

# **Gift Processing Manual**

*Division of University Advancement*

**Advancement Services**

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## CAMPAIGN PLAN

Prior to launching a capital campaign, a written campaign plan will be prepared by Division of University Advancement for review and approval by all appropriate parties (i.e. CSU Stanislaus Foundation Board, President, Academic Affairs, Student Affairs, Business and Finance, etc.). The campaign plan will define:

- The University's financial needs that will be addressed (fundraising priorities).
- Campaign reporting standards to which the University will adhere (including the treatment of pledges, deferred gifts, and gifts in-kind).
- The tentative goal for fundraising priorities (e.g. endowments, scholarships, academic programs, institutional programs, new construction, and unrestricted).
- The purpose and duration of the advance-funds or private phase of the campaign.
- The duration of the public phase of the campaign.
- Campaign marketing and donor recognition.

# CAMPAIGN REPORTING STANDARDS

## TIME PERIODS

**Campaign Period:** For purpose of campaign reporting standards, the campaign period is the total time encompassed by the active solicitation period for the campaign, including the advance-gifts or private phase. To be consistent with the *Council for Advancement in Support of Education* (CASE) recommendations, no campaign period shall exceed seven years in duration.

**Pledge-payment Period:** The period in which donors may fulfill their pledges shall not exceed five years.

## FUNDAMENTAL PRINCIPLES OF CAMPAIGN COUNTING

The following basic principles for counting campaign gifts apply to all CSU Stanislaus Foundation campaigns:

1. Only those gifts and pledges actually received or committed during the specific period of time identified for the campaign (a period up to seven years including the advance-gifts or private phase) shall be counted in campaign totals.
2. The advance-gifts or private phase of a campaign is always a part of the designated campaign period, and commitments reported for this phase must have been received or pledged during this specified period within the campaign time frame.
3. Gifts and pledges will be counted to only one campaign.
4. The value of any cancelled or unfulfilled pledges will be subtracted from campaign totals when it is determined they will not be realized.

## ADVANCE-GIFTS (PRIVATE) PHASE

The advance-gifts or private phase is that period of time before public announcement of the campaign, or the campaign's official goal, during which pace-setting gifts are sought from individuals and organizations closest to the institution. As indicated above, the advance-gifts or private phase shall be considered a part of the campaign period.

## WHAT TO REPORT

All gifts and pledges falling into categories covered by these campaign reporting standards will be reported. To be consistent with CASE recommendations, the following results shall be reported to the institution's board (quarterly) and to CASE (annually):

1. *the total of outright gifts and pledges received, reported at face value, and payable within the campaign period and post-campaign accounting period as specified in the campaign plan;*
2. *the total of deferred (future) commitments, reported at face value, which will be received at an undetermined time in the future;*
3. *the total of deferred (future) commitments, discounted to present value, which will be received at an undetermined time in the future;*
4. the grand total of 1 and 2 above; and
5. the grand total of 1 and 3 above.

Directors of Development and Advancement Services will make a significant effort to ensure that campaign publicity clearly states the results of the campaign in accordance with these categorical standards.

## CAMPAIGN REPORTING STANDARDS (continued)

### **WHEN TO REPORT GIFTS**

Outright gifts should be reported only when assets are transferred irrevocably to the CSU Stanislaus Foundation. Deferred gifts should be reported only when assets are transferred or, in cases where no assets are transferred, when the donor consummates a legally binding deferred pledge agreement or other irrevocable document with the institution.

### **PLEDGES**

*Oral Pledges:* Oral pledges shall not be reported in campaign totals.

*Pledges of Cash:* Pledges of cash shall be written and shall commit to a specific dollar amount that will be paid according to a fixed time schedule. The pledge payment period, regardless of when the pledge is made, shall not exceed five years. Therefore, a pledge received even on the last day of the campaign is counted in campaign totals and may be paid over a five-year period.

### *Testamentary Pledge Commitments:*

CSU Stanislaus Foundation shall include testamentary pledge commitments in campaign totals shall satisfy the following three requirements:

1. The commitment must have a specified amount or percentage of the estate stated in the will based on a credible estimate of the future value of the estate at the time the commitment is made.

Note: Fund-raising practitioners will appreciate that there is no single or simple way to estimate the future value of an estate commitment. For this reason many institutions have chosen to exclude testamentary pledges entirely from campaign totals. Nevertheless, others feel that testamentary gifts should be included in campaign reports, especially since these often are part of a total campaign commitment being made by a donor. The key to making the decision about whether these types of gifts should be given campaign credit is often the determination of future value of the estate. At best, this requires a judgment call to be made by the institution after conversation with the donor and his/her adviser.

2. They must have verification of the commitment in one of the following forms:
  - a. a letter from the donor or the donor's attorney affirming the commitment and stating that the institution will be informed of any changes in the will that might be made in the future; or,
  - b. bearing in mind that in some states the following options have not been legally affirmed, the commitment could be accompanied either by a deferred-pledge agreement or a contract to make a will;
    - i. *Charitable/Deferred-pledge Agreement.* A deferred-pledge agreement is a legally binding document tested in the courts of several states that places an obligation on the estate of the issuer to transfer a certain amount to the institution. Under such agreements, the executor of the donor's estate is held legally responsible for payment of the specified amount from the estate.

## CAMPAIGN REPORTING STANDARDS (continued)

- ii. *Contract to Make a Will.* A contract to make a will is a legally binding document, also tested in the courts of several states, that places an obligation on the donor to make a will that transfers certain assets or a certain percentage of his or her estate to the institution. This instrument is used when the donor cannot (or does not wish to) specify the precise dollar amount he or she will contribute. Instead, the donor promises to execute a valid will wherein he or she designates a certain item of property or a portion of his or her estate to the institution. Often, this portion is stated as a percentage of the residue of the estate. After the contract is signed, no changes may be made in the donor's will that would decrease the institution's originally specified share, except as agreed upon in advance by the donor and the institution.
3. The amount specified or estimated shall be reported at both the discounted present value and at face value in the "deferred gifts (future commitments)" portion of campaign reports.

If any circumstances should make it unlikely that the amount pledged by bequest will actually be realized by the CSU Stanislaus Foundation, then the commitment shall be further adjusted.

### *Exclusions*

The following types of funds shall be excluded from campaign report totals:

- advertising revenue;
- alumni membership fees/dues;
- contract revenues, including sponsored research funds;
- contributed services;
- contributions from cities or regional governments, even though those entities may be incorporated;
- discounts on purchases;
- earned income, including transfer payments from medical or analogous practice plans;
- gifts or pledges, outright and deferred, that already have been counted in previous campaigns, even if realized during the campaign reporting period;
- governmental funds, whether local, state (including state matching grants), federal, or foreign;
- investment earnings on gifts, even if accrued during the campaign reporting period and even if required within the terms specified by the donor (the only exception being interest accumulations counted in guaranteed investment instruments that mature within the time frame of the campaign, such as zero coupon bonds);
- sale of merchandise;
- surplus income transfers from ticket-based operations, except for any amount equal to that permitted as a charitable deduction by the IRS or Revenue Canada; and
- tuition payments

## **GIFT INCOME GUIDELINES AND DEFINITIONS FOR REPORTS OF ANNUAL FUND-RAISING RESULTS**

The gift income guidelines and definitions that follow are intended for the University to use in compiling its management reports of fund-raising activity. These definitions are also used in the *Voluntary Support of Education* (VSE) survey conducted annually by the *Council for Aid to Education* (CAE) and co-sponsored by the *Council for Advancement and Support of Education* (CASE) and the *National Association of Independent Schools* (NAIS).

## SOURCES OF GIFTS

Sources of gifts are defined as those entities (individuals or organizations), by type, that transmit the gift or grant to the institution.

### **CREDIT TO LAST ENTITY**

In most cases where a contribution passes through several entities—such as from an individual to an organization to an institution, or from one organization to another organization to an institution—cite as the source the last of the entities through which it passes before being received by the institution.

*Examples:* Identify a gift from the personal foundation of an alumnus as coming from “Foundations.” Likewise, credit a gift from the business account of an alumnus under “Corporations and Businesses.” Similarly, cite a contribution made by an alumnus through community agencies like United Way as coming from that organization. In all such instances, an institution will want to make a cross-reference notation (also referred to as a “soft credit”) in the alumnus’ record when that information is available. Thus, although the gift would be credited to the foundation, business, or community agency, the institution would *recognize* the alumnus as having supported the institution. Contributions made by individuals to a church, and then passed in a lump sum by the church to a college, should be reported as a single gift under “Religious Organizations” rather than as several gifts under “Individuals.”

*Exceptions:* For the purpose of reporting, contributions from business firms made through their sponsored foundations, such as the Exxon Education Foundation and the General Electric Foundation, should be recorded as coming from “Corporations and Businesses.” Also, college and university-affiliated foundations, associations, societies, and clubs (as well as alumni association chapters) that have been organized solely for the support of the institution with which they are affiliated should be considered a part of the college or university itself, and thus simply a pass-through entity. Thus, a gift made by an alumna to a chapter of her school’s alumnae organization should be reported with gifts from alumni rather than from an organization. Also, gifts from individuals made by payroll deduction or by a cashier’s check should be credited to the individual.

### **INDIVIDUALS**

*Alumni:* For purposes of reporting, alumni are defined as former students, who have earned degrees, certificates, or diplomas offered by the University.

*Parents:* Report here gifts from persons other than those defined above as “Alumni” who are the parents or guardians of current or former students at the institution. Colleges, universities, and other postsecondary institutions should also include grandparents in this category. An affiliation as an alumnus takes precedence over that of a parent for the purpose of this report.

*Other Individuals:* Report here all persons including governing board members, who are not classifiable as “Alumni” or “Parents” by the above definitions.

## SOURCES OF GIFTS (continued)

### **ORGANIZATIONS**

**Foundations:** This category includes personal and family foundations and other foundations and trusts that are private tax-exempt entities operated exclusively for charitable purposes. It does not include company-sponsored foundations, which fall under the category of “Corporations and Businesses.”

“Personal and family foundations” are those that have been established and continue to operate as the conduits for the charitable donations of an individual or immediate members of a family. “Other foundations and trusts” include all private foundations and charitable trusts that meet the definition above, including most of the major private foundations—such as the Rockefeller, Johnson, and Kellogg foundations—and community foundations.

*Note:* Not all grant-making organizations that use the word “foundation” in their titles should be included in this category. The National Science Foundation and the Empire State Foundation, for example, are not *private* tax-exempt entities and, therefore, their grants should not be included in a report of private voluntary support. For guidance on classifying specific foundations, consult the *Foundation Directory* (published by the Foundation Center, 888 Seventh Ave., New York, NY 10019), which cites the principal donor of each foundation’s assets.

**Corporations and Businesses:** Report gifts from corporations, partnerships, and cooperatives that have been organized for profit-making purposes, including corporations owned by individuals and families and other closely held companies. This category also includes company-sponsored foundations—that is, those created by business corporations and funded exclusively by their companies. Gifts from industry trade associations should also be included in this category.

Record matching gifts—gifts made by businesses that match the voluntary contributions of the firm’s employees or other eligible participants—as coming from the business or organization that made the payment rather than from the individual whose gift was matched. These gifts should be reported as unrestricted unless the organization states otherwise.

*Note:* If a donor operates a personal or family-owned business or is a participant in a partnership or cooperative, development officers should make a distinction between a gift made from the donor’s business account and one from the donor’s personal account. For the purpose of this report, credit a check drawn from a business account under the “Corporations and Businesses” category.

Also, certain private foundations carry names that may cause them to be confused with “Corporations and Businesses.” As an example, the Ford Foundation was established with the personal gifts of Henry and Edsel Ford, not by the Ford Motor Company; therefore, gifts from the Ford Foundation should be included in the totals reported under “Foundations” (and, in turn, under “Other Foundations and Trusts” in Part IV). In contrast, the Ford Motor Company Fund, as well as the General Electric Foundation and the Quaker Oats Foundation, are company-sponsored foundations; their gifts should be reported under “Corporations and Businesses.”

## SOURCES OF GIFTS (continued)

Further, contributions made by individuals through payroll deduction, which are transmitted to the institution by the individual's employer, should be credited to the individual.

**Religious Organizations:** This category includes gifts from churches, synagogues, and temples and their denominational entities, hierarchies, and service groups.

**Fund-raising Consortia:** This category includes entities that have been formed by a group of cooperating institutions or organizations for the purpose of facilitating their fund-raising activities.

*Examples:* The United Negro College Fund, the Virginia Council of Independent Colleges, the United Way, and combined fund drives are examples of entities to be considered fund-raising consortia. As noted previously, these reports should not include funds from governmental agencies.

**Other Organizations:** Report here gifts from all organizations not defined above as "Foundations," "Corporations and Businesses," "Religious Organizations," or "Fund-raising Consortia" other than governmental agencies. In addition, for the convenience of schools that handle their auctions and other fund-raising events independently of their development accounting system, those schools may report the net proceeds of such events in this category.

## DONOR PURPOSES

The term “donor purposes” refers to the purposes for which gifts or grants have been made, as restricted by the donors.

### **DEFINITIONS: OUTRIGHT GIFTS FOR CURRENT OPERATIONS**

**Unrestricted:** Report the total outright gifts, *including realized bequests*, given by donors without any restriction, regardless of any subsequent designation by the University to be used for current operations, to function as endowment, to construct facilities, or for other purposes. In cases where the donor expresses a preference for the gift’s use but leaves the decision to the University, report the gift as unrestricted.

Report matching gifts from organizations as *unrestricted* unless the organization states otherwise.

**Restricted:** Report the total outright gifts to current operations that have been restricted by the donor for the purposes listed below:

- **Academic Divisions:** Report outright gifts to current operations that the donor has restricted for use in a particular academic division of the institution—such as a college of medicine, school of law, or department of English—but upon which no further restriction has been placed. *Note:* Gifts for faculty and department staff salaries should be reported under “Faculty and Staff Compensation.”
- **Athletics:** Report outright gifts for current operations that the donor has restricted for the athletic department, including intramural and extramural activities. *Note:* Gifts to support the academic department of health, physical education, and recreation should be reported under “Academic Divisions.” Gifts of athletic scholarships (grants-in-aid) should be reported under “Student Financial Aid.”
- **Faculty and Staff Compensation:** Report outright gifts for current operations that the donor has restricted for faculty and staff salaries and employment benefits. This includes gifts in support of sabbatical and other professional leaves for institutional employees. *Note:* Gifts made to support lecture series and consultants should be reported under “Other Restricted Purposes.” As an accounting convenience, funds made available for salaries as part of a larger grant for support of a research project may be credited under the “Research” category.
- **Research:** Report outright gifts for current operations restricted for scientific, technical, and humanistic investigation. This category includes private grants (gifts) for individual and/or project research as well as grants for institutes and research centers. It does *not* include corporate grants for programs in which the grantor receives a product or service commensurate with the fee paid; nor does it include government grants for sponsored programs. Government grants and awards, whether local, state (including state matching grants), federal, or foreign, should not be included in these reports. *Note:* Reports should include grant income from private, *non-government* sources but should *not* include contract revenue. The difference between a private grant and a contract depends on the intention of the awarding agency and the legal obligation incurred by an institution in accepting the award. A grant, like a gift, is donative in nature; it is bestowed voluntarily and without expectation of any tangible compensation. A contract carries an explicit quid pro quo relationship between the source and the institution. Government grants and awards—whether local, state (including state matching grants), federal, or foreign—should be excluded.
- **Public Service and Extension:** Report outright gifts for current operations that are restricted for support of activities established primarily to provide non-instructional services to people and groups within or outside the institution. Such activities include community service programs, institutionally affiliated radio and television stations, and cooperative extension services. *Note:* Gifts for instructional activities for academic credit, even if they are also part of an institution’s extension services, should be reported as gifts for “Academic Divisions.”

## DONOR PURPOSES (continued)

- **Library:** Report outright gifts for current operations restricted for the acquisition, restoration, and preservation of books, periodicals, manuscripts, maps, audiovisual equipment, and other materials and activities appropriate to a library. *Note:* Gifts for staff salaries should be reported under “Faculty and Staff Compensation.” Gifts for operations and maintenance of the library should be reported under “Operation and Maintenance of Physical Plant.”
- **Operation and Maintenance of Physical Plant:** Report outright gifts for current operations restricted for the ongoing operation of the physical plant, including its buildings and grounds, other facilities, and equipment. The institution may choose to also include here any gifts of \$10,000 or less for repairs to existing buildings or for new construction, rather than crediting these to “Property, Buildings, and Equipment” under capital purposes. The rationale for this exception is that some institutions may not consider amounts of \$10,000 or less as appropriate for the capital purpose category.
- **Student Financial Aid:** Report outright gifts for current operations that the donor has restricted for financial aid to students, whether full-time or part-time, undergraduate or graduate. For the purpose of this report, such aid includes both need-based and merit scholarships, graduate fellowships, athletic scholarships or athletic grants-in-aid, student awards and prizes, and gifts made in support of student work-study arrangements. *Note:* If an individual or organization channels funds through the institution to support a student specified by the individual or organization, these funds are not gifts to the institution. They should not be reported as gift income anywhere in the report.
- **Other Restricted Purposes:** Report all outright gifts for current operations restricted for specific uses that cannot be classified in one or another of the restricted categories. Included in this category, among other possibilities, are all gifts to auxiliary enterprises, hospitals, clinics, independent operations, and non-academic units.
- **Current Operations Total:** Report the total support in outright gifts for current operations.

### **DEFINITIONS: OUTRIGHT GIFTS, FOR CAPITAL PURPOSES**

**Property, Buildings, and Equipment:** In this category, report the following:

- outright gifts of both real and personal property for the use of the institution;
- gifts made for the purpose of purchasing buildings, other facilities, equipment, and land for use of the institution;
- gifts restricted for construction or major renovation of buildings and other facilities; and
- gifts made for retirement or indebtedness.

As an accounting convenience, the institution may choose to report in the category “Operation and Maintenance of Physical Plant” in Part I gifts of \$10,000 or less restricted for purchasing, renovating, or construction facilities, because such gifts may be considered as funds restricted for current operations.

**Endowment:** Endowment funds are those that donors specify are to be retained and invested for income-producing purposes. Income from endowments can be either restricted or unrestricted, based on donor direction. A gift of property that is not used for institutional purposes but is producing income available to the educational program functions as an endowment. Also, a gift of property that is retained for future sale or development should be considered endowment, even though income from it may be deferred until its sale or development.

## DONOR PURPOSES (continued)

**Endowment—Unrestricted:** Report in this category outright gifts restricted by the donor for endowment, but for which the donor has made no restriction regarding the use of the income produced by the endowment, regardless of any subsequent allocation the institution may make.

**Endowment—Restricted:** Report here those outright gifts added to the endowment funds of the institution by donor direction, from which the income is limited by the donor for specific purposes or programs.

**Loan Funds:** Report outright gifts restricted by donors to be available for loans to students, faculty, and staff.

**Capital Purposes Total:** Report the total support in outright gifts for capital purposes.

### **DEFINITIONS: DEFERRED GIFTS**

This section includes only deferred gifts received in the reporting period. Such gifts include charitable gift annuities, charitable remainder trusts (including those administered outside the institution), gifts to pooled income funds, and remainder interests in property. Deferred gifts should be reported at both the face (fair market) value and at the present value.

- **Endowment—Unrestricted:** Report those deferred gifts restricted by donors for endowment, but not bearing any restriction from the donor regarding the use of the income the endowment produces, regardless of subsequent allocation by the institution.
- **Endowment—Restricted:** Report those deferred gifts restricted by donors for endowment from which the income is limited by the donor for specific purposes.
- **Other Purposes:** Report those deferred gifts which donors have not restricted to endowment.

**Total Deferred Gifts:** Report the total amounts of deferred gifts at both the face (fair market) value and at the present value.

# CASH RECEIPTS

## PROCEDURE

1. All checks should be made payable to California State University, Stanislaus Foundation. Donors should mail all checks to the Division of University Advancement at One University Circle, Turlock, California 95382.
2. All checks mailed to any department in the University must be forwarded to Advancement Services in the Division of University Advancement within 48 hours of receipt. Original documentation, including envelopes and corporate matching gift forms that accompany the check, must be forwarded with the check. A completed Gift Receipt and Transmittal (GRT) form or pre-approved pledge/gift commitment form should accompany the check along with any additional information that was sent from the donor (see Appendix A).  
**NOTE:** Corporate matching gift forms received separately from the donor's check must be forwarded directly to Advancement Services in the Division of University Advancement for processing within 48 hours of receipt.
3. As soon as the check is tendered to an Advancement Services employee (i.e. handed across the counter or in the case of mailed in payments when the envelope is opened), the check must be restrictively endorsed.
4. Advancement Services logs, records, and cashiers the gifts, and sends the actual cash with receipt documentation to the University cashier, which sends deposit to the Bank.
5. Advancement Services updates donor records and issues an official gift receipt/acknowledgement to the donor, which are signed by the Executive Officer/Vice President for Division of University Advancement on behalf of both the CSU Stanislaus Foundation and the University. If the gift amount is \$1,000 or more, a personalized letter to the donor will be drafted by the Director of Major Gifts for the University President (see Major Gift Routing Form – Attachment B).
6. Advancement Services journal entries are posted daily into CSU Stanislaus Foundation's General Ledger via an automatic computer feed process.
7. Advancement Services forwards the posting information to the Departments and Development Officers for gift awareness, stewardship, and recognition.

### ***Pertinent Internal Revenue Service (IRS) Guidelines:***

1. ***Internal Revenue Code defines a charitable contribution for income tax purposes as a "contribution or gift to or for the use of" certain types of organizations.***
2. ***The gift tax law defines a gift for tax purposes as "property transferred for less than an adequate and full consideration in money or money's worth."***
3. ***The donor must anticipate no benefit from the charitable contribution. The gift generally must be complete and irrevocable.***
4. ***A contribution made by check is effective for income tax purposes when the check is unconditionally delivered or mailed, as long as the check subsequently clears the donor's bank. When a contribution is mailed, the effective date is the same as the postmark.***

## CASH RECEIPTS (continued)

8. Reallocations or corrections required after a gift has been processed are handled by Advancement Services in the Division of University Advancement. Written documentation from the donor is required. Advancement Services updates the donor record, sends a corrected receipt, and notifies the CSU Stanislaus Foundation Executive Officer/Vice President for Division of University Advancement or designee of the change.
9. Advancement Services is responsible for preparing daily, monthly, annual and other periodic reports summarizing donor-giving activities.
10. In the absence of adequate donor documentation with regards to intended use of the gift, the donor will be contacted verbally and /or by written communication. The donor will be asked to provide written documentation explaining gift intent and special payment billing procedures. Upon receipt prior to contacting donor, funds will be deposited into SUSPENSE account and will be transferred to designation upon donor notification.
11. If cash or checks are received after 1 p.m., the funds will be placed in the Advancement Services safe for deposit in the next cashiering cycle of the next working day.

# SUSPENSE ACCOUNT

## PROCEDURE

1. Ideally, the donor sends adequate documentation regarding the designation of the gift with his or her check. On occasion, the letter of intent or donor form is sent separately from the check.
2. When the letter of intent or donor form is sent separately from the check, the funds received will be cashiered with the daily batch, but placed in the SUSPENSE account to assure timely deposit for audit purposes.
3. Upon receipt of the letter of intent or donor form, the gift will be transferred to the donor designated account.
4. Advancement Services updates donor records and issues a gift receipt/acknowledgement to the donor, which are signed by the Executive Officer of CSU Stanislaus Foundation/Vice President for Division of University Advancement.
4. Advancement Services journal entries are posted daily into CSU Stanislaus Foundation's General Ledger via an automatic computer feed process.
5. Advancement Services forwards the posting information to the Departments and Development Officers for gift awareness, stewardship, and recognition.
7. Reallocations or corrections required after a gift has been processed are handled by Advancement Services in the Division of University Advancement. Written documentation from the donor is required. Advancement Services updates the donor record, sends a corrected receipt, and notifies the CSU Stanislaus Foundation Executive Officer/Vice President for Division of University Advancement or designee of the change.
8. Advancement Services is responsible for preparing daily, monthly, annual and other periodic reports summarizing donor-giving activities.

# SAFES AND VAULTS

## PROCEDURE

1. Safes will be located in Advancement Services and Athletics to house cash and checks that arrive after the daily deposit batch is prepared.
2. Funds will then be deposited the following work day.
3. Safe combination knowledge will be limited to the Vice President of University Advancement, OUA Account Technician, OUA Assistant Budget Analyst, Athletics Coordinator, Assistant Athletics Director, and the Director for Athletics.
4. Individuals with access will be listed on the Safe and Vault Log.
5. Safe combinations will be changed once a year on October 1<sup>st</sup> or when one of the aforementioned individuals leaves the division.

# CORPORATE MATCHING GIFTS

## PROCEDURE

1. Ideally, the donor sends a corporate matching gift form with his or her check. On occasion, the form is sent separately from the check.
2. A form that accompanies a check is forwarded with the check to Advancement Services in Development.
3. A matching gift form received separately from a check should be forwarded directly to Advancement Services.
4. Advancement Services fills out the matching gift form and sends the completed form to the matching company.
5. The matching corporation sends the match check to the CSU Stanislaus Foundation. It will be processed with other gifts by Advancement Services. Corporations may send match checks as they receive the matching gift forms, or at specified intervals (quarterly, semi-annually, and annually).
6. Advancement Services will send receipts to the matching gift corporation unless the company requests no receipt.
6. Advancement Services forwards the posting information to the Departments and Development Officers for gift awareness, stewardship, and recognition.
8. Reallocations or corrections required after a gift has been processed are handled in Advancement Services in the Division of University Advancement. Advancement Services updates the donor record, sends a corrected receipt, and notifies the CSU Stanislaus Foundation Executive Officer or designee of the change.
9. Advancement Services is responsible for preparing daily, monthly, annual and other periodic reports summarizing donor-giving activities.
10. In the absence of adequate donor documentation with regards to intended use of the gift, the donor will be contacted verbally and /or by written communication. The donor will be asked to provide written documentation explaining gift intent and special payment billing procedures.

**Definition:** *Donations made by certain corporations and organizations matching employees' donations based on pre-established formulas and limits.*

**Pertinent University & Foundation Policies:**

1. *Corporate matching gifts to California State University, Stanislaus Foundation are normally designated automatically to the Annual Fund, if no designation for the original gift is provided by the employee/donor. When donor specifies a designation for the original gift, the matching gift is similarly applied unless the matching gift specifically prohibits application of the matching monies to the stated designation.*
2. *Corporate matching gifts may be credited toward a donor's open pledge balance unless the company specifically prohibits this practice.*

## CREDIT CARD CHARGES

Credit card processing of gifts occurs in Advancement Services where gifts are electronically charged to the donor's credit card. Credit Card Charges are booked as paid at the time the credit card is charged. Like checks, the credit card authorization receipt will be kept with daily deposit documentation. All other credit card information will be destroyed immediately.

When credit card pledges are initially received, the following steps are taken:

1. Gift amount is physically/electronically charged to the appropriate credit card bank.
2. COPY of each receipt is attached to a pledge form or GRT form as appropriate and logged by Advancement Services. Contribution is logged as a GIFT and recorded on Banner Advance System as a gift. ORIGINAL RECEIPT is maintained in Advancement Services in secure file as part of daily deposit documentation.
3. At time credit card is authorized, it is verified by Advancement Services, credit card charge slips are filed and credit card numbers removed.
4. Receipt and acknowledgement letter is generated and forwarded to donor.
5. Advancement Services forwards the posting information to the Departments and Development Officers for gift awareness, stewardship, and recognition.
6. Reallocations or corrections required after a gift has been processed are handled in Advancement Services in the Division of University Advancement. Advancement Services updates the donor record, sends a corrected receipt, and notifies the CSU Stanislaus Foundation Executive Officer or designee of the change.
7. Advancement Services is responsible for preparing daily, monthly, annual and other periodic reports summarizing donor-giving activities.
8. In the absence of adequate donor documentation with regards to intended use of the gift, the donor will be contacted verbally and /or by written communication. The donor will be asked to provide written documentation explaining gift intent and special payment billing procedures.

## GIFT RECONCILIATION

1. Reconciliations will be prepared on a monthly basis.
2. CSU Stanislaus Auxiliary Business Services will provide the year-to-date Trial Balance report for each month to Advancement Services. The year-to-date Trial Balance report parameters should include all Foundation gifts received, adjustments, and transfers received during the month.
3. Advancement Services will produce a Master Log, consisting of the year-to-date cashier receipts and adjustments with balances from BANNER.
4. A procedures check-off list will be completed by both CSU Stanislaus Auxiliary Business Services and Advancement Services on a monthly basis. The list includes the following items:
  - Auxiliary Business Services
    - Provide year-to-date Trial Balance report for each month to Advancement Services by 15<sup>th</sup> workday to the Director for Advancement Services. The Director for Advancement Services will be responsible for all corrections made to the gift system.
    - Provide Annual Fund Monthly Reconciliation sign-off form.
  - Advancement Services
    - Produce a Master Log, consisting of the year-to-date cashier receipts and adjustments with balances from BANNER.
    - Matching the gifts and adjustments for the month, confirming proper recording by checking off cashier receipt numbers, deposit balances, and fund accuracy.
    - Identified anomalies are communicated via electronic submission to Auxiliary Business Services for discussion, clarification, and potential adjustment.
    - Once balanced, obtain signatures of approval from Auxiliary Business Services' Director of Financial Services and the Executive Officer/Vice President for Division of University Advancement at completion of reconciliation process.
    - Copies of completed Annual Fund Monthly Reconciliation sign-off form are maintained by both parties.

# PLEDGES

## WRITTEN PLEDGES

1. Pledge information is received from the donor through the Division of University Advancement.
2. Pledge forms received with a payment are forwarded to Advancement Services in Development with the check. These pledges are recorded during gift batch processing.
3. All other pledge forms are forwarded to Advancement Services for recording on the donor record.
4. Advancement Services issues pledge reminders following the donor's billing preference (monthly, semi-annually, and annually.)
5. Advancement Services forwards pledge information to departments and Development Officers for appropriate acknowledgment, stewardship, and recognition of the donor.
6. The Development Office forwards summary pledge information daily via an automatic feed to the General Ledger managed by the Auxiliary Business Services to be recorded as receivables.
7. Pledges more than (180) days overdue must be reviewed by the appropriate Director of Development and/or the Vice President for Division of University Advancement to determine whether or not to write off the pledge. Advancement Services will dishonor/inactivate delinquent pledges upon written approval of the Vice President for Division of University Advancement.

**Definition:** *A record of a donor's intention to make a gift at a later date.*

**Pertinent University & Foundation Policies:**

1. *California State University, Stanislaus considers written pledges to be legally binding. Pledges are considered to be conditional on continued goodwill and the wherewithal of the donor.*
2. *A written pledge must specify the exact amount and duration of the pledge period.*
3. *All pledges in any amount and for duration beyond one fiscal year must be signed by the donor to be recorded as a documented pledge in the University's records. The University's Annual Fund Pledges are excepted (see #4 below.)*
4. *Phonathon pledges are booked, regardless of amount, without donor signature.*
5. *Donations from private organizations and corporations with more than one payment are recorded in Advancement Services as pledges.*
6. *The OUA generally does not record grants from public agencies, unless they are described by the Campaign credit guidelines as campaign countable (Included as part of Campaign Fundraising Plan).*
7. *Multi-Year Pledges – Advancement Services will delete (inactivate) pledges upon written approval of the Vice President. (see item #7).*

## PLEDGES (continued)

### 5. MULTI-YEAR PLEDGES

Definition: A written and signed agreement between the University and the Donor that a donation will be made at a specified time, or according to a specified time schedule not to exceed five (5) years in duration.

- a. A *Multi-Year Pledge* must specify an amount and duration to be paid in full. If multiple payments are to be made, then a payment schedule should be provided not to exceed five (5) years in duration.
- b. *Multi-Year Pledge* must be reviewed by the Vice President of OUA prior to being signed.
- c. A *Multi-Year Pledge* is considered irrevocable and is to be processed into Banner and reported to CSU Stanislaus Foundation.

#### PROCESS:

- A. The *Multi-Year Pledge* terms are written by the Director of Development in charge of the gift. If no director is involved, then the Administrator in charge will write the *Multi-Year Pledge*. The Vice President for OUA will review and initial acceptance of the pledge.
  - a. Some *Multi-Year Pledges* are written by other entities. These are still sent through the following approval process when received by OUA.
  - b. These are unsigned *Multi-Year Pledges* at this point. Such pledges will not be recorded as gift pledges until signed by the donor.
- B. All *Multi-Year Pledges* are sent to Vice President for OUA for review and approval.
- C. Donor signs *Multi-Year Pledge*.
- D. Vice President of OUA signs *Multi-Year Pledge*.
- E. Copy of *Multi-Year Pledge* is provided to Advancement Services for processing into Banner and filed in donor records.
  - a. The *Multi-Year Pledge* must be signed by all parties to be entered into Banner.
  - b. The *Multi-Year Pledge* is considered irrevocable.
- F. Copy of the signed *Multi-Year Pledge* is mailed to the donor.
- G. All *Multi-Year Pledges* over \$5,000 are reported to the CSU Stanislaus Foundation Quarterly for review.
- H. *Multi-Year Pledges* are recorded to CSU Stanislaus Foundation General Ledger via an automatic feed daily as receivables.

## PLEDGES (continued)

### VERBAL PLEDGES

1. Verbal pledges are not accepted by CSU Stanislaus Foundation, except commitments made in the Stanislaus Call phonathon. All verbal pledges are to be converted into written form as a formal, official documentation of their commitment.
2. The only appropriate form of documentation of a verbal pledge is a letter stating the amount of the pledge and the duration of the pledge from the Development Officer to the donor or a letter from the volunteer solicitor to the donor.
3. A copy of the letter is reviewed with the Vice President for Division of University Advancement for approval. If the verbal pledge is approved, it is forwarded to Advancement Services for tracking. It is not recorded in the gift system.
4. No pledge reminder is issued to the donor by Advancement Services.
5. Advancement Services forwards pledge information to the respective Director of Development and requests that the Director of Development secures a signed pledge form from the donor; or a signed letter from the donor setting forth terms of the pledge.
6. The Director of Development receives the signed pledge from the donor and forwards it to Advancement Services.
7. Advancement Services updates the donor record to reflect the new status, and forwards pledge information to the appropriate Department and Development Officer for appropriate acknowledgment, stewardship, and recognition of the donor.

**Definition:** *A pledge, other than phonathon, made without donor signature.*

1. *Division of University Advancement procedures will not allow for the recording of such pledges unless and until there is a pledge signature from the donor. The Vice President for Division of University Advancement must authorize in writing any exceptions to this before they can be recorded.*

## PLEDGES (continued)

### PHONATHON PLEDGES

1. The only verbal pledge that will be booked into the Gift Accounting System will be the product of a University phonathon. CSU Stanislaus students working for the Stanislaus Call will collect the requisite pledge information, confirming correct address/telephone/employment/e-mail and other necessary information. If credit card numbers are collected, the pledge/gift will be managed according to Credit Card procedures.
2. The phonathon pledges and information updates will be booked daily by Advancement Services, followed shortly by a pledge acknowledgement and billing statement.
3. Two pledge reminders will be sent to all open pledges in the next sixty (60) days.
4. A final pledge reminder will be sent to all open pledges after ninety (90) days. No other written communication will normally be provided after this mailing unless authorized by the Vice President for OUA.
5. Phonathon pledges are considered for write-off after six months (180 days) of non-payment. Write-off authorization will be provided by the Vice President for Division of University Advancement.

# SECURITIES

## GIFTS OF SECURITIES TO THE UNIVERSITY

Securities gifted to the University usually involve donations of publicly traded common stock or bonds. Final acceptance of private stock or other less marketable assets will occur after consultation of the Foundation Executive Officer/Vice President for Division of University Advancement, Foundation Counsel, the chair of the Foundation Finance Committee and Foundation Treasurer.

A gift of securities should be confirmed in writing by the donor, including instructions as to the purpose of the gift. In all cases, the Division of University Advancement should be contacted as early as possible to ensure proper transfer and to avoid adverse market impact.

1. All donors should be referred to Advancement Services for information on processing securities gifts.
2. Generally, CSU Stanislaus Foundation does not physically take possession of the stock, but facilitates the donor's transference of stock through the Foundation designated broker, A. G. Edwards.  
A.G. Edwards & Sons, Inc.  
Tax Identification #43-0895447  
DTC# 0201  
Address: 1549 McHenry Avenue  
Modesto, California 95350  
Telephone: (209) 529-0211  
Account Representative: Tim Bloemhof  
CSU Stanislaus Foundation  
Account #2001-0130
3. A.G. Edwards immediately sells the stock at its current market value and sends the appraisal and transaction documentation to Advancement Services.
4. A.G. Edwards sends statement of securities sale to CSU Stanislaus Foundation followed by check (approximately 2 weeks from point of sale). Advancement Services facilitates deposit of said check and updates the donor record and issues a gift receipt/acknowledgement to the donor signed by CSU Stanislaus Foundation Executive Officer/Vice President for Division of University Advancement.

### **A. PUBLICLY TRADED COMMON STOCK OR BONDS**

**Definition:** *Securities for which, as of the date of the contribution, market quotations are readily available on an established securities market.*

#### ***Pertinent University & Foundation Policies:***

1. *All gifted securities are processed through the Foundation's Executive Officer.*
2. *The value, for tax purposes, of a gift of securities is the market value of the security on the effective date sale of the securities.*
3. *The Foundation normally sells gifted securities immediately. Dependent upon donor designation, the proceeds are reinvested in one of two portfolios: current use or endowment.*
4. *The effective date of gift for securities held at a bank or brokerage is the date of transfer into a Foundation account. In the case of physical delivery, the date the endorsed certificate accompanied by a stock power is received at the Foundation is the date of the gift. If the certificate and stock power are mailed, the postmark on the stock power envelope is the date of gift. If the certificate is mailed to a transfer agent for reissue to the Foundation, the gift date is the date on the new certificate.*

5. The amount of the gift is not the amount of the check, as the check is reduced by the agent's transaction fee. The donor will be credited with the entire amount of the gift with the transaction fee treated as a "cost to do business." The gift date will be the date that the stock is sold. In addition to the donor's acknowledgment, a copy of the transaction statement from A.G. Edwards will be sent to the donor to match his/her records.
6. Advancement Services forwards gift information to Departments and Development Officers for appropriate acknowledgment, stewardship, and recognition.

## TRANSFER INSTRUCTIONS

Public securities held at a bank or brokerage firm must be transferred to the CSU Stanislaus Foundation account, after proper notification to the Executive Officer/Vice President for Division of University Advancement.

### 1. SECURITIES TRANSFERRED BY MAIL

Securities may be delivered to the Executive Officer/Vice President for Division of University Advancement. The stock should be endorsed to "California State University, Stanislaus Foundation." and signed. This can be done through a separate stock power form or on the back of the certificate. The signature should be guaranteed by a bank or broker.

Securities received through the mail should use the stock power method of endorsement. The certificate and stock power should be mailed to the Executive Officer in separate envelopes.

This office may be reached as follows:

Address: CSU Stanislaus Foundation  
c/o Executive Officer  
One University Circle  
Turlock, California 95832

Phone: (209) 667-3131  
Fax: (209) 667-3026

A less preferred method of delivery of securities is through the issuer's transfer agent for reissue to CSU Stanislaus Foundation. This method often results in delay.

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### ***B. PRIVATELY-HELD SECURITIES***

***Definition:*** Any stock of a corporation, evidenced by a stock certificate, that is not a publicly traded security, or for which there is no public market.

#### ***Pertinent University & Foundation Policies:***

1. ***The donor of a privately held security is responsible for establishing and supporting a gift value for tax purposes. This includes completing the appropriate portions of the Internal Revenue Service Form 8283, Non-cash Charitable Contributions.***
2. ***Security gifts for privately held companies are generally recorded on the University books with a value of \$1.00 until liquidity is achieved. At that time a new appraisal is conducted and the new value recorded.***

### ***C. ZERO COUPON BONDS***

***Definition:*** A bond purchased at a discount to its face value, which does not pay interest until maturity.

#### ***Pertinent University & Foundation Policies:***

1. ***Zero coupon bonds are valued at current market price.***
2. ***The University will not recognize the face value of zero coupon bonds and prefers to liquidate them prior to maturity.***

# REAL ESTATE

## PROCEDURE

1. The department receiving information concerning proposed gifts of real estate contacts the Executive Officer/Vice President for Division of University Advancement. The Division of University Advancement forwards information pertaining to a proposed gift of real estate to the appropriate program administrator (if applicable), the Vice President for Business and Finance, and the University President (if applicable). In some cases, any or all of these individuals may serve as an Ad Hoc Committee to evaluate the proposed gift.
2. Gifts Review and Acceptance Process
  - a. Executive Officer/Vice President for Division of University Advancement assesses the property history, market conditions, potential environmental concerns, and the property value.
  - b. Executive Officer consults with the Vice President for Business and Finance/Treasurer of Foundation on the fiscal viability of the gift. Executive Officer/Vice President for Division of University Advancement makes a recommendation to the Executive Committee of CSU Stanislaus Foundation Board of Trustees to accept or reject the property.
  - c. Notifies the Chief Financial Officer if property is sold within two years of receipt.
  - d. No gifts of property may be accepted without approval by the CSU Stanislaus Foundation Board of Trustees.
3. CSU Stanislaus Foundation Counsel:
  - a. Determines the need for additional local legal advice or expertise.
  - b. Makes a recommendation to CSU Stanislaus Foundation Executive Committee to accept or reject the property, conditional upon an acceptable title.

### ***A. REAL ESTATE***

***Definition: Property in buildings and land.***

#### ***Pertinent University & Foundation Policies:***

1. ***Real Estate gifts must have a recommendation for acceptance by the Vice President for Division of University Advancement after consultation with the University Vice President for Business and Finance, the University President, and the Foundation Board of Trustees.***
2. ***It is preferred that the donor provides an independent real estate appraisal.***
3. ***Foundation reserves the right to request its own real estate appraisal.***
4. ***No gifts of property may be accepted without approval of the Foundation Board of Trustees.***

#### ***Pertinent Internal Revenue Service (IRS) Guidelines***

1. ***The IRS requires an independent appraisal to support the donor's tax deduction.***
2. ***The Foundation must file IRS Form 8282 if the property is sold within two years of receipt.***

# REAL ESTATE

## PROCEDURE (CONTINUED)

4. CSU Stanislaus Foundation Executive Committee:
  - a. Approves or refuses real estate gifts based on whether it is a prudent investment for CSU Stanislaus Foundation.
  - b. Notifies the Division of University Advancement of acceptance or rejection.
  
5. The Division of University Advancement:
  - a. Informs the donor of acceptance or rejection of the property.
  - b. Requests from the donor IRS Form 8283. (Non-cash Charitable Contributions).
  - c. Requests from the donor an acceptable title and qualified appraisal for the property.
  - d. In consultation with the Office of CSU Stanislaus Foundation Counsel, transfers the executed deed to CSU Stanislaus Foundation.
  - e. Notifies CSU Stanislaus Foundation Treasure of sale property for approval.
  - f. Forwards all documentation to Advancement Services in Development for gift accounting.
  - g. Advancement Services records the gift on the donor's record.

### ***B. BARGAIN SALE GIFTS***

***Definition:*** *A sale of property in which the amount of the sale proceeds is less than the property's fair market value. When such a sale is made to a qualified charitable organization, the excess of the fair market value of the property over the sale price represents a charitable contribution to the organization.*

#### ***Pertinent University & Foundation Policies:***

- 1. The Foundation Executive Committee examines each gift on an individual basis to determine whether it is in Foundation's interest to accept the bargain sale item.***
- 2. It is preferred that the donor provides an independent real estate appraisal.***

# REAL ESTATE

## PROCEDURE (CONTINUED)

- h. Advancement Services issues a gift receipt/acknowledgement to the donor signed by CSU Stanislaus Foundation Executive Officer/Vice President for Division of University Advancement.
- i. Advancement Services forwards gift information to Department and Development Officer for appropriate acknowledgment, stewardship, and recognition.
- j. Forwards a copy of all documentation to CSU Stanislaus Property Control for booking.

### **C. RETAINED LIFE TENANCY**

**Definition:** *The transfer of a remainder interest in a personal residence, farm, or vacation home with the agreement that the donor may occupy the property until death.*

#### **Pertinent University & Foundation Policies:**

1. *The donor is responsible for all expenses of maintaining the property unless prior arrangements are approved by the Foundation Board of Trustees.*
2. *The donor receives any income generated from the property until death.*

#### **Pertinent IRS Guidelines:**

1. *The property must be a personal residence, farm, or vacation home.*
2. *The agreement is irrevocable.*
3. *The donor receives a current income tax deduction for the property's discounted value.*

# GIFTS IN KIND/PERSONAL

## PROCEDURE

1. The department receiving the gift must contact Advancement Services with questions pertaining to donor responsibilities and proper internal handling of the gift.
  - a. Before a gallery accepts works of art, the Executive Officer/Vice President for Division of University Advancement must approve their acceptance.
  - b. The Library accepts gifts of books and related materials.
  - c. The Vice President for Division of University Advancement must approve any gift that does not fall clearly within University/Foundation acceptance guidelines.
  - d. If the gift is sold within 2 years, CSU Stanislaus Foundation should be notified with the information needed to fill out the IRS Form 8282.
2. The Development Officer working with the donor or the department receiving the obtains from the donor correspondence, receipts, appraisal, and, for gifts valued \$500 or more, IRS Form 8283.
  - a. If the gift lacks IRS Form 8283 (for individuals), it is recorded at the appraised value, but flagged as having an estimated value.
  - b. Advancement Services updates the donor gift record from estimated value to verified value when the necessary documentation is received.
3. Advancement Services prepares the Gift In-Kind Acceptance Form and forwards it with appropriate documentation to Property Control Services. Advancement Services books the gift.
  - a. Advancement Services records the gift on CSU Stanislaus Foundation General Ledger via an automatic feed daily.

**Definition:** *Physical assets, such as personal collections, equipment, books, and other personal property given to the University for its use or for liquidation.*

**Pertinent University & Foundation Policies:**

*It is the responsibility of the donor to provide an appraisal from an independent source and, if required, to complete the appropriate portions of Internal Revenue Service Form 8283, Non-cash Charitable Contributions.*

**Pertinent IRS Guidelines:**

**1.** *IRS Form 8282 must be filed by the Foundation if the property is sold within two years of receipt.*

**2.** *The deductible amount of a property contribution may be its cost to the donor or its fair market value, depending on the tax status and circumstances of the donor.*

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## GIFTS IN KIND/PERSONAL

### PROCEDURE (CONTINUED)

- b. CSU Stanislaus Foundation creates a file for reference, to be used if and when the gift is liquidated.
  - c. Advancement Services updates the donor record and issues a donor receipt.
  - d. As a courtesy to the donor, the Executive Officer/Vice President for Division of University Advancement sends an IRS Form 8283 to the donor. The Executive Officer/Vice President for Division of University Advancement signs Form 8283 only when completed and signed by all other parties.
4. Advancement Services forwards gift information to the Department and Development Officer for appropriate acknowledgment, stewardship, and recognition.
  5. For Gifts of Software:
    - a. The software license gift acceptance should be incorporated into the Gifts of Software Acceptance form. The Gifts of Software Acceptance Form is to be completed by the recipient of the gift, who is responsible for providing supporting documentation concerning the valuation of the gift (see Appendix B).
    - b. The form should be submitted to the Campus Gifts of Software Policy Committee for review and approval of the valuation for the gift based on CSU policy guidelines.
    - c. Upon approval of the Campus Gifts of Software Policy Committee, the University will receive the gift, with Advancement Services recording and book the Gift of Software as an in-kind gift contribution.

# GIFTS IN KIND/CORPORATE

## PROCEDURE

1. The department receiving the gift should notify the Division of University Advancement for gift routing advice. This assures proper recording and formal acknowledgment of the gift.
  - a. Works of art are accepted by the department receiving the gift.
  - b. The Library accepts gifts of books and related materials.
  - c. Gifts of Software-in-kind will be valued according to CSU policy. The Advancement Services department will monitor compliance and will return to the appropriate development director any gift-in-kind acceptance forms which are incomplete or which incorrectly apply the CSU Stanislaus Gifts of Software Policy. (see Appendix C)
  - d. Any gift that does not fall clearly within University or Foundation acceptance guidelines may not be accepted without the prior approval of CSU Stanislaus Foundation Board of Trustees, upon the recommendation of the Vice President for Division of University Advancement.
2. The Development and Division of University Advancement, working with the donor or the department receiving the gift, obtains correspondence, receipts, and appraisal pertaining to the delivery and value of the gift.
  - a. If the gift lacks an appraisal it is recorded with estimated value provided by donor. Notation will be made in the description field.
  - b. Gift Accounting updates the donor gift record to show the appraised amount when the necessary documentation is received and records the gift on CSU Stanislaus Foundation General Ledger via an automatic feed daily.
3. Advancement Services in Development prepares the gift in-kind acceptance form and forwards it with appropriate documentation. The CSU Stanislaus Foundation provides the University Property Control Manager with an itemized list on a quarterly basis. Distribution will be copies to the President, Vice President for Division of University Advancement, and University Controller.

**Definition:** *Physical assets, such as collections, equipment, books, and other corporate property given to the University for its use or for liquidation. Gifts can be made either to the University or to the Foundation.*

**Pertinent University & Foundation Policies:**

1. *It is the responsibility of the corporate donor to provide verification of the gift value. This could include an appraisal, price list, or receipt.*
2. *The Foundation records corporate gifts in kind at fair market value.*

**Pertinent IRS Guidelines:**

1. *IRS Form 8282 must be filed by the CSU Stanislaus Foundation if the property is sold within two years of receipt.*
2. *The deductible amount of a corporate gift in kind is generally the cost of production or purchase of the item(s).*
3. *Corporate gifts in kind may require an Internal Revenue Service Form 8283, Non-cash Charitable Contributions.*

## GIFTS IN KIND/CORPORATE

### PROCEDURE (CONTINUED)

4. Advancement Services updates the donor record and issues a donor receipt.
5. Advancement Services forwards gift information to the Division of University Advancement and Director of Development for appropriate acknowledgment, stewardship, and recognition.
6. For Gifts of Software:
  - a. The software license gift acceptance should be incorporated into the Gifts of Software Acceptance form. The Gifts of Software Acceptance Form is to be completed by the recipient of the gift, who is responsible for providing supporting documentation concerning the valuation of the gift (see Appendix B).
  - b. The form should be submitted to the Campus Gifts of Software Policy Committee for review and approval of the valuation for the gift based on CSU policy guidelines.
  - c. Upon approval of the Campus Gifts of Software Policy Committee, the University will receive the gift, with Advancement Services recording and book the Gift of Software as an in-kind gift contribution.

# **Appendix A**

## ***Gift Reporting and Transmittal Form (GRT) And Instructions***





## **Appendix B**

### ***Gift of Software Acceptance Form***





## **Appendix C**

### ***Gifts of Software Acceptance Policy***

CALIFORNIA STATE UNIVERSITY, STANISLAUS FOUNDATION  
SUBJECT: **GIFTS OF SOFTWARE ACCEPTANCE POLICY**

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PURPOSE: To provide general guidance relative to accepting gifts of software.

REPLACES: *none*

EFFECTIVE

DATE: December 2002

REFERENCE: CSU Gifts of Software Policy/Guidelines and Procedures Revised June 8, 1999

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**GIFTS OF SOFTWARE ACCEPTANCE POLICY**

**I. BACKGROUND AND PURPOSE**

It is the intent of this guideline to protect the importance and value of gifts of software while at the same time valuing and reporting on such gifts in a manner that is standardized and consistent among the CSU campuses as well as with other colleges and universities.

Establish a reasonable valuation that closely follows the CASE guidelines by booking the educational discount price. If the educational discount price is not provided by the donor, the recipient is to independently determine the actual price that would be paid for the software if it were to be purchased directly. The recipient must ascertain and compare the actual software configurations for which the price is being determined.

**II. POLICY**

- A. Only the license value of the software is to be booked. The number of seats is not to be considered in determining the value.
- B. Any fee charged to the campus or department for the license is to be deducted from the total gift value booked.
- C. No Gifts of Software should be booked for more than three years when received as a multi-year gift.
- D. If the donor provides IRS Form 8283, book the gift according to the Form, unless the amount is known to be more than the educational discount.
- E. In the rare instances where one campus serves as the lead campus in obtaining gifts of software, prior approval must be obtained from the system office, by written request and declaration of the valuation of the total gift and the disbursements for each involved campus. In addition, there must be written agreements among the chief advancement officers of the involved campuses regarding the receipt, valuation, booking and reporting of such gifts.
- F. In reporting year-end voluntary support to the Chancellor's Office, all campuses will include an additional line item that separately indicates gifts of software received. This report by campus will appear in the annual report submitted to the CSU Trustees.

- G. All campuses shall create a Gifts of Software Policy Committee, whose role will be to implement the system-wide policies for accepting, valuing and reporting gifts of software and review and approve the valuations, as determined by the campus for gifts of software.

### **III. CAMPUS GIFTS OF SOFTWARE POLICY COMMITTEE**

The Campus Gifts of Software Policy Committee will be comprised of the Vice President for Development and University Relations or designee (chair), Vice President for Business and Finance or designee, Director for Administrative Technology, Director for Advancement Services, and a CSU Stanislaus Foundation Board member. If appropriate, the Development Officer representing the recipient department or unit shall participate.

### **IV. PROCEDURE**

- H. The software license gift acceptance should be incorporated into the Gifts of Software Acceptance form. The Gifts of Software Acceptance Form is to be completed by the recipient of the gift, who is responsible for providing supporting documentation concerning the valuation of the gift.
- I. The form should be submitted to the Campus Gifts of Software Policy Committee for review and approval of the valuation for the gift based on CSU policy guidelines.
- J. Upon approval of the Campus Gifts of Software Policy Committee, the University will receive the gift, with Advancement Services recording the gift and book the Gift of Software as an in-kind gift contribution.