

Roseman University of Health Sciences

Gift Acceptance Policies

The following policies govern acceptance of gifts made to Roseman University. The policies define the types of assets that are acceptable and also define the organization's role in gift administration. The primary benefit of a gift acceptance policy is to maintain discipline in gift acceptance and administration.

All University employees and volunteers must adhere to this policy, which also acts as a guide for prospective donors and their advisors, providing assurance that all donors are treated equitably.

Mission Statement

Roseman University educates healthcare professionals and advances healthcare education through its innovative educational model; it creates and disseminates new knowledge; it impacts the health, education, and wellness of the communities it serves, and it provides a collaborative and supportive environment that enables its students, faculty, and staff to be successful.

Purpose and Application of the Policies

The Gift Acceptance Policies are to inform, serve, guide or otherwise assist donors who wish to support Roseman University's activities, but never, under any circumstances, to pressure or unduly persuade prospective or current donors. These policies are approved by the Board of Trustees and apply to all parts of the University, including all entities or associations under the University's 501(c)(3) designation such as colleges, schools, departments, interdisciplinary programs, centers, institutes, etc. All employees and representatives of the University must abide by these policies.

Oversight

Oversight of the acceptance of gifts and this policy will fall on the Gift Acceptance Committee (GAC), which will consist of the following members:

- President, University
- Chair, Philanthropy Committee, a member of the University's Board of Trustees
- Chancellors of South Jordan, Henderson and Summerlin campuses
- Vice President, Business and Finance
- Vice President, University Advancement

Gift Acceptance and Solicitation

These policies ensure that gifts are determined to be acceptable to the University, based upon the following criteria:

- They are appropriate to the mission and needs of the University.

- They impose no undue financial, legal, or other risk or burdens on the University.
- If restricted, they are written in reasonably broad and flexible terms to maximize their usefulness to the University and include language that permits the University to apply the gift to a related purpose in the event that the designated purpose is no longer practical, necessary, nor able to be performed.

The University will not accept gifts that:

- Could damage the reputation of the University.
- Are too difficult or expensive to administer.
- Could create unacceptable liability or cause the University to incur further unanticipated expenses.
- Would jeopardize the University's tax-exempt status.
- Provide a donor with goods or services of financial value in exchange for said donor's gift unless such value is fully disclosed in the time and manner required under federal law and regulations.

Any gift that falls outside the standard for gift acceptance must be reviewed by the President or her designee.

Use of Professional Advisors

All prospective donors should seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequence. Roseman University may seek the advice of legal counsel in matters relating to acceptance of gifts where appropriate. If, at the donor's request, a representative of the organization makes referrals to financial or legal advisors, it shall be understood that the advisor is retained to represent the donor's interests.

Gift Designations and Restrictions

Restrictions placed upon a donor's gift are generally allowable when made in line with the University's approved priorities and programs.

Any requested gift restrictions which are not in line with the Universities already-approved priorities and programs shall first be agreed to only after thorough review and prior written approval by the GAC.

In-kind gifts shall generally not be received unless made without conditions as to the timing, place, manner and value upon liquidation. Any conditions a donor may seek to impose as to the timing, place, manner and value upon liquidation of an in-kind gift, may only be agreed to after thorough review and prior written approval by the GAC.

Definition of Gifts and Related Terms

This section defines the terms gift, grant, and contract and indicate the areas of responsibility.

- Gifts to the University are donations from individuals, businesses, and public or private foundations which come in a variety of forms including cash, products, property, securities, life insurance contracts and other items of value.
- Outright gifts are those placed at the immediate disposal of the organization and in which the donor retains no interest. They may be restricted or unrestricted.
- Gifts may be deferred. The most common types of deferred gifts are bequests, charitable remainder trusts, annuity trusts, and multi-year pledges.
- The person making the gift is called a donor or contributor.
- A promise to make a gift is called a pledge.

Items that should not be considered gifts

- Pledges made but not received.
- Non-gift revenue earned by fundraising, raffles, etc.
- Bequests not yet received.
- Any public funds (i.e., government grants and contracts).
- Income from trusts, endowment or other investments.
- Contributed services unless cash payment is returned as contributions.
- Value of deferred giving contracts terminated due to death of income beneficiary during the year.

Acceptable Forms of Gifts

Cash and Checks: Cash, checks (including electronic funds transfers and payroll deductions) and credit card charges shall be accepted regardless of amount.

Publicly Traded Securities: Securities which are traded on the New York and American Stock Exchange, as well as other major U.S. Exchanges and NASDAQ shall be accepted by the University.

Closely Held Securities: Closely held or non-publicly traded securities may be accepted only after approval of the President or GAC. Such securities may be subsequently sold only with the approval of the President or GAC.

Restricted Securities: Gifts of restricted securities (also known as unregistered securities, investment-letter stock, control stock or private placement stock) may only be accepted with written approval of the President or the GAC.

Real Estate: Personal and commercial real property, real estate interests/derivatives, and remainder interests in property (gifts subject to a retained life estate) may be accepted only after thorough review and prior written approval by the GAC and any appropriate expert advice, as determined necessary by the GAC, which shall include appropriate environmental screenings.

The University generally does not accept debt-encumbered real property, real property subject to a mortgage or lien or time share interests. In the instance of gifts subject to a retained life estate, the donor or primary life beneficiary shall be responsible for all expenses other than capital expenditures during the life tenancy, including but not limited to maintenance, real estate taxes, assessments and insurance.

No gift of real estate located within the United States (residential or commercial) shall be accepted without prior approval by the President or GAC. No real estate located outside of the United States will be accepted unless the potential value of the property merits the additional costs associated with such a gift. No gift of real estate shall be accepted without a current "qualified appraisal" by a "qualified appraiser" as required by the regulations issued under the Internal Revenue Code and which is acceptable to the University.

The University will **not** accept any real estate without:

- A. a title search and title policy;
- B. marketability check;
- C. an on-site evaluation by the Facilities Department or its designee;
- D. an environmental impact study of the property to ascertain if it is subject to environmental restrictions, sanctions, toxic wastes or otherwise encumbered in such a manner as to cause present or future economic liabilities for the University; and
- E. conveyance by properly executed deed, or other conveyance acceptable to the University as determined by the President.
- F. No gift or real estate will be accepted in which the University takes title subject to a mortgage. The subsequent sale of such mortgaged property could subject the University to unrelated business tax liability.
- G. No gift of real estate, including bargain sales, will be accepted which subjects the University to liability in an amount in excess of \$500,000 of the value of the gift without prior approval of the Board of Trustees.
- H. Any gift of real estate which may subject the University to liability for environmental clean-up in an amount in excess of \$500,000 of the value of the gift may only be accepted by the Board of Trustees.

Tangible Personal Property: Jewelry, works of art, collections, equipment and other property which may be touched, may only be accepted after review by the GAC. Books and other material donations to the Library will follow the gift materials acceptance policies approved for receipt of library donations. No personal property shall be accepted requiring ownership in perpetuity without express written approval of the President. No perishable property or property which will require special facilities, cost (including insurance) or security to be properly safeguarded will be accepted without prior approval of the President.

Other Personal Property: Other property of any description, and including but not limited to: mortgages, notes, copyrights, royalties, easements, whether real or personal, may be accepted only upon approval of the President.

Estate Gifts: Estate gifts consist of bequests to the University through a will or trust arrangement. The University shall accept estate gifts subject to the following:

The University reserves the right to decline gifts from the estate of deceased donors which are not in keeping with the terms of this policy. No part of any gift, or benefit from any gift, shall be accepted until a final determination has been made as to the acceptance of the gift.

Gifts of property from the estate of deceased donors, which are not acceptable, shall be rejected only by agreement of the President or other duly authorized representative. The President's authorized representative will expeditiously communicate the decision of the University to the legal representatives of the estate.

Deferred Gifts: The term "deferred gifts" (also known as "planned gifts" or "split-interest gifts") *generally* applies to gifts in which the donor makes a current conveyance or commitment, but the University's legal ownership or use of the gift is subject to a specific event (i.e. death of an individual) or term of years. The University shall comply with all federal and state laws and regulations relating to these giving arrangements.

University may accept (including but not limited to) the following planned and deferred gifts:

- A. Charitable Remainder Annuity Trusts and Unitrusts;
- B. Charitable Lead Trusts;
- C. Charitable Gift Annuities;
- D. Gifts of Pension Fund and Individual Retirement Account assets;
- E. Bargain Sales;
- F. Retained Life Estates;
- G. Pooled Income Funds;
- H. Life Insurance.

Retirement Plan, Life Insurance and other Beneficiary Designations: Donors and supporters of the University will be encouraged to designate the University as beneficiary or contingent beneficiary of their retirement plans, life insurance policies and other accounts on which a beneficiary can be named. The University may accept a designation as beneficiary or owner of a life insurance policy. The Advancement Office is responsible for due diligence review, prior to acceptance with respect to all new life insurance policies where the University may be an owner or have other responsibilities. The University will not accept policies where the University is obligated to make any future premium payments unless the donor commits to making the annual gifts to cover such payments and/or understands that the University may unilaterally exercise its right to surrender the policy for its cash surrender value. Life insurance policies will be booked for gift and campaign counting purposes in accordance with CASE standards, and donors will receive gift receipts in accordance with IRS guidelines.

Revocable Bequest Intentions

The University welcomes notification by donors that they have included Roseman in their wills or estate plans, records this information in the Advancement database. However, the University does not book or count revocable future gifts or bequest, and per IRS regulations, the University does not provide any gift receipt to donors until the gifts are realized.

Irrevocable Bequest Intentions

In accordance with CASE standards, the University may recognize and count irrevocable pledges where donors have included Roseman in their estate plans, provided such donors (1) are age 70 or older at the time of the gift, (2) sign a written pledge agreement that makes their commitment legally binding and irrevocable, and (3) own sufficient assets to satisfy the amount committed, as best as the University can ascertain. These gifts will be entered into gift accounting records as a pledge. Although the University may not provide an acknowledgement of the pledge for recognition purpose, per IRS regulations, the University will not provide any gift receipt to such donors until the pledge is satisfied.

Endowments

The following policies and guidelines for endowments have been established to facilitate processing and handling of major gifts which are to be used for endowment purposes. These guidelines will provide direction for the requirements which must be met by both the donor and the University before such an endowment can be accepted. These requirements are intended to protect the interests of the donor and allow the organization to economically carry out the requirements set down by the endowment guidelines.

Endowed funds may be named. Every endowment shall have specific guidelines detailing the purpose of the endowment. Unrestricted endowments will be encouraged. In addition to the use of the earnings, these guidelines should include the following:

Donors are encouraged to recognize that over the many years following the establishment of an endowment, the needs, policies and circumstances of the University may change in unforeseen ways. If at some future date, circumstances within the organization should change so that the uses and purposes of which this fund has been established are no longer existent and/or conflict with the administration of the University, then the fund income and principal may be used in a manner which is in the best interests of the organization, bearing in mind the wishes of the donor set forth therein. In this unlikely event, every effort shall be made by the organization to contact the donor prior to any change in fund disbursement.

Submitting and Executing Gift Agreements

A written gift agreement will be required for all pledges of \$25,000 or more. All gift agreements and pledges should be in the form of the templates prepared by University Advancement and approved by the appropriate people as outlined in the Gift Agreement Workflow Chart.

Multi-year pledge payment schedules will only be permitted if the annual payment is at least \$5,000 per year. The maximum pledge payment schedule shall be five years. Any request for a pledge to be paid over more than five years must be approved by the Vice President of Advancement.

Gift agreements, including agreements structures as corporate or foundation grants, should never include terms creating an exclusive relationship between the University and outside entity.

Contingencies

If an accepted gift for a specific program or purpose can no longer be used as originally intended, due to a discontinued program or similar circumstance, the funds will be used for a similar program or purpose.

Practices for Reporting, Counting and Valuation of Gifts

Gift Reporting and Counting: For outright gifts, the University may follow the Council for Advancement and support of Education (CASE) "Reporting Standards and Management Guidelines for Education Institutions," Fourth Edition, 2009. For future gifts, the University may follow the PPP Guidelines for Reporting and Counting Charitable Gifts, Second Edition, 2009. All exceptions to these standards should be made by the GAC.

Gift Valuation: The University may follow the PPP Valuation Standards for Charitable Planned Gifts. Any exceptions to these standards should be made by the GAC.

Responsibility for IRS filings upon sale of gift item: The University is responsible for filing the appropriate IRS forms upon the sale or disposition of any asset sold (see current IRS regulations).

Gift Receipts

The University Advancement Office will provide a gift receipt to all donors that is prepared in accordance with applicable government requirements.

Recognition and Stewardship

Acknowledgement of all gifts made to the University shall be in compliance with the current IRS requirements. Gift recognition comes in a variety of forms and may include token objects given to the donor not to exceed a minimal percentage of the gift value. Token gifts and naming of programs, endowment funds, and structures after the donor do not alter the essential nature of the gift. All of the organization's donors will be recognized promptly for their gifts in a manner appropriate to the size of their gifts and consistent with their personal wishes.

In acknowledging gifts, it is important for income tax purposes that the donor be notified that no goods or services were received (quid pro quo gifts) for gifts of cash. Benefits received will be noted at the fair market value.

Confidential Information

The University will designate donor and prospect mailing lists as confidential information. Such mailing lists will not be sold to or shared with outside individuals or organizations. All information concerning current and prospective donors including names and addresses, names of beneficiaries, nature and worth of estates, amounts of provisions, etc., shall be kept strictly confidential by the organization and its authorized personnel unless the donors grant permission to use the selected information for purposes of referral, testimonial, or example.

Information Systems

The University will use electronic databases to collect and maintain information related to the development program. A designated staff member will be responsible for the ongoing maintenance of the database. Advancement staff will maintain a master computerized records system containing donors, members, prospective corporations, foundations, and individual. The staff will maintain accurate and current gift histories on all donors. The staff will strive to improve accuracy of all records data through the use of returned mail and commercial electronic services. The staff will provide statistical reports of records data to appropriate staff or board members.

Use of information systems will be guided by the following policies:

- Databases may not be used for any personal use.
- Staff may not access, copy, add, alter, damage, delete or destroy any data or computer software unless specifically authorized.

Access to donor records will be as follows:

- Biographical and financial records stored in the records system are to be treated as confidential.
- The prospect research and donor files will be open to all board members, executive staff and development staff as needed for the University.

Ethics

All philanthropic solicitations, activities, and events will follow the guidelines promoted by the Council for Advancement and Support of Education (CASE). The University will not participate in gift discussions if there is a question as to the title/ownership of the asset or the donor's competency to transfer an asset.

Conflict of Interest

To avoid possible conflicts of interest, all prospective donors are urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax, financial, and estate planning consequences.

Responsibility to Donors

The University, its staff and volunteer representatives shall endeavor to assist donors in accomplishing their philanthropic objectives in a donor-centered way. In many circumstances, this may involve the donor's professional advisors, as charitable support is often integrated with a donor's overall tax, estate and financial planning. Information concerning all transactions between a donor and the University in confidence and not disclosed to outside parties without the permission of the donor. The University shall respect the wishes of any donor offering anonymous support and will implement reasonable procedures to safeguard such donor's identity.

Providing Legal or Financial Advice

No employee of the University shall provide any legal advice or financial planning services for any donor. Prospective donors should be encouraged to seek the assistance of their own legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. Further, to avoid conflicts of interest or the appearance of improper influence, the University shall not pay legal or other fees for the preparation of a donor's will or living trust which names Roseman University as a beneficiary.

Donor's Estate Administration

Neither the University nor any of its employees acting on behalf of the University may agree to act as the successor trustee of a living trust or the executor of any will in which the University is named as a beneficiary, without the approval of the President.

Legal Considerations

The Advancement Office will oversee and monitor all fundraising activities to ensure that such activities are in compliance with the local, state, and federal laws. The University qualifies under both federal and state law as tax-exempt charity to which charitable contributions are deductible to the full extent of the law for income, gift, and estate tax purposes. Roseman University's federal tax identification number is 88-0435559.

Changes to Policies

These policies will be reviewed annually to ensure that they are reflective of changes in University policy, federal and state law, accounting standards, and other changes in the industry.

The Gift Acceptance Policies have been reviewed and accepted by the Board of Trustees. The Board of Trustees or the designated committee must approve any material changes or deviations.

The Gift Acceptance Policies shall become effective _____ and will supersede any existing policies purporting to cover the subject matter in this policy.

Approved on the _____ day of _____ 2017.

APPROVED BY:

Board of Trustees, Chair

President, Roseman University