Idaho State University Foundation

Policy VI C Gift Acceptance

1. Introduction

The purpose of this gift acceptance policy is to give guidance and counsel to those individuals within the Idaho State University Foundation concerned with the planning, promotion, solicitation, receipt, acceptance, management, reporting, use, and disposition of gifts.

These policies must be viewed as flexible and realistic in order to accommodate unpredictable situations as well as donor expectations, as long as such situations and expectations are consistent with the Idaho State University Foundation’s mission and policies. Flexibility must be maintained since some gift situations will be complex, and proper decisions can be made only after careful consideration of all related factors. These policies may, therefore, require that the merits of a particular gift be considered by the appropriate staff and/or committee of the Board along with legal counsel and the full Board if necessary.

All fundraising activities and gift acceptance policies, and their day-to-day implementation, are designed and managed by the President, Executive Vice-President and the Associate Vice-President for Development in conjunction with the appropriate staff, and are subject to approval by the Board.

The Board, through the Development Committee and the Board President, is responsible for the gift acceptance policy. This responsibility cannot be delegated or waived.

2. Gift Acceptance Policy

a. Unrestricted, outright gifts of cash, check, credit card, and publicly traded securities do not require approval. Routine gifts are accepted and administered through the Associate Vice-President for Development, with final authority to accept routine gifts lying with the President and Executive Vice-President.

b. Unrestricted gifts shall be encouraged unless

   i. the donor indicates that he or she is only willing to make a restricted gift or

   ii. the option of a restricted gift will otherwise significantly increase the chances of obtaining a gift from the donor.

c. In drafting instruments for the gift of restricted funds to the Idaho State University Foundation, or to any of its affiliated organizations, donors and their advisors shall be encouraged to use language that would permit application of the gift to a
more general purpose if, in the opinion of the board, the designated purpose is no longer feasible.

d. All receipts from unrestricted bequests, annuities, charitable remainder trusts, or charitable lead trusts shall be deposited in an unrestricted account within the general endowment, unless the Executive Committee determines a particular unrestricted gift of the type enumerated in this paragraph should be deposited in a different account.

e. Gifts will only be accepted where there is charitable intent on the part of the donor. The Idaho State University Foundation is unable to accept gifts that are overly restrictive in purpose. The most desirable gifts are those with the least restrictions, as unrestricted funds allow the Foundation and University to address its most pressing needs. Unless the board grants a specific exception, the Idaho State University Foundation will not accept any gifts that

   i. Contain a condition that requires any action on the part of the organization that is unacceptable to the Foundation, University Administration or the State Board of Education

   ii. Contain a condition that the proceeds will be spent by the organization for the personal benefit of a named individual or individuals

   iii. Require the University or the Foundation and their administration to employ a specified person now or at a future date

   iv. Inhibit the organization from seeking gifts from other donors

   v. Expose the organization to adverse publicity, litigation, or other liabilities

   vi. Require undue expenditures, or involve the organization in unexpected responsibilities because of their source, conditions, or purpose

   vii. Involve unlawful discrimination based upon race, religion, gender, sexual orientation, age, national origin, color, disability, or any other basis prohibited by federal, state, and local laws

f. The Idaho State University Foundation will not pay commissions or finder’s fees as consideration for directing a gift to the Idaho State University Foundation or to any of the Idaho State University Foundation’s affiliates.

g. Property encumbered by a mortgage or other indebtedness cannot normally be accepted as a gift unless the donor agrees to assume all carrying costs until the property is liquidated. Exceptions to this guideline can be made when the value of the property exceeds the anticipated exposure, or will produce income, or will be used by the Idaho State University Foundation or the University in its programs but only after all tax considerations have been fully explored and documented.
All such exceptions must also have the approval of the Board and if material notification must be given to the State Board of Education.

h. Associated expenses of a gift made to the Idaho State University Foundation are to be borne by the donor unless approved by the President.

i. Donors of property gifts of over $5,000, except for gifts of publicly traded stock, must obtain, at their expense, an appraisal by a qualified independent third-party appraiser in accordance with current tax law requirements.

j. Should the Idaho State University Foundation sell, exchange, or otherwise dispose of any gift (other than checks, cash, or publicly traded stocks or bonds), valued at over $5000.00 within three years after the date of the gift, the Idaho State University Foundation will furnish the Internal Revenue Service and the donor with a completed Form 8282, if required by IRS regulations.

k. To avoid conflicts of interest, the unauthorized practice of law, the rendering of investment advice, valuation advice, or the dissemination of income or estate tax advice, all donors of noncash gifts must acknowledge that the Idaho State University Foundation is not acting as a professional advisor, rendering opinions on the gift. All information concerning gift planning from the Idaho State University Foundation is to be for illustrative purposes only and is not to be relied upon in individual circumstances. A specific disclaimer should be included in all such material irrespective if the material has been tailored for a specific donor or for general purposes. The Idaho State University Foundation may require a letter of understanding from a donor of a property gift, along with proof of outside advice being rendered, before such a gift will be accepted.

l. Legal counsel retained by the Idaho State University Foundation shall, as required, review legal documents, contracts, and all donor agreements. The Idaho State University Foundation shall seek the advice of legal counsel in all matters pertaining to its planned giving program. All agreements shall follow the formats of the specimen agreements to be approved by legal counsel unless counsel has agreed in writing to a change for a specific agreement.

The Idaho State University Foundation shall encourage donors to seek their own counsel in matters relating to their bequests, life income gifts, tax planning, and estate planning. All legally binding documents involving gifts over $25,000 shall be prepared and/or reviewed by counsel retained by the donor, to avoid any conflict of interest or undue influence. Alternatively, a donor may sign a document prepared by the Idaho State University Foundation, releasing the Idaho State University Foundation from any liability and waiving any conflict.

m. All gifts of life insurance must comply with applicable state insurance regulations, including insurable interest clauses.
n. The Board President or his or her designee is authorized to enter into planned gift agreements on behalf of the Idaho State University Foundation and to execute any and all documents necessary or appropriate to consummate such agreements.

o. All gifts and gift consideration must meet all applicable local, state, and federal laws and regulations.

p. The Idaho State University Foundation will be responsible for good stewardship toward its donors by following these guidelines:

   i. All gifts will be acknowledged within a week by a letter from the Foundation accompanied by an appropriate tax receipt.

   ii. All gift acknowledgment letters/receipts will be prepared by the Executive Vice-President or his or her designee.

   iii. Gifts to the Idaho State University Foundation shall be reported in a manner consistent with the standards recommended by the Association of Fundraising Professionals (AFP) or the National Council on Planned Giving (NCPG).

   iv. Files, records, and mailing lists regarding all donors and donor prospects are maintained and controlled by the Idaho State University Foundation. Maximum use will be made of information and contacts that members of the board, various volunteer groups, or the staff have with potential donors. Written reports of interviews and solicitations will be maintained in the donor prospect file and/or computer.

   v. This information is confidential, to the extent allowed by law, and is strictly for the use of the Idaho State University Foundation board and staff. Use of this information shall be restricted to Foundation and University purposes only. Donor has the right to review his or her donor fund file(s).

   vi. The Idaho State University Foundation will provide the donors of endowed scholarships with appropriate information about the recipients of scholarship assistance and will obtain letters of acknowledgement from all recipients.

   vii. Should the gift be restricted to a specific project, the Idaho State University Foundation will provide the donor with a narrative and financial report detailing the activities made possible by their support. This report will be submitted to the donor within 30 days of the completion of the underwritten activities. If gifts fund multi-year activities reports of progress will be provided annually and upon completion.
viii. Gifts to the Idaho State University Foundation and accompanying correspondence will be considered confidential information, with the exception that absent a request for confidentiality, the donor’s name may be included in the publication of such donor recognition societies as may from time to time be established by Idaho State University or the Board. All donor requests for confidentiality will be honored to the extent allowed by law.

ix. Names of donors will not be provided by the Idaho State University Foundation to other organizations, nor will any lists be sold or given to other organizations except those affiliated with the Foundation and University.

Date of Board Approval: September 24, 2010

Person responsible for the periodic review of policy and submitting proposed revisions to the Board for approval: Chair of the Development Committee

Date of Last Review June 2010