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## PHILANTHROPIC GIFT ACCEPTANCE AND GIFT VALUATION

### PURPOSE AND SCOPE

This policy establishes the governance protocol for accepting charitable Gifts and Grants made to Roseman University. It ensures that all contributions honor donor intent, align with the University's mission and strategic priorities, and comply with applicable legal and ethical standards. Additionally, the policy provides guidance for evaluating and accepting gifts to manage donor expectations, address University needs, and uphold Roseman's reputation for integrity and stewardship.

This policy works alongside the *Donor Relationship Management Policy* and *Gift Reporting Policy* to maintain transparency, accountability, and proper stewardship of donor contributions. This policy applies to all faculty, staff, administrators, students, and affiliates across all colleges, units, and student organizations within Roseman University.

### OVERSIGHT

The University does not provide personal legal, financial, tax compliance, or other professional advice to Donors. Donors are to seek the assistance of their own legal counsel or other professional advisors in matters relating to the legal, tax, and estate planning consequences of a proposed Gift to the University.

- a. **Office of Philanthropy and Alumni Relations (PAR):** The principal office that will oversee and monitor all fundraising activities to ensure that such activities are in compliance with the local, state, and federal laws.
- b. **Gift Acceptance Committee (GAC):** A group comprising senior University leaders, which will consist of the following members:
  - i. President, University

- ii. Vice President, Business and Finance
  - iii. Vice President, Philanthropy and Alumni Relations
  - iv. Committee Chair
- c. **Federal and State Law:** Roseman University will adhere to federal law, including the Internal Revenue Code and its regulations, and relevant State law relating to charitable organizations and not-for-profit corporations.
- i. 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.
- d. **Industry Standards and Ethical Guidelines:** Roseman University has set standards that are consistent with guidelines established by industry organizations such as the Financial Accounting Standards Board (FASB), the Council for the Advancement and Support of Education (CASE), National Association of Charitable Gift Planners (CGP), and the Association of Fundraising Professionals (AFP) and its related Donor Bill of Rights.
- e. **Shared Services Fee:** An administrative fee, not to exceed 5%, will be applied to all philanthropic gifts to support essential services, including fund management, compliance, stewardship, and financial reporting. Donors will be informed of the shared services fee during the agreement and acknowledgment process, ensuring transparency and alignment with our commitment to responsible stewardship. This will not be applied to Gifts-In-Kind.

## DEFINITION OF GIFT TYPES

Roseman University accepts a broad range of charitable contributions to advance its mission. This policy does not anticipate all possible gift situations. Gift solicitors should discuss any potential Gift not described in this document with appropriate University officers, including the Vice President of Philanthropy and Alumni Relations or their designee.

- a. **Bargain Sales:** A bargain sale involves the sale of property to the University for less than its fair market value. These transactions must be approved by the GAC.
- b. **Cash and Cash Equivalents:** Cash gifts include contributions made via check, electronic transfer, currency, or other negotiable instruments. These gifts are immediately available to the University for designated or unrestricted use.
- c. **Corporate Giving:** Corporate contributions, whether cash or in-kind, must align with the University's mission and policies, including any social responsibility guidelines. Gifts involving naming opportunities or exceeding \$500,000 require additional review by the GAC.
- d. **Digital Assets:** Cryptocurrencies (e.g., Bitcoin, Ethereum) and other digital assets are accepted on a case-by-case basis. These gifts must be liquidated promptly unless otherwise agreed upon and must comply with IRS reporting requirements.
- e. **Donor-Advised Funds (DAFs):** Contributions from donor-advised funds are welcomed. Recommendations for distributions must align with the mission and policies of the University.
- f. **Endowments:** Endowed gifts establish permanent funds generating income for specific purposes. Endowment terms must be documented in a formal agreement and comply with

University policies on fund management.

- g. **Estate Gifts:** Estate gifts involve contributions made through wills, trusts, or other estate planning vehicles. The University reserves the right to decline estate gifts that do not align with institutional goals or policies.
  - i. Gifts of property from estates require review to ensure compliance with this policy and the donor's intent.
  - ii. The University will not serve as a trustee or executor of estates unless approved by the GAC.
- h. **Games of Chance, Raffles, and Sweepstakes:** Refers to fundraising activities in which participants purchase tickets or entries for a chance to win prizes, with the proceeds supporting the University's programs and initiatives. These activities are regulated by federal, state, and local laws and must adhere to all applicable legal requirements, including licensing, reporting, and prize valuation.
- i. **Matching Gifts:** Corporations often encourage charitable giving by matching employee contributions. Matching gifts are credited to the donor's recognition totals but legally belong to the corporation. Matching funds will generally align with the donor's gift designation unless otherwise specified by the employer.
- j. **Charitable Grants:** Charitable grants are contributions made by foundations, corporations, or like entities in response to proposals requesting support for specific University initiatives. These grants often include funding for schools, programs, or projects over a designated period. The University recognizes philanthropic grants as charitable gifts and includes them in development and campaign totals. Refer to the Acceptable Types of Gifts section for more information on Charitable Grants.
- k. **In-Kind Contributions:** Non-cash gifts, such as goods or services, must directly support University priorities and meet applicable cost or liability considerations. Acceptance of in-kind gifts will follow University-specific guidelines for valuation and usage.
- l. **Deferred and Planned Gifts:** Planned gifts include arrangements where the donor's commitment or the University's benefit is deferred. Deferred gifts must comply with federal and state regulations and include formal agreements detailing donor intent and terms. These include:
  - i. Charitable Remainder Trusts (Annuity and Unitrusts).
  - ii. Charitable Lead Trusts.
  - iii. Charitable Gift Annuities.
  - iv. Retained Life Estates.
  - v. Gifts of Pension Fund or Individual Retirement Account (IRA) assets.
  - vi. Pooled Income Funds.
  - vii. Bequest Intentions (revocable and irrevocable)
    - 1. Revocable Bequest Intentions: The University welcomes notifications from donors who have included Roseman University in their wills or estate plans. These intentions will be recorded in the donor management system, but the University does not book or count revocable future gifts as realized

gifts. In accordance with IRS regulations, no gift receipt will be provided to donors until the gift is realized.

2. **Irrevocable Bequest Intentions:** The University may recognize and count irrevocable bequest intentions in accordance with CASE standards. Such gifts will be recorded as pledges in the University's gift accounting records. However, per IRS regulations, no gift receipt will be issued until the gift is realized, even though the pledge may be acknowledged for internal recognition purposes. These commitments must meet the following criteria:
  - a. Donors must sign a written pledge agreement that legally binds and irrevocably commits their estate to fulfill the gift.
  - b. Donors must demonstrate sufficient assets to satisfy the commitment, as reasonably ascertained by the University.
- m. **Pledges:** Pledges are commitments by donors to contribute a specific amount of funds over a designated period. Please refer to the Acceptable Types of Gifts section for more information on Pledge requirements.
- n. **Real Estate:** Gifts of real property, including residential, commercial, undeveloped land, and retained life estates, may be accepted upon thorough evaluation.

Acceptance requires:

- i. A qualified appraisal by a certified appraiser.
- ii. Environmental assessments to identify potential liabilities.
- iii. A title search to confirm ownership and marketability.
- iv. Approval from the GAC and President.

Roseman University generally does not accept real estate encumbered by debt, mortgages, or liens. Time-share interests are also not accepted. For retained life estates, the donor or primary life beneficiary is responsible for all expenses during the tenancy, including maintenance, property taxes, assessments, and insurance. Properties located outside the United States will only be considered if the potential value justifies additional costs and complexities.

- o. **Retirement Plans, Life Insurance, and Beneficiary Designations:** The University may be named as a beneficiary of retirement accounts, life insurance policies, or other beneficiary-designated assets. The University will only accept ownership of life insurance policies where there are no future premium obligations, or if the donor commits to covering such costs.
- p. **Securities:**
  - i. **Publicly Traded Securities:** Stocks, bonds, and other securities listed on recognized exchanges (e.g., NYSE, NASDAQ) are accepted. These securities are typically sold upon receipt unless they align with the University's investment strategy.
  - ii. **Closely Held Securities:** Privately owned stocks or interests in non-publicly traded entities may be accepted with approval from the GAC. Valuation, transferability, and potential restrictions will be reviewed prior to acceptance.

- iii. **Restricted Securities:** Securities with transfer restrictions, such as investment-letter stock or private placement stock, require approval from the GAC. Additional documentation, including valuation and compliance with legal requirements, may be required.
- q. **Tangible Personal Property:** Books and other library materials will follow established University donation policies. Items such as art, collectibles, equipment, and other tangible assets may be accepted if they:
  - i. Align with University needs or have clear, monetizable value.
  - ii. Include a qualified appraisal if the value exceeds IRS thresholds.
  - iii. Do not impose unreasonable costs, such as storage or insurance.

## ACCEPTABLE TYPES OF GIFTS

Roseman University may accept a range of gift types, each requiring thorough documentation and, in most cases, formal agreements to clarify donor intent and conditions. Any gift that falls outside the standard for gift acceptance must be reviewed by the GAC.

### a. General Criteria

- i. **Avoidance of Undue Burden:** Gifts must not impose unreasonable financial, administrative, or operational burdens on the University, its staff, students, or resources. Roseman University welcomes contributions of all types from donors committed to supporting its mission and advancing its goals. However, the University will carefully evaluate all potential gifts to ensure that any associated liabilities or obligations do not outweigh the overall value and benefit of the contribution to the institution.
- ii. **Compliance with Laws and Regulations:** Gifts must not result in a violation of any applicable laws, regulations, or University policies, nor may they contravene the charter or mission of Roseman University.
- iii. **Donor Intent and Philanthropic Purpose:** All gifts must reflect a donor's philanthropic desire to support the University's mission, promote its well-being, and enhance its impact.
- iv. **Preservation of Academic Integrity:** All gifts must respect and uphold the University's independence in managing its operations, including admissions, academic programming, and financial aid. Gifts must not infringe on the University's commitment to academic freedom or its ability to govern its affairs without undue influence.
- v. **Prohibition of Unlawful Discrimination:** Gifts will not be accepted if they involve unlawful discrimination based on race, religion, sex, age, national origin, color, disability, or any other basis prohibited by federal, state, or local laws and regulations, or University policy.
- vi. **Support of Mission:** Gifts must support and advance Roseman University's mission of academic excellence, innovation, and service.
- vii. **University Control over Gift Application:** Roseman University retains sole authority

over the use of all gifts to ensure alignment with the donor's stated intent and the institution's goals and priorities.

- viii. 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.  
Upholding University Reputation: Roseman University will not accept gifts that could harm or compromise the institution's reputation, values, or standing within the community.

- b. **In-Kind Gifts:** 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.

- c. **Charitable Grants vs. Sponsored Project**

The Office of Philanthropy and Alumni Relations, occasionally in collaboration with the Office of Grants and Research, will seek charitable grant funding. This section aims to clarify the classification of Charitable Grants, providing the framework of procedure for these types of Gifts. For more information about Sponsored Project Grants under the Office of Grants and Research, refer to the Gift vs. Grants (Sponsored Project) Policy.

- i. **Classification**

1. **Intent:** Philanthropic Gifts are motivated by charitable intent without requiring a commercially valuable return to the funder (no quid pro quo).
2. **Purpose:** Philanthropic Gifts typically support University programs or unrestricted purposes.
3. **Documentation:** Gift agreements formalize Philanthropic Grants with commitment amount and payment schedule.
4. **Risk:** Philanthropic Gifts do not generally involve research risks involving human subjects, export controls, or other risk elements.
5. **Deliverables:** Philanthropic Grants typically have limited deliverables, such as stewardship reports; however, they may also require technical reports, evaluations, or specific project outcomes.
6. **Reporting:** Philanthropic Grants emphasize donor stewardship and have combined financial reporting for gifts with the same purpose.
7. **Return of Funds:** Philanthropic Gifts are irrevocable, with generally no return of expended funds.

- ii. **Procedures and Responsibilities**

1. **Proposal Development:** PAR will work to draft proposals that align with donor or sponsor intent and University policies.
2. **Documentation and Agreements:** Philanthropic grants are formalized through gift agreements that outline the amount, purpose, and fulfillment schedule.
3. **Approval:** Conditional or complex philanthropic grants are reviewed by the

GAC.

d. **Pledges**

Roseman University recognizes pledges as an essential form of donor commitment that enables the University to plan and allocate resources effectively. This section outlines the procedures governing pledges to ensure proper documentation, stewardship, and compliance with University and legal standards.

- i. **Binding Commitment:** To ensure clarity and enforceability, donors are encouraged to document their pledges in a written gift agreement. This agreement creates a binding legal obligation for the donor and may be enforceable against the donor's estate if any portion of the commitment remains unpaid at their time of death.
- ii. **Conditional Pledges:** Conditional pledges are commitments contingent upon specific criteria outlined by the donor. Examples include challenge pledges, where the donor agrees to contribute a specified amount if the University raises a corresponding sum within a set timeframe.
  1. Conditional pledges impose obligations on the University and require review by the GAC.
  2. Conditional pledges will be tracked separately to ensure transparency in meeting the donor's specified conditions.
- iii. **Modifications to Pledges:** Written documentation is required for modifications to pledge terms or payment schedules. Acceptable documentation includes a new gift agreement or an amendment signed by both the donor and an authorized University representative.
- iv. **Open Pledges:** Pledges with outstanding installments are reviewed periodically to ensure timely follow-up.
  - a. Donors with overdue pledges will receive reminders from the Office of Philanthropy and Alumni Relations.
  - b. Pledges deemed uncollectable may be written off in accordance with industry best practices, such as CASE guidelines, and do not require written donor acknowledgment.
- v. **Legal Authority:** Donors must have the legal authority to commit funds. Gifts fulfilled through donor-advised funds, family foundations, or corporate matching programs are legally credited to those entities, with donor recognition (soft credit) provided to the individual or originating requester. Gift agreements specifying payment from such organizations will not be accepted unless compliance with legal crediting standards is assured.
- vi. **Pledge Underpayment and Overpayment:** Pledge payments fulfilled using marketable securities are considered complete if the value of the securities falls within 5% of the total pledged amount. Overpayments on pledges will be applied to the original pledge. For multipurpose pledges, the overage will be proportionally distributed across all designated purposes.
- vii. **Verbal Pledges:** Verbal pledges are generally not recorded unless accompanied by verifiable documentation, such as pledge cards, written confirmations, or recorded

correspondence. All verbal pledges require formal documentation to be recognized.

- viii. **Pledge Contacts:** Assigned pledge contacts are responsible for monitoring the collectability of active pledges. Annually, a list of overdue pledges is provided to pledge contacts for review and action. Pledge contacts must confirm overdue pledges, request modifications to schedules (with proper documentation), or recommend write-offs with justifications for the record.

In most cases, the Office of Philanthropy and Alumni Relations will serve as the pledge contact.

- ix. **Writing Off Pledges:**

Pledges may be written off if:

1. The payment period stated in the gift agreement has lapsed.
2. No payments have been received for three (3) years or more.
3. Pledges may remain active at the request of the pledge contact. All write-offs must be approved by the Vice President for Philanthropy and Alumni Relations and Vice President for Business and Finance for pledges exceeding \$25,000.
4. Write-offs must also be communicated to the University's Controller's Office.

- e. **Restricted vs. Unrestricted Gifts**

Restricted funds are gifts provided for a specific purpose designated by the donor. To maximize their usefulness, restricted funds should be written in broad and flexible terms, allowing the University to redirect the gift to a related purpose if the original purpose becomes impractical, unnecessary, or impossible to perform.

Unrestricted funds are contributions made without a specific designation, allowing the University to allocate the resources where they are most needed, ensuring flexibility in addressing immediate and strategic priorities.

## VALUATION OF GIFTS

Roseman University adheres to industry standards, IRS regulations, and legal requirements to ensure accurate valuation, acknowledgment, and reporting of all gifts. Each gift type is valued according to its specific nature and transfer method, as detailed below:

- a. **Bargain Sales:** Bargain sales are valued by subtracting the purchase price paid by the University from the appraised fair market value. Donors must provide a qualified appraisal, and the difference is treated as a charitable contribution.
- b. **Bequests:** Bequests are valued upon realization. Gifts of tangible or real property through bequests are valued based on appraisals conducted during estate administration.
- c. **Cash and Cash Equivalents:** Cash gifts are valued at their full face value on the date received by the University. This includes currency, checks, and electronic transfers, as well as credit card payments. For payroll deductions by faculty and staff, the value recorded is the amount deducted each pay period.

- d. **Charitable Gift Annuities:** Charitable gift annuities are valued based on the contract amount minus the present value of the annuity payments to beneficiaries. IRS-recommended discount rates are used for calculations.
- e. **Closely Held Stock:** Closely held stock is valued based on a qualified independent appraisal, as required by the IRS. Additional evaluations may be conducted to assess liquidity and potential restrictions.
- f. **Corporate Giving:** Corporate gifts, including cash contributions and in-kind support, are valued based on the amount or fair market value of the contribution. If corporate gifts include naming opportunities or exceed \$500,000, additional review is conducted.
- g. **Cryptocurrency:** Cryptocurrency is valued at the market rate on the date of transfer to the University. Subsequent market fluctuations do not affect the recorded value.
- h. **Games of Chance, Raffles, and Sweepstakes:** Net proceeds from games of chance, raffles, and sweepstakes are recorded as the value of the gift. Gross revenue is reduced by costs associated with prizes, licensing, and event administration.
- i. **Gifts-in-Kind:** Gifts-in-kind are valued at fair market value at the time of donation, based on documentation provided by the donor or a qualified appraisal. These gifts must align with the University's needs and mission.
- j. **Marketable Securities:** Publicly traded securities are valued at the mean of the high and low market prices on the date the donor relinquishes control. Delivery methods (e.g., electronic transfer, mailing) determine the valuation date, ensuring compliance with IRS rules.
- k. **Matching Gifts:** Matching gifts from corporations are valued at the full amount received by the University. Recognition credit is assigned to the employee, while legal credit is given to the matching entity.
- l. **Planned Gifts:** Planned gifts, such as charitable gift annuities, remainder trusts, and lead trusts, are valued based on IRS-compliant present value calculations. These calculations consider factors such as payout schedules and life expectancy.
- m. **Pooled Income Funds:** The University calculates the value of pooled income funds based on the pro-rata share of income generated. The value is recorded upon receipt and adjusted annually based on fund performance.
- n. **Real Property:** Real estate is valued at fair market value based on a qualified appraisal provided by the donor. All costs associated with appraisals, inspections, and transfer are the donor's responsibility unless otherwise agreed.
- o. **Remainder Interests in Real Property:** For gifts involving retained life estates, the remainder interest is valued using IRS actuarial tables. A qualified appraisal determines the fair market value of the property.
- p. **Retirement Plan Assets:** Gifts received from retirement accounts (e.g., IRAs, 401(k)s) are valued at the total distribution amount. For IRA charitable rollovers, valuation occurs upon receipt of the distribution.
- q. **Tangible and Intangible Personal Property:** Gifts of tangible personal property (e.g., artwork, vehicles) and intangible personal property (e.g., patents, royalties) are valued based on a qualified independent appraisal if the value exceeds \$5,000.
- r. **Third-Party Gifts/Assignment of Income:** Third-party gifts, including those from donor-advised

funds or private foundations, are valued at the amount received by the University. If the donor assigns income (e.g., honoraria or consulting fees), valuation occurs upon receipt of the payment by the University.

## EXECUTING GIFT AGREEMENTS

The execution of a gift agreement formalizes the terms and conditions of a gift, ensuring alignment between the donor's intent and Roseman University's mission. Gift agreements serve as essential tools for documenting significant contributions, providing a framework for stewardship, compliance, and future reference.

### a. Required Contents of a Gift Agreement

Each gift agreement should include:

- i. **Commitment Amount:** The total value of the donor's commitment to the University. Gift agreements must explicitly state that the commitment will not impose unreasonable financial or administrative burdens on the University, in accordance with the principles outlined in this policy.
- ii. **Payment Schedule:** A detailed schedule of payments, where applicable, to fulfill the commitment.
- iii. **Asset Type:** A statement identifying the type of asset used to fulfill the commitment (e.g., cash, securities, real estate).
- iv. **Purpose:** A clear description of the intended use of the gift, ensuring it aligns with the University's mission and policies.

### b. Execution and Signature:

Gift agreements must be signed by:

- i. The donor
- ii. An authorized representative of the University, typically the Vice President of Philanthropy and Alumni Relations, to accept the gift on the University's behalf.
- iii. The President, for gifts requiring additional institutional oversight, such as endowed funds.

### c. Translations of Gift Agreements:

When a gift agreement requires an English translation, the University must ensure that the translation is completed by an approved translator or translation service. The English translation will serve as the official version signed by the University. In cases of conflict or ambiguity between the foreign language and English versions, the English version will govern. The cost of translation, if not covered by the donor, will be borne by the University area benefiting from the gift.

### d. Special Considerations:

Amendments to gift agreements must follow the same formal review and execution process as original agreements. For gifts requiring additional review or approval (e.g., gifts of complex assets or those with significant restrictions), the process must include consultation with the GAC. By adhering to these procedures, Roseman University ensures that all gift agreements uphold the highest standards of transparency, accountability, and alignment with the University's values and mission.

# COMPLIANCE AND ENFORCEMENT

The success of Roseman University's philanthropic gift acceptance and valuation efforts depends on strict compliance with the policies and procedures outlined in this document. These guidelines are designed to safeguard the integrity of the University's fundraising practices, ensure adherence to legal and ethical standards, and maintain donor trust. The Office of Philanthropy and Alumni Relations is responsible for overseeing compliance, monitoring adherence to these policies, and enforcing corrective measures when necessary.

- a. **Mandatory Adherence:** All faculty, staff, administrators, and representatives involved in gift acceptance, valuation, or related activities are required to comply with this policy. Unauthorized actions, such as accepting gifts without approval, failing to document gifts accurately, or disregarding donor intent, are prohibited. Violations may result in disciplinary action, up to and including termination of employment, as determined by the Vice President of Philanthropy and Alumni Relations in consultation with the violator's supervisor and the Office of Human Resources. This includes adherence to guidelines on:
  - i. The acceptance of gifts and grants.
  - ii. Proper valuation and documentation of all gifts.
  - iii. Coordination and approval processes with the Office of Philanthropy and Alumni Relations and the Gift Acceptance Committee (GAC) for non-standard gifts.
- b. **Dispute Resolution:** Any deviations from this policy or concerns regarding non-compliance must be reported promptly to the Vice President of Philanthropy and Alumni Relations. All reports will be reviewed confidentially and addressed in a timely manner. The Office of Philanthropy and Alumni Relations will investigate reported violations, consulting with the Gift Acceptance Committee, legal counsel, and/or other relevant University entities as appropriate. Corrective measures or sanctions will be determined based on the severity of the violation and its impact on the University.

## REVIEW AND REVISION

This policy will be reviewed annually by the Office of Philanthropy and Alumni Relations to ensure its continued relevance and effectiveness. Amendments may be made as necessary to address evolving industry best practices, respond to organizational changes, or reflect new University strategies and priorities. All revisions will undergo the University's official Policy update protocol and any approved changes will be communicated to University personnel.

### All Revision Dates

10/2025

## Approval Signatures

Step Description	Approver	Date
Administrative Council	Renee Coffman: President	10/2025
Unit Head Approval	Geena Mattox: Vice President of Philanthropy and Alumni Relation	10/2025
Initial Review	Alyssa Sherick: Senior Director, Philanthropy & Alumni Relations	10/2025

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