master Plan 2002 for additional facility options

Equipment and Furnishings

(To be itemized and listed)

University Gift Societies:

Donors who contribute designated dollar amounts will be eligible for the membership in the University of the West Indies' Gift Societies.

Vice Chancellor's Society:

Annual Gift	\$ 1 Million
Century Club Membership (initial gift)	\$ 1 Million
Lifetime cumulative gift level	\$ 25 Million or more

Council Leadership Circle:

Annual Gift	\$ 500,000 - 999,999
Century Club Membership (initial gift)	\$ 1 Million
Lifetime cumulative gift level	\$ 10 Million – 24.9 Million

Principal's Society:

Annual Gift	\$ 100,000 – 499,999
Century Club Membership (initial gift)	\$ 1 Million
Lifetime cumulative gift level	\$ 5 Million – 9.9 Million

Century Club Membership:

Lifetime cumulative gift level:	\$ 1 Million
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Founders Club:

Annual gift level:	\$ 250,000 – 500,000
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The Pelican Society:

Annual gift level:	\$ 100,000 – 249,999
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Sir Alister McIntyre Society: (name pending approval)

Annual gift level:	\$ 25,000 – 99,999
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A Light Rising from the West

Alumni Annual gift level:	\$ 500 – 24,999
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Friends of the UWI:

Annual gift level:	\$ 500 – 24,999
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Contributor

Annual gift level:	\$ 1 - 500
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The University Annual Report: All donors are listed in The University Annual Report Donor Honor Roll.

Gift Level Requirements for Outright and Deferred Gifts: The University requires minimum gift levels for certain kinds of gifts of assets and gift vehicles.

Scholarships

It is impossible to separate The University from its essence and purpose - the education of Caribbean leaders. Students give the campus life and vitality. Yet, prospective and current students often are hindered as they seek academic degrees.

Section X

Policy on Honors and Recognition

Policy Concept: This policy shall outline qualifications, review and decision procedures, and methods of recognition at The University to be followed in all instances involving:

- The naming of buildings, property, or any space therein;
- The naming of departments or titled positions, including chairs within the University;
- The conferring of all awards or citations upon any individual, institution, association, or society.

Guidelines: The Mona Management team, in concert with the Development & Endowment Fund, shall assess each recommendation for honors and recognition and shall consider the relationship between the honoree's qualifications and the size and scope of the project proposed for recognition.

Consideration in conferral of honors and recognition upon each honoree will include:

- The benefit to the University;
- The visibility and prominence accorded to the honoree;
- The use of honors and recognition to further the financial and public awareness goals and objectives of the University.

1. Qualifications

Commemorative gifts: When reviewing recommendations for honors and recognition, the Fund will respond to those individuals or institutions that make large contributions, as well as to honor and recognize projects undertaken to raise significant sums. A commemorative gift is defined as \$1,000,000 or higher, for purposes of this policy. Honors and recognition proposed for each honoree shall include a gift or pledge amount and fund-raising goal associated with the project the honoree is funding. As an example, a gift of \$25,000,000 merits consideration of a research laboratory or auditorium. See the section on "Named Gift Opportunities" and the Chart of Recognition and Benefit.

Plaques: The University will offer each honoree an appropriate plaque to be placed in the area selected and/or on the main donor wall. A suitable dedication ceremony and/or reception, including a photo session, may be held to which family and friends can be invited as the donors or their representatives wish. A tour of the area selected for honors and recognition shall be included on these occasions whenever possible.

Gifts of less than \$1,000,000: A decision by the Board of Trustees is not required for a project whose gift value is less than \$1,000,000. Honors and recognition in these cases shall be at the discretion of the Board of the Development & Endowment Fund, as appropriate.

2. Naming of buildings or space

All areas of the University are subject to naming. Such identification is useful to students, staff, and visitors to help explain function and location, and shall be consistent with

internal graphics and signage procedure. Buildings, floors, and rooms may be named after distinguished individuals or institutions whose service and contribution to the University and its mission merit honors and recognition.

Recommendations to name any area shall be made to the Chairperson of the Board through the Fund with adequate details on the individual or institution to be honored and the reasons for such action by the Board of Trustees.

3. Naming of endowed chairs

Endowed chairs represent a means of honoring an individual or institution for extraordinary contributions to the University. Endowed chairs can be named in honor of a distinguished former faculty/staff member, the donor, or someone the donor wishes to honor. Endowed chairs can be either a memorial or a living tribute to the honoree.

An endowed chair can support a portion of or the full salary of a professional, scientific, or administrative employee of the organization. Additional activities associated with the position include, but are not limited to, support of students, research, travel, and continuing education. A financial goal shall be set for each endowed chair endorsed by the University. This goal shall be based on a preliminary budget developed for the use of its investment earnings.

Recommendations for naming endowed chairs shall be made to the Principal through the Fund with adequate details on the individual or institution to be honored and the reasons for such consideration for action.

4. Naming of departments or title positions

Professional, scientific, and service departments and their administrative positions with the University represent a means to recognize an individual or an institution, especially when the personal contributions, service, and achievements of the honoree have been intimately associated with the service or functional area.

Recommendations for naming any professional or scientific department and any administrative position within the University, including the title proposed for the position, shall be made to the Principal through the Fund with adequate details on the individual or institution to be honored and the reasons for such consideration for action.

5. Awards or citations

The University may establish from time to time and may confer at its pleasure such awards of citation upon an individual or institution in recognition for their service and contributions to the University. These awards or citations may be given at such times and on such occasions as the University may determine.

Recommendations for an award or citation shall be made to the University Principal through the Fund with adequate details on the individual or institution to be honored and the reason for such consideration for action.

6. Process for recommendation

When the Fund receives any recommendation for honors and recognition it shall confer with the Principal and Chairman of the Board of Directors before action is taken. In those

instances where an employee is nominated or a department or title position is proposed, the President shall confer with the department head most closely associated with the candidate or the department head most closely associated with the position for advice in forwarding the recommendation of their decision.

Adequate consultation with the honoree or his or her family or their representative(s) shall be conducted at the same time as other internal consultations, prior to action by the Principal and the Board of Directors.

7. Public notice

Honors and recognition decisions represent marketing opportunities for public announcement.

Agreement of such public notice shall be requested of each honoree, or his or her family or representative(s) in advance. Similarly, honorees shall have the opportunity and time to notify family and friends, and to invite their participation with the University in any dedication ceremonies and receptions conducted in connection with conferring of honors and recognition.

The Executive Director of The Fund shall coordinate the public notice. See the section on “Criteria for Public Announcements.”

8. Forms of recognition

Various forms of recognition shall be implemented in accordance with existing donor recognition policies and procedures. The forms may include:

Formal dinners: Gifts of \$1 million or more may be an occasion for formal dinners in honor of the donor. Attendance will include Mona management and executive and senior staff and faculty department chairs of the University and prominent members of the community. If an endowed position is involved, the honoree and the appointee, their families, and friends shall be included. The decision to conduct a formal dinner shall go forward only with the consent of the donor and his or her family, and, when appropriate, the consent of the appointee.

Portraits: Formal portraits are suitable for donors of gifts in excess of \$50 million, for placement within the University’s facilities, usually in the area where all other portraits are displayed, or the area where the gift was designated or where the honoree resides. Requests for portraits will be included when honors and recognition are submitted for action by the Fund.

Dedication ceremonies: Gifts of \$10 million or more may be the occasion for ceremonies to gather together significant faculty/staff of the University and the community to formally dedicate a facility or program funded by the donor. Consent by the donor or his or her family shall be obtained in all instances.

Plaques: Plaques conforming to the graphic design of the institution may be added to the main donor wall or installed in any dedicated facility within the University as approved

by Mona Management and the Fund Board of Directors. A replica may be prepared for donors' personal display at the discretion of the Fund.

Receptions: Gifts of \$5 million or more may be the occasion for a reception for the donors and their select invitation list, to be attended by significant faculty/staff of the University. Consent of the donors shall be obtained in all instances.

Gifts to donors: Presents may be given to donors on the occasion of the conferral of honors and recognition and in appreciation of their generosity.

Photo session: Gifts of \$1 million or more may be the occasion for a photo session at the discretion of the Fund. An album of pictures made at the occasion may be presented to each donor as a memento of the occasion.

Other forms: Other forms of recognition may be appropriate from time to time. The decision shall be guided by the Funds donor relations program.

9. Graphics continuity

Materials, typeface, and presentation will be consistent in conjunction with policy and procedure established by the University. Appropriate application of overall visual aids, signage, and graphics utilization shall be in accordance with the University's approved standards.

10. Renewed solicitation

The re-solicitation of donors accorded honors and recognition shall be reviewed in advance by the Fund and shall be based on submission of a strategic action plan for continued communications and/or the master gift plan defined for each donor considered for another gift.

11. Donor communications

The division of the Fund shall monitor the donor communications program for all individuals and institutions accorded honors and recognition, in order to provide continued cultivation and satisfaction to these donors.