

GIFT ACCEPTANCE POLICY

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Foundation

PART ONE: GLOSSARY OF KEY TERMS

Gift: A voluntary, irrevocable contribution from individuals, businesses, foundations, and other sources to the University of Wisconsin Oshkosh Foundation (the "Foundation") for either unrestricted or restricted purposes. Gifts are made without expectation of a tangible benefit in return. A donor may gift cash or other liquid assets, securities, life insurance, retirement assets, real estate, or tangible personal property (art, antiques, etc.).

Non-Cash Gifts: Donated property (real or personal) which represents direct or indirect value to the University, such as real estate, notes, mortgages, limited partnership interests, royalty or copyright interests, services, art, books, equipment, automobiles, inventory, personal property and other physical assets or materials. The Foundation reserves the right to refuse or sell any non-cash gifts.

Promotional Revenue: Payments that do not qualify as charitable contributions (e.g. event registrations, raffle ticket sales, etc.) and are not recorded on the payee's gift record.

Unrestricted gifts: A gift that does not include a specified purpose for which the gift must be used.

Restricted gifts: A gift that includes a restriction that requires the gift to be used for a particular purpose.

Gift Pledges: A promise made by a donor to the Foundation to make a future gift to the Foundation. A pledge is usually paid out over a period of time (in general, up to a maximum of five years, depending on the size of the gift and the nature of the appeal).

Bequests: Bequests are given to the Foundation after a donor dies, through a provision in the donor's will or trust agreement.

Official Charitable Acknowledgment: The official charitable acknowledgement is a written statement issued by the Foundation to donors that includes the donor's name, the Foundation's name, the date of the gift, the amount of the gift, and a declaration that no goods or services were provided by the Foundation in return for the gift. If, however, the Foundation provided goods or services in return for the gift, then the acknowledgement should include a good faith estimate of the value of such goods or services that were provided by the Foundation to the donor. If the value of goods or services was provided in writing at the time of solicitation, an official charitable acknowledgment may not be necessary.

PART TWO: GIFT ACCEPTANCE POLICY

1. BACKGROUND:

Charitable contributions to the Foundation are increasingly important. The Foundation welcomes gifts that benefit the University (the "University"), and enable it to fulfill its mission of teaching, research, and community service.

Through the promotion of volunteerism and philanthropy, the Foundation provides central friend and fundraising support to assist the University. Federal and state governments encourage voluntary gift support of charitable organizations such as the Foundation, and allow substantial tax relief to its donors.

The significance of these tax laws makes it an important obligation of the Foundation to record and acknowledge all gifts received. The Foundation is responsible for issuing official charitable acknowledgements for all charitable gifts received by the Foundation in compliance with the requirements of the Internal Revenue Service and with procedures established by the Foundation. The Foundation is a recognized charitable organization under Section 501(c)(3) of the Internal Revenue Code. Its federal tax ID is 39-6076856.

2. RATIONALE:

This document has been established to:

- 2.1 ensure informed decisions are made on the acceptance of gifts and that such gifts are acknowledged in accordance with requirements of the Internal Revenue Code and accompanying Treasury Regulations;
- 2.2 ensure efficient administrative, legal, and accounting practices and procedures are followed;
- 2.3 enable accurate reporting of gifts bestowed upon the Foundation; and
- 2.4 ensure consistent, equitable relations with donors.

In order to ensure that this Policy continues to be effective, it shall be reviewed periodically. The Foundation is responsible for initiating this review and shall do so not less than every three years. Any changes to this Policy must be in writing and must be approved by the Foundation's Board of Directors.

3. SCOPE:

This policy is established to govern the acceptance of all gifts made to the Foundation, whether such gifts are made during a donor's lifetime or through a bequest (after death).

4. POLICY FOR GIFT ACCEPTANCE:

- 4.1 The Foundation will not accept gifts, enter into business relationships, or accept external support that will compromise the University's integrity, autonomy or commitment to its academic mission and core values.
- 4.2 The Foundation may elect to accept or decline any gift. The final decision to decline a gift rests with the Foundation's Board of Directors.
- 4.3 Acceptance of any gift which involves a proposal to name is subject to any University or UW System naming policies in effect at the time of the gift and is conditional upon final approval by the University of Wisconsin Board of Regents upon recommendation by the UW Oshkosh Chancellor.
- 4.4 *Gift Eligibility:*
 - 4.4.1 The following gifts are deemed eligible for acceptance by the Foundation:

- Cash
- Bequests
- Retirement Plan Beneficiary Designations
- Life Insurance and Life Insurance Beneficiary Designations
- Publicly Traded Securities
- Privately Held Securities
- Real Estate
- Remainder Interests in Real Property
- Tangible Personal Property
- Charitable Remainder Trusts and Charitable Lead Trusts

- 4.4.2 Cash: In general, unrestricted and restricted cash gifts will be accepted as provided in this policy.
- 4.4.3 Bequests: Donors and supporters of the University will be encouraged to make bequests to the Foundation through their wills and trusts.
- 4.4.4 Retirement Plan Beneficiary Designations: Donors and supporters of the University will be encouraged to name the Foundation as beneficiary or contingent beneficiary of their retirement plan.
- 4.4.5 Life Insurance: Donors and supporters of the Foundation will be encouraged to name the Foundation as beneficiary or contingent beneficiary of their life insurance policies.
- 4.4.6 Publicly Traded Securities: Marketable securities may be transferred to an account maintained at one or more brokerage firms or trust companies, commercial banks or delivered physically with the transferor's stock power attached. All publicly traded securities will be sold promptly upon receipt unless otherwise directed by the Foundation's Board of Directors. It is understood that the donor in transferring ownership of the securities is making a charitable contribution and, as such, has no rights concerning the disposition, sale or retention of any securities given to the Foundation.
- 4.4.7 Privately Held Securities: Gifts of privately held securities will be accepted only upon approval by the Foundation's Board of Directors and if conversion into cash within a reasonable time frame is expected. In general, gifts of privately held securities must be reviewed to determine whether (a) there are any restrictions on the security that would prevent the Foundation from ultimately converting the securities to cash, (b) the securities are marketable, and (c) ownership and/or sale of the securities will result in any undesirable tax consequences for the Foundation. Any gift of privately held securities must have a qualified appraisal performed by an independent professional appraiser at the expense of the donor.
- 4.4.8 Real Estate: Gifts of real estate may include developed property, undeveloped property, or gifts subject to a life interest. The real estate being gifted must be titled in the name of the donor(s). The Foundation may obtain a title binder prior to acceptance of the real estate at the expense of the donor. Prior to acceptance by the Foundation, the donor will be requested to advise the Foundation of any environmental issues that may be readily identified. The Foundation may, at its sole discretion, require or waive an environmental audit of the real estate. The cost of the environmental audit will be at the donor's expense. The Foundation reserves the right to refuse or accept any gift of real estate, including those made through bequests. The real estate, if accepted, may be placed on the market.

- 4.4.9 Professional Service: Gifts of professional service will be recognized at the level of actual expenses incurred by the donor while providing such service, but not for the service itself.
- 4.4.10 Tangible Personal Property: All gifts of tangible personal property will be considered based on criteria, which includes, but is not limited to the following: whether the property helps to fulfill the Foundation's mission, the marketability of the property, whether there are any costs associated with transportation, storage, selling, maintenance or repair of the property, etc.
- 4.4.11 Charitable Remainder Trusts and Charitable Lead Trusts: The Foundation may accept designation as remainder beneficiary of a charitable remainder trust at any time. The Foundation may accept a designation as income beneficiary of a charitable lead trust at any time.
- 4.5 *Gift Limitations:*
- 4.5.1 When conditions placed on a gift offer are judged to be administratively difficult or not in the University's best interest, the Foundation may request that the terms of the gift be revised or determine that it will be declined.
- 4.5.2 The Foundation will not accept gifts for scholarships, fellowships, awards, or other financial aid funds which designate a specific recipient by a donor, if the recipient was not chosen through a selection process administered and managed by the University, its departments or colleges, or the Foundation.
- 4.5.3 Charitable gifts may be accepted by the Foundation for officially recognized student or affiliated organizations only if these charitable gifts cannot be made to the organization's account at the University or at an external financial institution and the gift has been deemed to benefit the University. However, the organizations' affiliated University department is responsible for accepting the gift on their behalf through their department fund, unless the Foundation has determined that the organization shall have a distinct fund. Related expenses must be paid from a University account and reimbursed from the Foundation fund. Such expenses must be necessary to the functioning of the organization. Membership dues, revenue from events not sponsored by the Foundation, and any other revenue generated by the organization but not deemed to be a charitable contribution will not be accepted by the Foundation.
- 4.5.4 The Foundation shall not accept funds derived from University revenue producing activities, such as fees for services or use of university facilities, revenues from ticket sales, registration fees, and similar activities, or from grants, sponsored projects, contracts, or business arrangements. Such funds belong to the University and must be deposited directly with the University into appropriate accounts. Such funds must not be deposited with the Foundation or transferred to the Foundation, as a means of avoiding state law requirements and restrictions on the use of state funds.¹
- 4.5.4.1 Qualifications of a sponsored project are defined as:²
- 4.5.4.1.1 Specific statement of work (e.g. specified protocol, experiments, testing of hypothesis, particular line of inquiry, specific instruction)

1. Institutional Relationships with Foundations, Appendix A, Regent Policy Document 21-9. https://www.wisconsin.edu/regents/download/policy_attachment/RPD-21-9-Appendix-A.pdf

2. Extramural Support Administration, UW System Administrative Policy 342. <https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/extramural-support-administration/>.

4.5.4.1.2 Detailed financial accountability and reporting (e.g. a line item budget, defined time period for expenditure of funds, requirement to return any unexpended funds)

4.5.4.1.3 Deliverables defined by the agreement (reports, intellectual property rights, access to data, ownership of equipment, required publication delays)

4.5.4.2 Special caution shall be taken when accepting gifts related to a University cost-recovery program. Prior to the Foundation accepting any contributions for such programs, the University must consider the need for charitable contributions to supplement the cost of the program for participants and whether changes to the pricing model are necessary.

4.6 *Gift Acceptance:*

4.6.1 When negotiating a gift on behalf of the Foundation, individuals shall consult with the Office of Advancement, to ensure due diligence prior to making a decision with respect to a gift which:

4.6.1.1 might expose the University to an uncertain and potentially significant liability

4.6.1.2 is precedent-setting or involves sensitive issues

4.6.1.3 may have come from illegal activities

4.6.1.4 involves a proposal to name

4.6.1.5 because of its unusual nature, presents questions as to whether it is within the role and scope of the University.

4.6.2 The Foundation's solicitation of gifts is informed by and consistent with priorities established in consultation with the University and defined in the Foundation's fundraising plan.

4.6.3 Occasionally, funds sought and contributed for a University purpose are insufficient to make the project viable. If the University is unable to proceed, benefactors will be invited to redirect their contributions to an analogous purpose, and/or to curtail future pledged payments. Funds will be returned per a donor's request, and a 1099 form will be provided for proper tax documentation.

4.6.4 Unrestricted gifts shall be used for such purposes as the Foundation judges will best advance the University's mission and academic priorities. Unrestricted bequests of \$10,000 or more shall be deposited in the Board Designated Endowment Fund; bequests under \$10,000 shall be deposited in the UW Oshkosh Fund. Restricted gifts shall be used expressly for the purposes for which they are given, which must be consistent with the University's mission and academic priorities.

4.6.5 Pledges must be received in writing or documented to include the donor's signature.

4.6.6 Any legal vehicles related to gifts (stock transfer papers, insurance beneficiary designations, will, or the like) should identify the recipient as the University of Wisconsin Oshkosh Foundation, Inc.

4.6.7 All gifts made via check must be made payable to "University of Wisconsin Oshkosh Foundation" or "UW Oshkosh Foundation."

- 4.6.8 Any Foundation gifts accepted by University personnel need to be delivered in person to the Foundation Office within 5 days of receipt. Non-adherence to this requirement may jeopardize the department's ability to use Foundation funds. University personnel are responsible for keeping the contributions in a secure location until they have been received by the Foundation. Contributions shall not be sent via campus mail. Gifts delivered by University personnel must include a Deposit Slip. Charitable contributions and promotional revenue must not be included on the same deposit slip. The donor's address must be provided for all charitable contributions.
- 4.7 *Gift Receipting:*
- 4.7.1 Charitable gift acknowledgements shall be issued solely by the Foundation. This ensures accurate reporting of all charitable gift contributions to the Foundation and ensures that donors are recognized for the total of all their charitable gifts pursuant to applicable law.
- 4.7.2 All eligible gifts will be acknowledged with an official acknowledgement accompanied by correspondence prepared by the Foundation. These documents are deemed the official acceptance of the gift and its related terms and conditions, as well as official acknowledgement of the donation for income tax purposes.
- 4.7.3 Gifts received from private foundations or donor-advised funds at community foundations or financial investment companies shall be recorded on the record of the legal entity issuing the check. The party who recommended the gift to the Foundation shall receive a soft credit on their record.
- 4.7.4 Commitments will be publicly recognized and/or commemorated consistent with the donor's wishes. Requests by donors for anonymity will be honored. Permission to recognize a donor and his/her gift publicly will be assumed unless otherwise requested.
- 4.7.5 Costs for appraisals and/or fees will be borne by the donor, although in exceptional situations, the Foundation may waive this requirement.