Policy Statement

The policies and procedures set forth in this document are intended to assist and guide the activities of University personnel who are involved in the planning, promotion, solicitation, application, receipt, acceptance, and disposition of gifts to Adelphi University.

Reason for Policy

These policies and procedures are intended to provide a standardized and consistent approach to the University’s solicitation and acceptance of gifts that protects our good relationships with the many alumni, friends, corporations, foundations, and others who benefit the University through their philanthropy.

It also insures that the receipt of gifts advances the University’s mission and is done in accordance with applicable local, state, and federal statutes. The guidelines are designed with sufficient flexibility to accommodate complex or unpredictable gift situations and donor expectations within the constraint of consistency with the University’s mission and policies.

Who is Governed by this Policy

Staff

Policy

I. Solicitation and Receipt of Gifts

A. The Office of the Vice President of University Advancement is charged with the responsibility for soliciting all gifts on behalf of the University. With increasing competition for gift dollars in higher education, it is essential that the University make every contact with prospects and donors meaningful and appropriate.
B. The University must be sensitive to the interests and capabilities of its donors and donor prospects and must not burden them with excessive or inappropriate solicitations. To avoid embarrassment to either the University or donor that may be caused by multiple, uncoordinated appeals, the solicitation of all gifts must be approved by the Vice President of University Advancement and coordinated through that office.

C. Solicitation of a gift may be initiated by a department of the University only in collaboration with the Office of the Vice President of University Advancement.

D. All University staff and faculty will clear formal or informal solicitations with the Office of the Vice President of University Advancement prior to making any contact with current or prospective donors including individuals, corporations, or foundations.

E. Requests for funding from governmental bodies should be cleared with the Office of the Vice President of University Advancement. Proposals for soliciting a gift for a special event or specific purpose should be forwarded to the Office of the Vice President of University Advancement for approval prior to solicitation.

F. Proposals must include complete budget detail indicating all expenses the University is liable to incur such as required matching funds or future obligations and have the prior approval of the appropriate dean, department head or other member of the University administration.

G. Proposals will be evaluated to determine the best possible sources of funding according to a schedule and sequence determined by the Office of the Vice President of University Advancement. Funds may be sought for general, unrestricted support or for specific projects and capital assets that advance the University’s mission and priorities.

H. All gifts to the University under law are received by the Trustees. The Trustees have designated the Office of the Vice President of University Advancement to receive and acknowledge gifts. No gift, therefore, will be acknowledged and valued unless received, recorded, and acknowledged by the Office of the Vice President of University Advancement.

I. All gifts accepted by the University will use charitable gift making methods which conform to federal and state tax regulations. As needed, the University’s outside counsel shall review legal documents, contracts, and fund agreements. The Vice President of University Advancement shall assure that donors are instructed to secure independent tax, financial and/or legal counsel when reviewing a fund agreement provided by the University.

J. The University will pay no fees to any person in consideration of directing a gift to the University nor commission or finder’s fee of any type in connection with the completion of a philanthropic gift to the University.

K. All donor and donor prospect files, records and mailing lists are maintained and controlled by the Office of the Vice President of University Advancement. Information and contacts that members of the Board of Trustees, administration, staff and faculty have with potential donors are important components of the University’s cultivation and solicitation of gifts. All members of the University community are, therefore, urged to
inform the Office of the Vice President of University Advancement of all contacts with donors and prospective donors.

L. Written reports of interactions and solicitations will be maintained in a donor’s individual record. Mailing lists will be provided to other departments of the University with the approval of the Vice President of University Advancement to ensure that their use conforms to University fundraising policies and procedures. Mailing lists will not be made available to outside organizations.

M. University personnel need to be circumspect in all contacts with donors so as to avoid even the appearance of any conflict of interest or self-dealing. Alleged conflicts of interest or instances of self-dealing shall be brought to the attention of the Board of Trustees by the President or the Vice President of University Advancement.

N. A transaction with a donor in which a University employee has a material financial interest shall be considered an act of self-dealing. The appearance of a conflict of interest shall be sufficient grounds for a finding that a conflict exists.

O. The University may refuse any gift that is not consistent with its mission. The University will not accept gifts that violate any federal, state, or local ordinance; that require the future employment of a specific person by the University; that contain unreasonable conditions such as a lien or other encumbrance on gifts of partial interest or property; that are intended to be tuition payments for a family member, donor or specifically identified individual; that are financially unsound or expose the University to liability.

II. Determining the Date of a Gift

A. Gifts are assigned a designated date of receipt to protect both the interests of donors with regard to taxation and the fiduciary integrity of the University. The date of a contribution by check shall be recorded as the date of gift. The date of any other contribution to the University is considered to be the date on which the gift is received in the Office of the Vice President of University Advancement. It is essential that all gifts of cash, checks, or property received by other University employees or departments be delivered immediately to the Office of the Vice President of University Advancement. These gifts should be accompanied by the envelope they arrived in with the postmark intact as well as any other material that would document the date of receipt.

B. The date of a gift physically delivered to the University by the donor is the actual date of delivery. The date of receipt for cash or checks delivered to the University by the U.S. postal service is the postmark date on the envelope. For gifts of personal property or cash delivered by other companies such as United Parcel Service, Federal Express, or by foreign postal services, the date of the gift is recorded as the date of receipt at the University. The gift date for a gift made by credit card is the date when the donor’s account is debited.
C. A gift of securities may be completed in several ways. The gift date for stock certificates is the postmark date on which a properly executed stock power form for those certificates was mailed to the University. Stock certificates sent without an endorsement are not completed gifts. In the case of electronic transfers of securities, the University needs to be notified in advance of the identity of the donors and a specific description of the assets in order for the transfer to be accepted. The Office of the Vice President of University Advancement should be consulted by the donor for details about the procedures. (See Gifts of Securities Policy for more detailed handling procedures).

D. A gift of real estate is complete when the Office of the Vice President of University Advancement or the Office of the Executive Vice President of Finance receives a properly executed deed to the property accompanied by all other documents required to effectuate the recording of the deed in the Office of the County Clerk in which the property is located. (See Acceptance of Gifts of Real Property Policy for more detailed handling procedures).

III. **Acceptance of Gifts, Valuation and Gift Credit**

Procedures for the acceptance of gifts, methods of valuation, and the process of gift credit vary by type of gift and are detailed below. The University adheres to all applicable IRS regulations in the acceptance, valuation and crediting of gifts.

IV. **Acceptance and Valuation of Cash and Cash Equivalent Gifts**

A. Gifts of cash and checks are valued for gift credit purposes at their face value and are accepted by the University in any amount. Checks should be made payable to Adelphi University or one of its affiliated constituencies. Checks made payable to an employee, agent, or volunteer for the credit of the University will not be accepted as gifts.

B. Cash equivalent gifts such as publicly traded securities and bonds are valued for gift credit purposes at their mean market value on the date of the gift. Securities traded on the New York Stock Exchange, American Stock Exchange, NASDAQ, and other major U.S. and international exchanges are accepted as gifts to the University.

C. Closely held or non-publicly traded securities may be accepted as a gift to the University only with the approval of the President and the Executive Vice President of Finance in conformity with the investment policy of the Board of Trustees, and shall be sold by the University only with such approval.

D. Valuation of closely held securities may be difficult due to infrequent trading of these stocks. Their value may be determined by the last sale or trade if such occurred recently. In the absence of a recent sale, a fair market value should be determined by an acceptable authority in conformity with IRS valuation guidelines for valuing closely held securities. A qualified appraisal, obtained and paid for by the donor, shall be required if the gift is estimated to be $5,000 or more.
V. **Acceptance and Valuation of In-Kind Gift**

A. Gifts of tangible personal property shall be accepted by the University only upon approval by the Vice President of University Advancement and the Executive Vice President of Finance, or other officers of the University designated by the President. (See Acceptance of Gifts of Personal Property for more detailed handling procedures).

B. The Office of the Vice President of University Advancement should be notified of the receipt of any in-kind gift by other departments in the University. All departments should complete a transmittal sheet immediately upon receipt of the gift and forward it to the Office of the Vice President of University Advancement.

C. The Office of the Vice President of University Advancement will record these gifts on a donor’s record and issue an acknowledgement to the donor based on established procedures outlined in the proper policy referenced earlier.

VI. **Gift Credit**
The Office of the Vice President of University Advancement is responsible for recording and acknowledging all gifts to the University. Individuals, business firms, foundations and other organizations making philanthropic gifts to the University will receive a letter of acknowledgement from the Office of the Vice President of University Advancement.

VII. **Types of Gifts**

A. Gifts can be restricted or unrestricted by the donor.
   1. Restricted gifts are those that are designated by the donor for a specific purpose.
   2. Unrestricted gifts are given without conditions or restrictions upon their use and provide the University with the most flexibility.
   3. Annual, unrestricted gift support is the most versatile form of gift and can be used as determined by the administration.
   4. Restricted or legally binding gifts are subject to specific restrictions as to the application and use of the gift and its income. Examples of gifts in this category would be those for endowments, buildings, renovations, and major equipment that add to the capital assets of the University.
   5. Gifts may be categorized as either outright gifts or planned gifts, which are also referred to as deferred gifts.
      a. Outright gifts are those that provide the University with immediate access to the principal or income from the gift. Outright gifts may be pledged to the University to be paid over a specified number of years not longer than five years. The donor executes a written pledge to record their intention.
      b. Planned gifts allow individuals to make a gift to the University in the present with University access to the principal or income from the gift deferred to the future.
6. **Endowments** are gifts of principal which are invested by the University and maintained in perpetuity. They are restricted gifts with some form of restriction on the use of the earnings generated by the endowment fund.

1. From the University’s point of view, the terms of the endowment should be written to allow the most flexibility.
2. The Office of the Vice President of University Advancement will produce a fund agreement to govern the endowment that will require both donors and University administration signatures.
3. All gifts accepted for endowment purposes are accepted on the condition that should the purpose for which the funds were given cease to exist, the University will allocate the income from those funds to purposes as near as possible to the original intent of the donor provided that the purpose is tax exempt.
4. In accordance with current University policy, 4.5 percent of a five-year trailing average of the market value of an endowment is available for spending each year. Any earnings produced by the investments in excess of that 4.5 percent shall be returned to that specific endowed fund to promote growth in principal and provide a hedge against inflation.
5. No restrictions on how gifts may be used by the University will be honored without approval of the Executive Vice President of Finance.

7. **Deferred Gifts**

1. Bequests represent an important potential source of gifts for the University. Direct, unencumbered bequests provide the University with the full value of the bequeathed property and provide the testator's estate with a charitable deduction of the same value.
   a. Gifts through Wills shall be encouraged and attempts shall be made to discover bequest plans of donors whenever possible.
   b. Intended bequests of property other than cash or marketable securities should be brought to the attention of the Office of the Vice President of University Advancement so the donor can be advised how to conform his or her plans to meet the requirements of University policy.
   c. Gifts of property from the Estate of deceased donors which are not acceptable shall be rejected only by the agreement of the President and Executive Vice President of Finance. Legal counsel of the University shall expeditiously communicate the decision to the legal representatives of the estate.
2. Life income plans are contracts between the University and a donor that provide a guaranteed income for the donor and/or his or her designated beneficiary in return for an irrevocable gift to the University.
a. Life income gifts shall be encouraged as a method of making gifts to the University.

b. No representation of a life income plan will be made which could be construed as marketing the fund as a tax avoidance device, as an investment or as a security of any type, since such activity may violate federal and/or state securities regulations.

c. The University will not accept any gift which names an income beneficiary under 65 years of age or which names two beneficiaries without prior approval of the Executive Vice President of Finance.

d. All disclosures required by state and federal regulatory agencies shall be made in a thorough and timely manner. Life income plans come in a variety of forms such as charitable gift annuities and charitable remainder trusts.

3. Charitable Gift Annuities require full evaluation and approval by the Executive Vice President of Finance.

a. The minimum initial contribution for a gift annuity shall be $10,000 with additional contributions a minimum of $5,000.

b. The University will use the annuity rates established by The Committee on Gift Annuities[1] and will not agree to a higher rate for an individual annuity without the approval of the President and the Executive Vice President of Finance.

4. Charitable Remainder Trusts come in two types that the University will enter into with a donor: charitable remainder unitrusts and charitable remainder annuity trusts.

a. Charitable remainder unitrusts are legally bound to pay income beneficiaries a fixed percentage of trust assets of 5% or more based on the trust’s fair market value.

i. The University will not serve as sole trustee of a unitrust which benefits the institution.

ii. The University, through the office of the Executive Vice President of Finance will identify a limited number of corporate fiduciaries that hold such trusts and may recommend a corporate fiduciary to a donor only when specifically asked. Donors will be instructed to interview potential trust officers and to make their own informed choices.

iii. The fees for management of a unitrust will not be paid by the University.

iv. The minimum amount generally required to establish a unitrust shall be $50,000. The amount may vary according to the practices of
the trustees selected, provided that the University has granted approval for a smaller amount.

v. No charitable remainder unitrust shall be encouraged in which the net present value of the remainder interest in the trust is less than $25,000 or 50% of the value of the funds transferred to the trust.

vi. Additional funds may be added to the unitrust at a minimum of $5,000 per contribution.

b. Charitable Remainder Annuity Trusts requires a minimum contribution of $50,000 and has no provision for additional contributions once the annuity is funded.

i. The donor chooses the trustee or co-trustees. The University will not serve as sole trustee of an annuity trust which benefits the institution.

ii. The University, through the Office of the Executive Vice President of Finance, will identify a limited number of corporate fiduciaries that hold such trusts and may recommend a corporate fiduciary to a donor only when specifically asked. Donors will be instructed to interview potential trust officers and to make their own informed choices.

8. Life Insurance gifts will be accepted by the University. Donors must name the University as the owner and beneficiary to receive all or a portion of the benefits of policies they have purchased on their lives for the University to record their intention as a gift.

1. Upon receiving a gift of an existing, paid-up, life insurance policy, the University, as owner, can surrender it and obtain the present cash value or keep the policy until the death of the donor.

2. The donor will continue to make the premium payment on the policy and can make the payment themselves or donate the premium to the University and the University will make the premium payment. The donor will receive a gift acknowledgement if the premium payment is donated to the University.

3. The University will not accept gifts of cash from donors for the purpose of purchasing life insurance on the donor’s life.

4. No insurance products may be endorsed for use in funding gifts to the University without the approval of the Board of Trustees.

5. Lists of the University’s donors will not be furnished to anyone for the purpose of marketing life insurance benefiting donors and/or the University as this practice constitutes a potential conflict of interest and may be construed as involvement in the marketing of life insurance.

9. Life Estate Gifts are an agreement in which the donor irrevocably relinquishes full ownership of their home in exchange for the right to enjoy use of the property as long as they wish.
1. For this exchange the donors receive an income tax deduction. Life estate gifts may be accepted by the University with the approval of the President and the Executive Vice President of Finance in situations where the above mentioned officers are satisfied that there has been full disclosure to the donor of the possible future ramifications of the transaction.
2. The donor is responsible for maintenance, taxes and insurance on the property as long as he or she occupies it under the retained life estate agreement.

Definitions

This policy does not have definitions associated with it at this time. Upon periodic policy review this area will be evaluated to determine if additional information is needed to supplement the policy.

Forms

This policy does not have forms associated with it at this time. Upon periodic policy review this area will be evaluated to determine if additional information is needed to supplement the policy.

Policy Owner

Name: Brady Crook
Phone Number: 516-877-3258

Secondary Contacts

This section should include the name, phone number and email address of one or more individuals who can answer questions about the policy.

<table>
<thead>
<tr>
<th>Contact</th>
<th>Telephone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jim Perrino</td>
<td>516.877.3385</td>
<td><a href="mailto:jperino@adelphi.edu">jperino@adelphi.edu</a></td>
</tr>
</tbody>
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Document History

This section must contain the following dates or placeholders for future dates:

- Last Reviewed Date: 12.30.17
Who Approved This Policy

Brady Crook, Vice President, University Advancement

Tags

Advancement, Staff