

Gift Acceptance Policy & Guide

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A. DEFINITIONS:

1. **Booked** means the entering of a gift into the fundraising database or the financial database as described in context.
2. **Fair Market Value** means the price that an asset is valued usually by an appraiser or other form of generally acceptable valuation.
3. **Appraisals** are the assessment of the value of an asset.
4. **Donor Recognition**
 - a. According to CASE, institutions are free to bestow recognition (soft credit) upon their donors as they see fit.” CUF bestows soft credit in the following situations:
 - i. Personal and Family Foundations
 - ii. Donor-advised Funds
 - iii. Spouses
 - iv. Business Owners
 - v. Matching Gifts
5. **Above the Line versus Below the Line**
 - a. Above the Line – Gifts that are consistent with CASE and IRS standards.
 - b. Below the Line – Gifts that are inconsistent with CASE or IRS standards but that the Gift Acceptance Committee accepts as a gift for recognition and gift counting purposes. These gifts are not included in CASE or VSE Surveys and are not receipted. Examples are no fee leases and software gifts.
6. **Closely held, private stock** (CASE Global Reporting Standards Book, p. 273, Ed.)
 - a. “Gifts of closely held stock that exceed \$10,000 in value should be reported at the fair market value placed on them by a qualified independent appraiser as required by the IRS or CRA for valuing gifts of stocks that are not publicly traded. In the United States, the institution may obtain the appraiser’s valuation figure from ‘Noncash Charitable Contributions,’ IRS Form 8283, which the donor must usually provide for the recipient’s signature. (A signature by the recipient organization does not signify an approval of the indicated amount.) Apply this confirmation of receipt by the recipient only after the donor and the independent appraiser sign the document.”
 - b. “Gifts of closely held stock of \$10,000 or less may be valued at the per-share cash purchase price of the most recent transaction. Normally this transaction is the redemption of the stock by the corporation. If no redemption has occurred during the reporting period, an independent certified public accountant (CPA) who maintains the books for that corporation is qualified to value its stock.”
 - c. “Institutions contemplating accepting gifts of closely held stock must recognize that there is no guarantee that the security can, or ever, will be sold. Given this, there should be a careful review by the institution’s gift acceptance committee as to whether the nature of the business the institution is about to become a partial owner of is consistent with the

institution's own beliefs and practices, and also whether the arrangement will result in any unanticipated unrelated business income tax."

7. Donor Advised Funds

- a. "With a donor-advised fund, the donor sends an asset to a tax-exempt organization (often affiliated with a financial institution or community foundation) as a gift to that entity. The asset is then owned by and under the control of that sponsor. The donor then contacts the sponsor and advises it to make a gift to a qualified organization. In this case, the fund sponsor is the legal donor. The gift source is reported as an "other" organization (if the sponsor is not an official foundation) or a "Foundation" (if the sponsor is a recognized community foundation or other grantmaking foundation)." (CASE Global Reporting Standards Book, p. 46, 1st Ed.)
- b. Gifts made through a donor-advised fund are a gift from an organization, not an individual. However, the donor who made the original gift to the fund (and that person's spouse, if applicable) normally receives soft credit for the amount the fund contributed to the institution. (CASE Global Reporting Standards Book, p. 271, 1st Ed.)
- c. Institutions should be aware of the implications of these gifts on pledge payments and matching gifts. The IRS may consider a donor-advised fund payment on a personal pledge as income to the individual, potentially subjecting the donor to additional taxes and penalties. In addition, most companies will not match gifts from donor-advised funds.

8. Quid pro quo

The IRS defines a quid pro gift as a payment made partly as a contribution and partly in consideration for goods or services provided to the payor by the donee organization." The value of the benefits, or premiums, the donor receives is a key factor in determining the amount of the actual gift. For quid pro quo contributions, report only the amount of the contribution that exceeds the value of benefits the donor receives from the institution in return for the gift. For such contributions, these standards follow the IRS tax rules regarding tax-deductibility and receipting of quid pro quo contributions. (CASE Global Reporting Standards Book, p. 268, 1st Ed.)

9. CASE

As the leading source for best practice in educational fundraising, the Council for Advancement and Support of Education (CASE) offers these global reporting standards and management guidelines for annual fundraising and campaigns.

(CASE Global Reporting Standards Book, Intro, 1st Ed.)

10. VSE is the CASE campaign survey.

B. Clemson University 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 Clemson University and its supporting affiliated entities, we declare that all donors have these rights:

1. 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.
2. 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.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

The text of this statement was developed by the American Association of Fund-Raising Counsel (AAFRC), Association for Healthcare Philanthropy (AHP), Council for Advancement and Support of Education (CASE), and the Association of Fundraising Professionals (AFP), and adopted in November 1993.

The Clemson University Gift Acceptance Committee accepts this statement as modified to apply to Clemson University on _____, 2021.

C. Gift Acceptance Policy

Policy Owner – This is a policy of the Clemson University Gift Acceptance Committee (the “***Committee***”) and the Committee is made up of representatives from Clemson University (the “***University***”) the Clemson University Foundation (the “***Foundation***”) and IPTAY (and collectively and hereinafter “***Clemson***”). The separate Gift Acceptance Committee Policy delineates the Committee’s responsibilities and composition. All revisions to this Gift Acceptance Policy are approved by the Committee.

Approval and Revisions

- Original Approval – June 25, 2013
- Revised – September 6, 2013
- Revised – November 2, 2013
- Revised – September 20, 2017
- Revised – June 10, 2020

Policy

- I. **Purpose** - Clemson University appreciates all gifts in support of the University. Keeping accurate records of gifts is important to the donor, the University and to agencies impacted by the gifts. In counting gifts, records should be accurate, easily understood and transparent. Potential gifts to Clemson can have legal, tax, reputational and financial risks for either or both entities. The Committee is responsible for reviewing the implications of any gift made to Clemson that are identified as having a high level of complexity or significant exposure.
- II. **Gift Acceptance** - Clemson believes acknowledging the impact donors have on the University aligns with the value the University has received. Furthermore, Clemson believes that donors give to Clemson because of Clemson’s value proposition – the result of its commitment to mission and ability to effectively steward resources. All gifts made for the benefit of Clemson must meet the following criteria:
 1. Must support the Mission of the University;
 2. Must demonstrate Value to the University;
 3. Must not represent an equal exchange in terms of direct and immediate benefits being conveyed; and
 4. Must not complete a business transaction between the donor and Clemson.
- III. **Acceptance of Gifts in Best Interest of Clemson** - Regardless of whether a potential donation requires approval of the Committee or will result in naming rights or some other recognition for a donor, Clemson must be mindful of how acceptance of a donation may reflect upon Clemson and other affiliate organizations. The best interests of Clemson include considerations of legal interests, ethical interests, reputational interests, and public relations interests.

Under no circumstances will Clemson accept gifts where Clemson has knowledge that a) the donated funds have been derived from criminal or other illicit activity, b) that the gift

is being offered for unlawful reasons, or c) that receipt of the gift would be unlawful.

Clemson shall not accept gifts from donors whom Clemson knows to be involved in or affiliated with personal, business or political activities that are clearly contrary to the best interests of Clemson.

The Development Officer is responsible for making an initial determination as to whether the acceptance of a donation has the potential to be contrary to the best interests of Clemson. If the Development Officer determines acceptance of a donation has the potential to be contrary to the best interests of Clemson, or any of the other affiliate organizations, the Development Officer shall discuss the matter with his or her Vice President for Development and Alumni Relations. The Vice President for Development and Alumni Relations shall determine whether (1) the donation should be accepted or rejected or (2) whether additional consultation with appropriate University leadership is warranted or whether the gift should be submitted to the Committee for review. The University Board of Trustees may at any time determine that a gift is not in the best interest of the University and therefore should not be accepted. The Committee may review gifts for determination of best interest and acceptance and may also, as determined by the Committee, submit gifts to the University Board of Trustees for determination.

Where Clemson has accepted a gift and subsequently determines that retention of the gift has the potential to be contrary to the best interests of Clemson, the Committee through its leadership shall consult with the University to determine whether to retain the gift and/or whether to take other appropriate action.

Special attention should be given to potential anonymous gifts. Although donors have many legitimate reasons for wishing to remain anonymous (donor safety, donor confidentiality, business concerns, family concerns, privacy concerns, etc.), where possible Clemson should attempt to determine whether the donor's reason for wishing to remain anonymous is contrary to the best interests of Clemson. The Foundation shall not accept an anonymous gift if the gift would be rejected as against the best interests of the University or the Foundation even if it was not anonymous.

- IV. Gift Counting Guidelines - Under Clemson's current system of gift counting, gifts are reported annually that are consistent with IRS rules and regulations and CASE gift acceptance guidelines. CASE is generally accepted as the leading source on gift acceptance and campaign counting policy, providing consistency and comparative gift reporting across various reporting institutions. Clemson identifies gifts that are compliant with CASE guidelines as "above the line." However, CASE also recognizes the need for giving donors credit for gifts that do not meet the CASE standards for counting. As the recognition of gifts is an institutional decision, recognition of donors does not always mirror gift counting. Therefore, variances may occur from one institution to another. Gifts that are not considered to be CASE and/or IRS compliant are considered "below the line" gifts." For annual fundraising and campaign total purposes, Clemson will identify and report "below the line" gifts that do not meet current CASE guidelines but meet the criteria established below. The sum of these two gift "categories" (above and below the line) will be the annual fundraising and campaign total. In all cases, these gift categories will be properly identified in all public releases. If the University is in a capital campaign the campaign, leadership should identify their acceptance criteria prior to the beginning of the campaign.
- V. Gifts-in-Kind - The Director of Gift Management shall have the authority to approve any

gift-in-kind that is submitted to the Gift Management Department that follows IRS and CASE standards, is under \$25,000, and has proper justification. All gifts-in-kind valued over \$25,000 shall be submitted to the Committee for approval. The Director of Gift Management shall obtain written justification from the Development Officer to substantiate all gifts-in-kind.

The “below the line” gifts require submittal to the Committee for approval if the value of the gift-in-kind is over \$5,000. The Director of Gift Management has the authority to approve any gift below \$5,000; however, the Director of Gift Management is encouraged to submit to the Gift Acceptance Committee any gifts below \$5,000 that may require additional vetting by the Gift Acceptance Committee

Below-the-line gifts of software licenses or leases may have gift dates spanning a period. For gifts-in-kind with a gift date over a period of time (i.e. July 1 – June 30) and received on or before June 30, 2017, the gift date shall be the last day of the period. For below-the-line gifts with gift dates over a period and received on or after July 1, 2017, the gift date shall be the first day of the period. For below-the-line multi-year gifts, only one full year of the gift shall be booked at a time.

- VI. Exceptions to CASE and IRS guidelines – In addition to the gifts-in-kind exception to IRS and CASE rules described above, other exceptions to IRS and/or CASE rules may be approved by the Committee if it is in the best interests of the University to do so. For example, CASE prescribes five (5) years or less as the optimal period of time for pledges to be paid in full. Pledges extended over five (5) years must be submitted to the Committee for review of the reasoning of the request, the amount of the gift, and the determination of what is in the best interest of the University.

D. Gift Acceptance Committee Policy

Approved March 19, 2013
Revised September 25, 2013; Revised March 15, 2016
Revised September 20, 2017;
Revised June 23, 2021

Mission Statement: The Development Enterprise in partnership with Clemson University is staffed with resources to assist the Development Officers in the planning and strategic execution of potential gift proposals. Once these resources have been exhausted, the Gift Acceptance Committee is available to support and provide additional resources as needed.

Potential gifts to Clemson University and the Clemson University Foundation can have legal, tax, reputation and financial risks for either or both entities. The Gift Acceptance Committee is responsible for reviewing the implications of any such gifts made to Clemson University or the Clemson University Foundation which are identified as having a high level of complexity or significant exposure in any of the above areas. With such gifts, and generally, the Gift Acceptance Committee is tasked to accomplish the following:

1. Serve as a resource to review preliminary information on certain potential gifts to determine whether the Development Officer should continue to pursue obtaining further documentation/information from the prospective donor.
2. Recommend that Clemson University or the Clemson University Foundation may accept or decline any potential gifts that could have adverse financial, legal, reputational, or tax ramifications to either or both entities.
3. Review current issues and requirements associated with philanthropy to assure that gift policies are in compliance.
4. Recommend new policies: Review and refine existing policies annually to assure that they continue to serve Clemson University and the Clemson University Foundation's needs.
5. Review all proposed language for special purpose gifts (as detailed on page 2) and designated funds to assure that they comply with Clemson University and the Clemson University Foundation requirements.

Types of potential gifts referred to the Gift Acceptance Committee include, but are not limited to the following:

- Any potential gifts that are exceptions to approved/existing guidelines or which fall outside the definition of acceptable gifts as defined in the Clemson University and Clemson University Foundation's gift acceptance policies
- Potential gifts requiring unusual funding arrangements or other commitments
- Potential gifts of closely held stock
- Potential gifts with special restrictions that may be difficult or costly to administer
- Potential gifts of real estate or tangible personal property

Gifts of real property that the Clemson University Real Estate Foundation (CUREF) has already approved do not need to be submitted to this Gift Acceptance Committee and may be booked as gifts pursuant to the CUREF approval.

Gifts-in-kind should be submitted to the Gift Acceptance Committee within six months of receipt at the University. Exceptions to this rule may be made by the Committee when the Committee determines it is reasonable to do so.

The Gift Acceptance Committee may NOT recommend acceptance of a potential gift under the following circumstances:

- Unusual features to a gift that are contrary to the objectives, values or goals of Clemson University and the Clemson University Foundation
- The gift could financially or morally jeopardize the donor and/or Clemson University and the Clemson University Foundation
- Clemson University or the Clemson University Foundation may be unable or unwilling to honor the terms of the potential gift
- The potential gift could result in unwarranted expense to Clemson University or the Clemson University Foundation
- Physical or environmental hazards to Clemson University or the Clemson University Foundation.

The Gift Acceptance Committee shall include:

- Vice President for Development and Alumni Relations
- President & Chief Executive Officer, Clemson University Foundation
- Chief Financial Officer, Clemson University Foundation
- Senior Associate Vice President for Development
- , Legal Counsel, Clemson University Foundation
- Chief Executive Officer of IPTAY
- Gift Acceptance Committee Coordinator (Non-Voting)
- Appointee of EVP for Finance & Operations, Clemson University
- Appointee of Provost, Clemson University

Other staff members and university administrators who are directly affected by the Gift Acceptance Committee's recommendations may be included on an as-needed basis – i.e., Clemson University CFO when there are financial implications for Clemson University or the Clemson University Foundation.

The Gift Acceptance Committee shall have regularly scheduled quarterly meetings and called meetings as necessary.

The Senior Associate Vice President for Development shall serve as Chair of the Gift Acceptance Committee and shall be responsible for conducting the meetings and managing follow-up.

Gift Acceptance Committee Meetings:

The Gift Acceptance Committee will meet quarterly in March, June, September, and December. The committee may hold additional meetings as necessary.

Minutes from each committee meeting will be distributed within one week following each meeting for approval.

The Director of Gift Management will be responsible for notifying each development officer or other person submitting gifts-in-kind for approval of the committee's decision within forty-eight hours of the meeting.

The meeting agenda and packet of gifts-in-kind submitted for approval will be distributed to committee members via email between 5 and 7 days before the scheduled meeting.

E. Gift Acceptance Procedure

I. Procedure - In an effort to maintain consistency in review of gifts made in support of Clemson University, the following procedures will be followed to fulfill the requirements of the Gift Acceptance Policy. This procedure is intended as a companion to the Gift Acceptance Policy, a policy of the Gift Acceptance Committee (the GAC).

II. Gift Acceptance – Gifts accepted must meet the following standards for acceptance:

- 1) IRS laws and regulations;
- 2) CASE (Council for Advancement and Support of Education) reporting standards;
- 3) Gift Acceptance criteria as set forth in the Gift Acceptance Policy:
 - a) Must support the Mission of the University;
 - b) Must demonstrate Value to the University;
 - c) Must not represent an equal exchange in terms of direct and immediate benefits being conveyed; and
 - d) Must not complete a business transaction between the donor and Clemson.
- 4) Must reflect the high standards of Clemson University.
- 5) Any exceptions to the above standards must be submitted to the Gift Acceptance Committee for review.

III. Determining Acceptance is in best interest of Clemson – the best interests of Clemson include considerations of legal interest, ethical interest, reputational interest, and public relations interests. These interests must be considered for all gifts and in particular for those that will result in naming rights or some other recognition for a donor. The following guidelines will be followed.

- a. All donor names associated with gifts resulting in a gift agreement or creation of a new fund and the gift is over \$500,000 will be submitted to the Office of Export Controls for name check clearance before executing the gifts.
- b. All donor names associated with naming opportunities resulting in a gift agreement will be submitted to the Office of Export Controls regardless of the size of the gift.
- c. Donor names may be submitted to the donor's home state and other domicile for a background check for the highest profile naming opportunities.
- d. The Clemson University Naming Committee and the Clemson University Gift Acceptance Committee should work together to determine appropriate naming opportunities.
- e. Development Officers are the first line of communication and information regarding potential negative ramifications to a naming opportunity. Development Officers should communicate to their supervisors any concerns. Supervisors should consult with the Vice President of Development and Alumni Relations who will determine

whether the donation may be accepted or rejected or whether to consult with other University leadership or the Gift Acceptance Committee.

- f. The Clemson University Board of Trustees may at any time determine that a gift is not in the best interest of the University and therefore should not be accepted.
- g. All gift agreements should include statements regarding the removal of names when deemed appropriate by the university and/or reference to the University's naming policy which may be changed from time to time.
- h. In the event that Clemson or an affiliate organization has accepted a gift for the benefit of Clemson University and subsequently the university or affiliate organization determines that the retention of the gift or the naming opportunity has a potential negative consequence, the Gift Acceptance Committee leadership should consult with University leadership to determine the appropriate action.

IV. Gift Counting Guidelines – Subject to sections V and VI below all gifts accepted must comply with IRS laws and regulations in addition to CASE reporting guidelines. CASE sets fundraising counting guidelines.

V. Gifts-in-Kind – Gifts-in-kind will be evaluated for compliance and acceptance as follows:

- a. All gifts-in-kind valued at over \$25,000 must be approved by the GAC.
- b. All gifts-in-kind valued at over \$5,000 and not CASE or IRS compliant must be approved by the GAC.
- c. All remaining gifts-in-kind may be approved by the Director of Gift Management, or the person holding any successor title, but in all cases the Director of Gift Management is encouraged to submit any gift-in-kind of concern to the GAC.

VI. Exceptions to CASE and IRS guidelines – Gifts that do not comply with CASE or IRS guidelines will not be considered a gift in most cases. However certain exceptions to the CASE and IRS rules may be approved by the Gift Acceptance Committee. These exceptions apply only to gift counting but not to any IRS required receipting rules. For example, the GAC may determine that a gift of a lease should be recognized and the donor should receive internal gift credit. However, the gift still may not be receipted nor should it be included in any fundraising reporting that would require exclusion of these types of gifts. Gifts that are counted as exceptions will be booked in the fundraising database under “gift recognition” in order to segregate these gifts.

Other types of gifts that *may* be considered for exceptions include but are not limited to gifts of software and pledges over five years. When exceptions are made additional scrutiny should be applied to the acceptance of the gift and the ramifications thereof.

Approved 06/10/2020

Types of Gifts –Methods of Reporting – Giving Guidelines

1. Cash (all forms of cash)
 - a. Cash and Check
 - i. Amounts of cash and check gifts are reported as of the date the institution receives or processes them. (CASE Global Reporting Standards Book, p. 29, 1st Ed.)
 - b. Credit
 - i. Gifts made by credit card are recorded in much the same manner as gifts made by cash or check (although many institutions use separate codes to distinguish between these categories), but the legal date of gift is determined differently. Credit card donations represent a loan transaction between the donor and the credit issuer. Therefore, the gift is not a gift until the institution receives authorization for the charge from the credit card agency. Thus, count or report credit card donations on the date that the institution receives approval from the credit card agency. (CASE Global Reporting Standards Book, p. 29, 1st Ed.)
 - c. Donor Control
 - i. “A donor may not retain any explicit control over the use of a gift after acceptance by the institution.” (CASE Global Reporting Standards Book, p. 24, 1st Ed.)
2. Pledges
 - a. (See Section VI. of the Gift Acceptance Policy for reference. See also the CUF Pledge Policy #4.10 on the development intranet for additional information.)
 - b. Pursuant to CASE Guidelines and the Gift Acceptance Policy, pledges should be completed within five (5) years. Any exception to this policy must be approved by the Gift Acceptance Committee and presented and approved prior to communicating this option to the donor.
 - c. A pledge must include at a minimum:
 - i. the donor(s)’ names,
 - ii. donor(s)’ address,
 - iii. amount pledged,
 - iv. timeframe for paying the pledge with an end date,
 - v. the purpose of the pledge, and
 - vi. the donor(s)’ signature and date signed.
3. Gifts-in-kind
 - a. Above the Line – Gifts that are consistent with CASE and IRS standards.
 - b. Below the Line – Gifts that are inconsistent with CASE or IRS standards but that the Gift Acceptance Committee accepts as a gift for recognition and gift counting purposes. These gifts are not included in CASE or VSE Surveys and are not receipted. Examples are no fee leases and software gifts.
 - c. Gifts-in-kind – are gifts of tangible items rather than cash. Appropriate back up documentation substantiating the value of the gift is required for processing. Gift-in-kinds have two parts:

- i. Part 1 – Receipting the donor. The donor’s receipt may not state of a value of the gift per IRS regulations. The donor is responsible for obtaining the valuation of their gift for IRS tax purposes. The donor’s receipt will only state a description of the item donated.
- ii. Part 2 – Internal Valuation. While the donor’s receipt may not include a valuation, it is important to properly steward the donor and therefore we ask the donor to provide the valuation back-up documentation. Our internal audit controls require this documentation to substantiate the value.
- iii. For additional information about gift-in-kind documentation required, please visit the Gift Management page of the Development Intranet and/or contact the Gift Management team.

4. Gifts with Benefits

- a. Any gift made in exchange for a benefit must be receipted to include the value of the benefit received unless the benefit falls under the safe harbor provision for “token benefits.” The values of the safe harbor provisions change based upon IRS regulations but typically cover items like pens and stickers. If any portion of a benefit includes advertising, the entire gift is considered to be for benefit and no portion is tax-deductible. (Also see the CUF Philanthropic Sponsorships policy 5.16 for additional information on advertising.)

5. Auction items

- a. “Generally, institutions should follow the standards for reporting quid pro quo contributions when they hold an auction or other special event. They may then report any excess over the quid pro quo as a gift from the donor attending the event.”
- b. “First, there is the donor of the item the institution will auction. If the item sells, that donor has made a countable gift. Instruct such donors to seek professional guidance regarding deductions for unrelated use property. Then, provided a fair market value for that item is made know and further provided the winning bid is in excess of that amount, the winner may claim a deduction (and the institution may count a gift) for any amount paid in excess of the fair market value. Gifts of services or partial interest are not gifts and, therefore, not countable/reportable.”

6. Sponsorships

- a. For a sponsorship to qualify as a gift, all the factors below must exist:
 - i. The contribution must be made by a person or corporation engaged in a trade or business.”
 - ii. The sponsor should not expect nor receive a substantial return benefit for payment other than name acknowledgement and/or promotional value.
 - iii. The promotional information should be limited to any or all of these:
 - sponsor’s location, telephone number, internet address
 - value-neutral description of sponsor’s products or services
 - sponsor’s brand/trade name or product/service listings.

- iv. There is no qualitative or comparative advertising of sponsor's products or services such as pricing, savings, value, purchase/sale inducements, etc. (See CUF Policy 5.16 "Event Sponsorship Gift Acknowledgment")

7. Planned Gifts –

- a. Planned Gifts will be counted in the campaign totals to include but not be limited to all bequests, trust beneficiaries, pay on death (POD) beneficiaries, CRUTS, CRATS, CGAs, and life insurance.
- b. Deferred gifts, also called planned gifts, legacies or future commitments, play a very important role in the development of an overall giving strategy when a fundraising professional is working with a donor or prospect. These types of commitments – which for some institutions include complex current gifts such as real estate – differ from outright gifts because the benefitting nonprofit organization does not realize an asset until some point in the future. For this reason – the uncertainty of timing of realization – these standards advise institutions to develop and announce separate goals for deferred and outright gifts. (CASE Global Reporting Standards Book, p. 35-36, 1st Ed.)
- c. Last Will and Testament gifts –
 - i. During Life of Donor: Will be reported at the value provided by the Donor with a document signed by the Donor such as a Statement of Future Gift form or copy of their Last Will and Testament.
 - ii. Received upon the death of Donor – Will be reported as a planned gift and the amount received will be recognized against the planned gift already booked.
- d. Trusts – CRUTS, CGAs
Report the trust in the year it is established, or at such time as the terms of the trust become known to the institution. Calculate the present value for counting and reporting purposes in accordance with tax deduction guidelines, and include the market value and present value in the appropriate report section for the type of gift. The institution should cite the gift in the appropriate source category under 'Individuals,' not in 'Other foundations and trusts'. In addition, once the value of the asset is counted and reported, it should not appear again in a subsequent report except as indicated under 'Realized testamentary gifts.'
- e. Life Insurance
 - i. "Count the insurance company's settlement amount for an insurance policy whose death benefit is realized during the campaign period (whether or not the policy is owned by the institution) to the extent that no gift amount was counted previously."
 - ii. "Consider gifts of whole life insurance policies a gift only if the donor names the institution both owner and irrevocable beneficiary of the policy. Institutions should adhere to the following standards in reporting this gift:"
 - 1. Report partially or fully paid-up life insurance policies as outright gifts at the cash surrender value as identified in writing by the insurance provider.
 - 2. If the policy is new or not fully paid up at the time of gift, report premium payments the donor makes to the insurer or the institution (which in turn pays the premium to the insurer) as outright gifts at the full value of the premiums paid. This is consistent with current IRS regulations

authorizing such payments as tax-deductible contributions. However, CASE urges that the individual make the premium payments to the institution, and not directly to the insurance carrier, because the institution is obligated to provide an IRS-acceptable receipt to the donor; the only way the institution can be sure of who is making a premium payment is to actually receive it. In the event that a donor fails to make a scheduled premium payment and the institution pays the premium with no offsetting payment from the individual, that payment becomes an operating expenditure. Do not report that expenditure as a gift. Furthermore, do not report any other increases in cash surrender value as gifts.

3. Report realized death benefits as gift income for fundraising purposes only if the institution has never previously recorded the policy value or any donor-paid premiums as gift income and if the institution has not been paying the premiums. If you have already recorded the values, do not report as a gift the difference between the previously reported values and the amount of the insurance company's settlement at the death of the donor. This is a gain on the disposition of the institution's assets.

iii. "If an institution receives the proceeds of an insurance policy in which it is the beneficiary, but not owner, report the full amount of the insurance company's settlement at the death of the donor as a gift on the date the institution receives the proceeds." (CASE Global Reporting Standards Book, p. 32, 1st Ed.)

8. Real and Personal property gifts

- a. "Real property is land, its natural resources, and any permanent buildings on it. Personal property is anything other than real property that is subject to personal ownership. Real or personal property becomes a gift to the institution when a transfer of ownership has taken place. This occurs when the item(s) of property or clear title to the property has been delivered to the institution or the institution's legal agent." (CASE Global Reporting Standards Book, p. 32, 1st Ed.)
- b. Count gifts of real and personal property that qualify as a charitable deduction for a donor at fair market value regardless of the value the donor may be able to take as a charitable deduction. IRS requirements for gift substantiation note that the donor has the responsibility for independently valuing property for tax deduction purposes.
- c. "Count gifts of real and personal property with a fair market values of more than \$5,000 at values placed on them by qualified independent appraisers, if required by the IRS for valuing non-cash charitable contributions." (CASE Global Reporting Standards Book, p. 274, 1st Ed.)
- d. Count gifts of \$5,000 and less in any of the following ways:
 - i. "The value placed on the gift by a qualified independent appraiser. While not necessary for IRS purposes, the donor may nonetheless obtain such an appraisal."
 - ii. "The value declared by the donor. CASE recommends that the institution require the donor to provide a copy of either (1) the paid bill of sale or (2) the invoice and a copy of the check or personal credit card statement showing payment. Sales tax should not be included in the gift's value."

- iii. “The value determined by a qualified expert on the faculty or staff of the institution, but not an individual whose fundraising totals are directly affect by the gift.” (CASE Global Reporting Standards Book, p. 275, 1st Ed.)
- iv. The value established by a purchaser’s winning auction bid at a charity auction run by the institution, if no fair market value for the item was available before the auction. (CASE Global Reporting Standards Book, p. 276, 1st Ed.)

9. Stocks

- a. Publicly traded stocks are valued at the average of the high and low value of the stock on the date the stock is received by the donee.
 - i. Gift date – date donee receives electronically into a brokerage account or in hand (stock certificate) by an agent of CUF. Any person authorized to solicit gifts as part of the Clemson Enterprise is an agent of CUF for the purpose of this section.

10. Gifts from Government Entities –

- a. Gifts from government entities are not counted in fundraising totals or receipted.

11. Matching Gifts

- a. “In recoding and counting these contributions, institutions should take care to meet the requirements of the matching entity. Often a company will indicate that its gift is “unrestricted.” Usually, this does not mean that the gift must go to an unrestricted account using accounting terminology. It does not mean that the company has not placed any restrictions on the gift, and you can apply the gift to any charitable purpose at the qualified organization. Many institutions will credit the same fund as the original gift made by the donor. However, many matching gift corporations indicate that their gifts cannot support certain projects, such as construction or athletic scholarships. The institution should determine, in these cases, a use of the funds that would be acceptable to the company. In general, report these gifts as unrestricted unless the organization states otherwise.”
- b. “Count gifts made by businesses that match the voluntary contributions of employees or other participants as coming from the business or organization that made the payment rather than from the individual whose gift was matched. This is likewise the case for matching gifts made through a company-sponsored foundation. (Most corporations will match only contributions made by employees, retirees, board members, or sometimes spouses. Gifts made through donor-advised funds often do not qualify for matching, as the individual has not made the gift. An institution should call the matching corporation to verify the availability of a match before submitting a claim.) Record matching gifts made through other vehicles, such as donor-advised funds or community foundations, as coming from these sources.”
- c. Donor-advised Funds
 - i. “Institutions should be aware of the implications of these gifts on pledge payments and matching gifts. The IRS may consider a donor-advised fund payment on a personal pledge as income to the individual, potentially subjecting the donor to additional taxes and penalties. In addition, most companies will not match gifts from donor-advised funds.”
- d. Independently Administered Matching Gifts

- i. “Many companies now use foundations and donor-advised funds to administer their matching gift programs. Such gifts count as coming from the legal donor (usually the foundation or fund). In such cases, it is usually appropriate to give soft credit both to the company and to the donor whose gift was matched.”

12. Gifts from DAFs

- a. A donor make contribute to a donor advised fund (DAF) which is supported by a different financial institution or community foundation. The donor is receipted by the DAF at the time of their donation. The DAF then makes gifts to other nonprofit institutions upon the advice of the donor. The donor to Clemson is the DAF. The donor to the DAF may receive soft credit for the gift since they advised the DAF to make the gift. T
- b. Letters of Intent and soft credit to donor

13. Methods of making payments:

- a. Cash, also includes checks.
- b. Credit card gifts that are given in person or over the phone.
- c. Online gifts that are almost always paid with a credit card.
- d. Stock gifts. Most stock gifts are received through a brokerage account. Stock Giving instructions are on the Development Intranet.
- e. Matching gifts. Gifts are usually matched by an employer, but may be matched by other companies. The amount and policies for matching gifts varies from company to company.
- f. Pledges are a commitment to pay a certain amount to a certain fund within an agreed upon number of years on an agreed upon payment schedule.
- g. Conditional pledges based on certain rules or accomplishments that must be met by the Donee. If the Donee fails to meet the agreement upon conditions, the gift may need to be refunded to the Donor.
- h. Gifts-in-kind are non-monetary gifts or services donated to the University.
- i. Payroll deductions are gifts deducted from an employee’s paycheck on an agreed upon schedule.
- j. Recurring credit card debits are set up on an agreed upon schedule.
- k. Planned gifts are future donations set up to go to a charity at some time in the future. Many, but not all, planned gifts are not received by the Donee until after the Donor passes. (LW&T; CRUT; CRAT; CGA; Other Trusts; POD investments).

14. Cornerstone Gift

- a. This is a \$2.5 million dollar gift or greater.
- b. Donor has a period of five years to fulfill the pledge to receive Cornerstone Gift recognition.
- c. Any exceptions to the Cornerstone Partners status five-year rule must be submitted and approved by the Gift Acceptance Committee. All other questions regarding Cornerstone gifts should be directed to the Donor Relations Team.
- d. Reach-backs are defined as reaching back to pull in gifts already made by the donor to satisfy the Cornerstone requirements.

- i. Any reach-back must be first approved by the Gift Acceptance Committee prior to providing the option to the Donor.
- ii. The Gift Acceptance Committee may only approve a reach-back of no more than eighteen (18) months from the beginning of the Cornerstone pledge initiation.
- iii. The reach-back time period is included in the total pledge fulfillment requirement of 5 years. For example, if a reach-back to complete a Cornerstone pledge is approved for eighteen (18) months, the donor will only have three and half (3 ½) years left to pay the remainder of the Cornerstone pledge obligation.

15. Gift Announcements

- a. Before a Gift Announcement may be made, 20% of the total gift amount must have been received.
- b. Any exceptions to the 20% rule must be submitted and approved by the Gift Acceptance Committee.

16. Fund Management

a. **Types of Funds**

- i. **Endowment Account** - Endowment funds are accounts that hold gifts in perpetuity and a portion of the earnings support the purpose intended by the Donor.
- ii. **Current Spending Account** - Current Spending Accounts are intended for immediate or short-term spending. These accounts are not invested and are meant to have immediate impact as designated by the donor.
- iii. **Annual Student Support Account** - Annual Student Support Accounts are for annual student support such as scholarships, fellowships, and grants-in-aid.

b. **Gift Assessments**

- i. The Foundation assesses an **Administration Management Fee** on endowment accounts (currently 1.25%) but does not assess a fee on the gifts made to the endowment.
- ii. The Foundation assesses a **Reinvestment Fee** on gifts to current spending accounts (currently 5%).
- iii. The Foundation does not assess any fee on a gift made to an Annual Student Support Account.

c. **Holding accounts**

- i. Holding Accounts are temporary accounts meant to hold a gift until its designated fund is set up. Gifts in holding accounts are not being invested.
- ii. **Memorial Holding Accounts** are similar to all other holding accounts but are for memorial purposes and will define an intended designation if enough money is raised. It also provides for a contingency designation and a decision-maker. Outlining these items up front allows for donor intent to be honored when multiple donors contribute to one fund with a yet unknown value and potentially an unknown designation.

d. Additional Information on each of these types of funds and their management may be found on the Development Intranet under Gift Management and under CUF Policies and Procedures. You may also contact the Foundation staff directly with questions.