

West Chester University Gift Acceptance Policy

Accommodations for individuals with disabilities in accessing these policies are available upon request by emailing accessiblepolicy@wcupa.edu

Purpose and Scope

It is the purpose of this policy to govern the acceptance of gifts by the Foundation and to provide guidance to prospective donors and their advisors when making gifts to serve the University. The provisions of these policies shall apply to all contributions from non-governmental sources received by the Foundation for any of the University's programs or services.

Gift acceptance must be aligned with the University's strategic priorities that are communicated to the Foundation, and comply with federal, state and local laws. The University and the Foundation will follow Internal Revenue Service regulations and Council for Advancement and Support of Education (CASE) guidelines when evaluating whether a transfer of assets is considered a gift.

The Foundation shall adopt Gift Acceptance Procedures that describe the process for accepting, recording and counting the gifts.

Policy Statement

West Chester University of Pennsylvania ("University") is part of the Pennsylvania State System of Higher Education (PASSHE), a body corporate and politic constituting a public corporation and government instrumentality of the Commonwealth of Pennsylvania, created by [Act 188 of 1982, 24 P.S. §20- 2001- A et seq.](#) The following policies and guidelines govern acceptance of gifts made to the University or for the benefit of any of its programs. The University and the West Chester University Foundation ("The Foundation") have an executed Memorandum of Understanding (MOU) that appoints the

Foundation as the coordinating organization for all restricted and unrestricted fundraising efforts to benefit the University. In order to better inform the Foundation with respect to accepting appropriate gifts that benefit the University, the University hereby adopts this Gift Acceptance Policy and the Foundation shall fundraise, accept and record gifts in accordance with this Policy, the MOU and applicable [PASSHE Board of Governor's Policies](#) recited in the MOU.

Policy Framework & Procedures

I. The Gift Acceptance Committee

The Gift Acceptance Committee is charged with the responsibility of reviewing gifts made to the University that are physical items valued over \$5,000 such as tangible personal property, equipment, art, or physical plant; all real estate; and gifts that place a condition or obligation on the University or Foundation or gifts that might represent a conflict of interest. After the University President or designee indicates (in writing) their intent to accept the gift, the Gift Acceptance Committee will initiate review of the gift to ensure that the acceptance of the gift is in the University/Foundation's best interest. The Gift Acceptance Committee will screen gifts and make recommendations to the President and Foundation Board on gift acceptance issues which may have unusual or exceptional implications for the Foundation or University. Final approval by the University must be secured in writing to the Foundation by the University Liaison before a gift of a physical item is accepted by the Foundation. The Committee shall record and maintain minutes of meetings.

The Gift Acceptance Committee shall consist of:

- The University Liaison to the Foundation and/or another as designated

by the University President;

- Foundation Finance Committee Chairperson or their designee;
- The Director of the Foundation;
- The Chief Financial Officer of the Foundation;
- The Chair, Foundation Development Committee; and
- Such other members as appointed by the Foundation Board of Trustees from the Development and Finance Committees

II. Use of Legal Counsel

The University and the Foundation shall seek the advice of legal counsel in matters relating to acceptance of gifts where appropriate. Review by counsel is recommended for:

- Closely held stock transfers that are subject to restrictions or buy-sell agreements;
- Documents naming the Foundation or the University as Trustee;
- Gifts involving contracts, or other documents requiring the University or the Foundation to assume an obligation, except for charitable gift annuities;
- Transactions with potential conflict of interest;
- Other instances in which use of counsel is deemed appropriate by the Gift Acceptance Committee.

III. Restrictions on Types of Gifts

The Foundation will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are consistent with the University's stated mission, purposes, and priorities. The University will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of the University's mission or statutory purpose, the Foundation's charters and by-laws, gifts that are difficult to administer, or gifts

that are designated for purposes outside the mission of the University. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the University President after reviewing the recommendation from the Gift Acceptance Committee.

IV. Types of Gifts

The following gifts (as further explained/defined below) are acceptable:

1. Cash, Check and Credit Card
2. Pledges and Matching Gifts
3. Donor Advised Funds
4. Foreign Currency
5. Wire or Electronic Fund Transfer
6. Marketable/ Appreciated Securities and Mutual Fund Shares
7. Closely Held Business Interests
8. Real Property
9. Remainder Interests in Real Property
10. Tangible Personal Property
11. Oil, Gas, Timber, and Mineral Interests
12. Bargain Sales
13. Life Insurance
14. Qualified Retirement Plans
15. Charitable Gift Annuities
16. Charitable Remainder Trusts
17. Charitable Lead Trusts
18. Retirement Plan Beneficiary Designations
19. Bequests

The following criteria govern the acceptance of each gift form:

1. **Cash, Check, Credit Cards:** Cash is acceptable in any form. Checks shall be made payable to West Chester University Foundation and shall be

delivered to the Foundation Office at 202 Carter Drive, West Chester, PA 19382.

2. **Pledges:** A promise to give and will be recorded according to F.A.S.B and CASE regulations. Pledge periods should not exceed 5 years
3. **Donor Advised Funds:** Donor-advised funds are philanthropic vehicles established at public charities that allow donors to make charitable contributions. The assets are in the name and under the control of that entity. The donor advises that entity to issue a check to a qualified nonprofit. Thus, the organization receives hard credit and is the legal donor. The individual donor record will be soft credited with the value of the gift and recognized accordingly.
4. **Foreign Currency:** Gifts made in foreign currencies will be valued at the U.S. dollar equivalent on the date the gift is received. The transaction fees resulting from converting foreign currency to U.S. dollars will be incurred by the Foundation. This value is determined by the daily currency conversion rates listed in the Wall Street Journal.
5. **Wire or Electronic Fund Transfer:** Gifts made by a wire or electronic fund transfer should follow Finance Office's instructions for such transfer. The value is determined by the amount of the transfer.
6. **Marketable/ Appreciated Securities and Mutual Fund Shares:** Publicly traded stocks, securities, mutual funds, and bonds that will mature are acceptable as gifts regardless of maturity date, are recorded by the Foundation. Marketable securities will be valued based upon the average of the high and low trading price on the date that the stock credited to the Foundation account. The Foundation will sell securities upon receipt. Direct transfer of stock certificates required the certificate(s), irrevocable stock/bond power, and letter of intent/authorization. If using the mail or other delivery service, the stock certificates and the irrevocable

stock/bond power should be sent separately for security reasons. The irrevocable stock/bond power requires a medallion signature guarantee. The value of stock certificates will be based upon date of the postmark.

7. **Closely Held Business Interests:** Closely held securities include non-publicly traded stocks, LLPs and LLC's or other ownership forms, are subject to the approval of the gift acceptance process. Gifts must be reviewed prior to acceptance:

- Restrictions on the security that would prevent The Foundation from ultimately converting to cash;
- The security is marketable;
- A plan for liquidation has been established

8. **Real Property:** All other gifts of personal property shall be examined in light of the following criteria:

- Advancement of the mission of the University;
- Marketability of the property;
- Existence of undue restrictions on the use, display, or sale of the property;
- Carrying costs for the property.

Examples of tangible personal property include, but are not limited to: automobiles, boats, art, jewelry, furniture, antiques, rare books, manuscripts, musical instruments and laboratory equipment. Examples of intangible personal property include, but are not limited to: computer software, royalties, patents and copyrights.

The final determination on the acceptance of other tangible property gifts over \$5,000 shall be made by the Gift Acceptance Committee

which is responsible for conducting due diligence review on the gifts and their valuation.

8. **Real Estate:** Gifts of real estate may be received by the Foundation on behalf of the University. These gifts may include developed property, undeveloped property, or gifts subject to a prior life interest. Criteria for acceptance of the property shall include:
- Usefulness of the property for the purposes of the University;
 - Marketability of the property;
 - Any restrictions, encumbrances, reservations, easements, or other limitations associated with the property;
 - Carrying costs such as insurance, property taxes, mortgages, or notes, etc., associated with the property;
 - Results of environmental audit.

The preliminary and final decision on the acceptance of real estate shall be determined by the President and the Gift Acceptance Committee.

9. **Remainder Interests In Property:** Remainder interest in real property may be accepted as a gift. The final determination on the acceptance of remainder interests in property shall be made by the Gift Acceptance Committee.
10. **Oil, Gas, Timber, and Mineral Interests:** Oil and gas property interests may be accepted, where appropriate. Criteria for appropriateness of such gift shall include:
- Gifts of surface rights should have a value of \$20,000 or greater.

- Gifts of oil, gas and mineral interests should generate at least \$3,000 per year in royalties or other income (as determined by the average of the three years prior to the gift).
- The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate.
- If the interest is a working interest, the impact on the Foundation and University should be determined so that a plan to minimize to the impact, if accepted, can be prepared.
- The property shall undergo an environmental review to ensure there is no current or potential exposure to environmental liability.

The final decision on the acceptance of oil, gas and mineral interests shall be determined by the President and Gift Acceptance Committee.

11. **Bargain Sales:** Bargain sale arrangement in instances in which it furthers the mission and purposes of the University may be accepted as gifts. Criteria which may be used in determining the appropriateness of the transaction include:
- An independent appraisal substantiating the value of the property.
 - The debt ratio must be less than 50 percent of the appraised market value.
 - The University or its affiliates will use the property, or that it is marketable, within 12 months of receipt.
 - The costs to safeguard, insure, and expense the property (including property tax) during the holding period.

The final decision on the acceptance of bargain sale donations shall be determined by the President and the Gift Acceptance Committee.

12. Life Insurance: A fully paid life insurance policy is acceptable as a gift if the Foundation is named as both owner and beneficiary. Life insurance policies with the Foundation named as beneficiary or contingent beneficiary may be accepted as gifts. The Foundation will not accept policies where the Foundation is obligated to make future premium payments unless the donor commits to making annual gifts to cover such payments and/or understands that the Foundation reserves the right to surrender the policy for its cash value. Whole life insurance policies and fully paid life insurance policies will be recorded as a current outright gift at the cash surrender value as identified in writing by the insurance provider (CASE 1.2.6) only if the donor names the institution both owner and irrevocable beneficiary of the policy.

13. Charitable Gift Annuities: Charitable gift annuities may be accepted as gifts. The minimum gift for funding shall be \$25,000. The minimum age for life income beneficiaries of a gift annuity shall be 60. Where a deferred gift annuity is offered, the minimum age for receipt of life income shall be 50.

A charitable gift annuity (CGA) is an irrevocable gift, where, in exchange for an outright gift, the Foundation agrees in a contract to pay the donor and/or another beneficiary a guaranteed annuity for life. The annual payment to the donor (or named beneficiary) is fixed and is based on the number and ages of the beneficiaries and the fair market value of the gift. Gift annuities may not be offered to residents of states in which such contracts are considered to be insurance products or securities.

14. Charitable Remainder Trusts: Charitable remainder trusts may be accepted as gifts. The minimum initial gift shall be \$50,000. The final determination on the

acceptance of charitable remainder trusts shall be made by the Gift Acceptance Committee.

15. Charitable Lead Trusts: Charitable lead trusts may be accepted as gifts. The minimum initial gift shall be \$50,000. The final determination on the acceptance of charitable lead trusts shall be made by the Gift Acceptance Committee.

16. Qualified Retirement Plans: Retirement plan beneficiary designations are accepted as gifts with the Foundation named as beneficiary of the retirement plan.

17. Bequests: Bequests to The Foundation in wills and trusts may be accepted as gifts. The final determination on the acceptance of bequests made in a will or trust shall be made by the Gift Acceptance Committee.

V. Miscellaneous Provisions

Responsibility for IRS filings upon sale of gift items:

Providing the donor requests documentation for tax purposes, the Foundation is responsible for filing [IRS Form 8282](#) upon the sale or disposition of any donated asset held within three years of receipt of the asset, where the charitable deduction value of the item was \$5,000 or greater or otherwise as required by applicable IRS regulations or law.

Donations to Endowed Funds:

The Foundation will apply checks under \$500 made payable to an endowed scholarship or operating fund to the related endowment fund unless a letter with specific instructions to do otherwise accompanies the check.

Endowed Funds:

Establishment of endowed funds requires \$25,000 or greater donation and approval by the Foundation Executive Director.

Named Funds:

Establishment of non-endowed named funds (funds with an individual or family name in the description) require \$10,000 or greater donation and approval by the Foundation Executive Director.

Naming Policy:

Please see the [West Chester University Naming University Facilities and Programs Policy](#) for information regarding naming facilities.

Permanent Art Collection Acquisition Policy:

Please see the [West Chester University Permanent Art Collection Management Policy](#) for information regarding donations to the permanent art collection.

Acknowledgement of all gifts and compliance with IRS requirements:

The Foundation is responsible for the acknowledgement of all gifts accepted by it on behalf of the University and compliance with current Internal Revenue Service requirements.

References

[Act 188 of 1982, 24 P.S. §20- 2001-A et seq.](#)

[PASSHE Board of Governor's Policies](#)

[IRS Form 8282](#)

[WCU Naming University Facilities and Programs Policy](#)

[WCU Permanent Art Collection Management Policy](#)

UNIVERSITY POLICY

Reviewed by: Vice President for University Advancement and External Affairs; Vice President for University Affairs; Vice President for Diversity, Equity, and Inclusion; Senior Associate Vice President and Chief Human Resources Officer; Office of Research and Sponsored Programs; and the West Chester University Foundation

Policy Owner: Vice President for University Advancement and External Affairs

Approved by: Official Signature of University President goes here

Type name

Title

Date

Effective Date:

Next Review Date: (up to 4 years from most recent review or initial approval)

History

Initial Approval:

Review Dates:

Amended: