

Eastern West Virginia Community and Technical College Foundation

Gift Acceptance Policy

AP – 3.1

General Policy Statement: The purposes of the Eastern West Virginia Community and Technical College Foundation, Inc., (hereafter referred to as the Foundation) are to support, encourage and assist in the development and growth of the Eastern West Virginia Community and Technical College (hereafter referred to as the College) and to render service and assistance to the College and, through it, to the citizens of the State of West Virginia. The Foundation is the sole recipient of gifts to the College and serves the College in four categories: professional development; capital construction, facilities, and equipment; student assistance; and institutional development. To achieve its purposes, the Foundation will receive or seek to secure through solicitation private support for the College and will administer the gifts and manage the assets thus accumulated.

Rationale: The Foundation is a statutorily separate entity, established as an umbrella organization to receive private gifts exclusively for the benefit and betterment of the College. The Foundation is a nonprofit, corporate entity exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code.

This policy is designed to assure that all gifts for the benefit and betterment of the College provide maximum benefit to all parties and are used for the purposes intended, without restricting the Foundation in carrying out its mission.

Except where stated otherwise, this policy and related procedures are intended as guidelines. The Foundation Board of Trustees recognizes that flexibility must be maintained because of the complexity of some gift circumstances. Decisions will be made after careful consideration of all relevant factors and in keeping with the mission and purpose of the Foundation and the College.

Policy Implementation:

- I. Guidelines governing fund-raising for the benefit of the College, including all of its functional units.
 - a. Coordinating Appeals for Funds and Approaches to Donor
The Foundation will serve as coordinating agency for fund-raising programs for soliciting funds from individuals, corporations, foundations or other private organizations to avoid an excessive number of solicitations in the name of the College. Written requests to undertake solicitations of support for the benefit of the College should be channeled

through the College president's office. Any solicitation by the Foundation must be approved by the College, consistent with its purposes and needs.

Examples of solicitations to be coordinated through the Foundation:

- i. Plans to raise funds from alumni on an annual basis, similar to, or as a part of, the Annual Fund.
- ii. "Friends" activities designated to solicit financial support for the College.
- iii. Special fund-raising efforts appealing to various constituency groups for support of scholarships, memorials, fellowships, instructorships, internships, etc.
- iv. Plans to raise private funds for the construction, expansion, or renovation of a college building, regardless of other sources of funding.
- v. Requests of private sources for the funding of new or existing academic programs .

b. Coordinating Appeals to Corporations

The Foundation, with approval of the College, will coordinate the cultivation and solicitation of corporations and private foundations to avoid an inappropriate number of solicitations to anyone source of corporate or foundation funds.

c. Minimum Funding Requirements.

The Foundation will set policy and limits, as prescribed by the Foundation Board of Trustees, of gift amounts required to name buildings, endow scholarships, etc.

d. Maintaining Prospect Files .

The Foundation will establish and maintain resource files on prospective individual donors, foundations, businesses and corporations. No information on prospective donors, donors, and agreements will be published, transferred, or relayed to others without written permission of the donor.

e. Accepting, Recording and Acknowledging Gifts .

The Foundation will decide whether to accept or to decline to accept any gift offered to the College for any account of which the Foundation Board of Trustees is trustee or custodian. The Foundation will record and acknowledge receipt of all gifts to the College and the Foundation, including cash and gifts-

in-kind of whatever nature. Records of all donors and donations will be maintained in the Foundation office. Information on donors and prospective donors will be kept confidential, consistent with the requirements of law. Requests by donors for anonymity will be honored to the extent of actions that are lawful and appropriate.

All gifts will be receipted with the Foundation's Gift Receipt form. The receipt, which includes the Foundation's 501 (c) (3) identification number, serves as official acknowledgment of the gift for the donor's tax records.

The Foundation's Record form is for internal record keeping. It identifies the donor or donors of a gift, type of gift and amount (if cash), the date of its acceptance and the date of its receipt, the nature of the gift (whether restricted or unrestricted), and the terms of restrictions, if any. This form provides a record for audit purposes.

f. Reporting Private Philanthropy.

The Foundation will make an annual fiscal report to the Board which will be available for public inspection. Reports of private giving and disbursements will be incorporated into financial reports, consistent with the Foundation's by-laws.

g. Public Statements Regarding Gifts.

The Foundation will coordinate the preparation of all public statements concerning gifts to the College and the Foundation with the College President and the College Public Relations Officer. No information on donors or gifts will be published without a written release from the donor.

II. Guidelines for Specific Types of Gifts

Any gift other than cash or checks must be reviewed and approved by the Foundation Board of Trustees.

a. Cash Gifts.

Gifts in the form of cash and checks will be accepted regardless of amount, unless there is sufficient evidence to question whether the donor has legal title to the assets or is mentally competent to transfer funds as a gift. All checks should be payable to the Eastern West Virginia Community and Technical College Foundation, not to a staff member, board member or volunteer.

In the event the College receives a private gift in the form of a check payable to the College, which the donor intends to benefit the College, it will be deposited in the appropriate Foundation account and acknowledged and

received by the College president as a trustee with the Foundation's Board of Trustees.

b. Deferred Gifts

1. Gifts through wills and living trusts, including listing the Foundation or College as a beneficiary, either in total or partially, in wills, living trusts, on life insurance policies and bank accounts, will be coordinated by the Foundation's Finance Committee and appropriate legal or financial counsel of the donor. Inquiries from legal or financial counsels concerning the acceptability of property to be left through a bequest will be reviewed by the Foundation's Finance Committee. Such gifts should not encumber the Foundation or College with costs that exceed the benefit of the gift, and the Foundation will not be obligated to hold or dispose of the property in a manner that is inconsistent with its purpose and mission.

c. Gifts-in-Kind.

1. For federal tax purposes, gifts-in-kind fall into four categories:
 - a. Intangible personal property (defined as securities, patents, copyrights, installment obligation, partnerships, interests, royalties, trade names and trademarks, etc.).

Gifts of intangible personal property will be accepted under the condition that the Foundation will have the right to sell them at the earliest convenience consistent with the Foundation's policies. All intangible personal property gifts will be recorded and acknowledged by the Foundation and placed with the Foundation Treasurer until the Foundation Board of Trustees takes action regarding their disposition.

- ii. Tangible personal property (defined as vehicles, personal papers, antiques, stamp collections, rare coins, works of art, books, jewelry, gemstones, etc.)

Gifts of tangible personal property are often intended for use by the Foundation or the College. The acceptance of such gifts will be carefully reviewed by the Foundation to ensure that they do not involve present or future financial commitments or other obligations disproportionate to the usefulness of the gifts. Consideration should be given to costs of maintenance, cataloging, shipping, insurance, security, space requirements for display or storage, etc. No personal property will be accepted that obligates the Foundation to ownership in perpetuity. All tangible personal property gifts will be recorded and acknowledged by the Foundation and placed with the Foundation Treasurer until put to use or action is taken to dispose of them. The Foundation will cooperate fully in all matters related to IRS investigations of non-cash gifts.

iii. Real Estate.

Gifts of real estate can be made only to the Foundation. The College cannot by law own real estate; it manages real property in the name of the State College System Board of Directors. Proposed gifts will be reviewed on a case-by-case basis by the Foundation Board of Trustees.

iv. Life Insurance.

The Foundation will encourage and accept only paid-up policies where the Foundation is the owner and irrevocable beneficiary of the policy. Acceptance of a policy that is not fully paid up will be determined by the Foundation Board of Trustees.

No insurance products will be endorsed by the Foundation for use in funding gifts. Lists of Foundation donors will not be furnished to anyone for the purpose of marketing life insurance products.

2. Appraisals of gifts-in-kind.

When gifts-in-kind are accepted by the Foundation, and it is the intent of the donor to receive a charitable contribution deduction, it is the responsibility of the donor, not the College or the Foundation, to obtain an independent appraisal for tax purposes. No employee of the College will be involved in the appraisal process, and neither the College nor the Foundation will provide directly or be responsible for securing the services of appraisers in connection with property gifts. The Foundation and the College will accept gifts at the appraised value, but disclaim any responsibility for that value or the accuracy of any appraisal.

3. Restricted gifts.

Acceptance of a gift that has various restrictions on its use established by the donor imposes a legal obligation to comply with those restrictions. The terms and restrictions of all such gifts will be thoroughly reviewed by the Foundation Finance Committee and approved by the College to assure that the restrictions do not detract from the usefulness and desirability of the gift to the College. Restrictions on gifts must fall within the guidelines established by the Foundation in the four categories of service to the College: professional development, institutional development, student assistance, and capital, facilities and equipment.

If the proposed terms of a gift are determined to be unacceptable, the donor will be requested to remove or modify the restrictions. A gift will be refused or returned when its restricted purpose is inappropriate, not conducive to the best interest of the Foundation or the College, or not in keeping with the mission and purpose of the Foundation or the College; to promote or prohibit the present or future employment of any individual by

the College, or to augment the wages of a specific employee named by the donor; is clearly a commercial endeavor; an obligation to undertake financial or other responsibilities which the Foundation or the College may not have the ability or willingness to meet; or other restriction deemed unacceptable by the Foundation Board of Trustees.

4. Property Gift Receipts and Records

All gifts, including cash, checks, and in-kind gifts must be receipted using the Foundation Receipt form and recorded using the Foundation Record form.

5. Gifts of Service

Volunteers hours or services are recorded for donor recognition purposes only. Hours/services are not tax deductible; therefore, no monetary value will be assigned, nor will the volunteer receive a receipt for a gift of service.

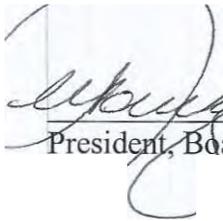
III. Control of Donated Funds.

- a. Only donated funds over which the Foundation or the College has full and unconditional control will be receipted as charitable contributions for federal tax purposes. IRS regulations prohibit donors from retaining control over donated funds, by whatever means, and receiving a charitable contribution deduction.
- b. Donors may restrict their gifts to specific uses, if acceptable to the Foundation and the College, but may not retain the right to revoke the gift or redirect its use at their discretion. With endowed or named scholarships, donors may establish selection criteria in general terms (e.g., students in a particular field of study, students from a particular geographical location, etc.), but may not retain the right to select individual recipients of the scholarship awards. The exception is "Pass-Through" Funds.

IV. "Pass-Through" Funds

There have been occasions when the Foundation has accepted or held restricted gifts which are not direct contributions to the Foundation or College. For example, service clubs and individuals have, in the past, provided annual scholarship funds for specific students selected by the donor organization or individual when a tax deduction is not a consideration. The Foundation is pleased to handle these "pass through" awards, and the Foundation's Gift Acceptance Policy and related procedures are not intended to prohibit or discourage in any way this type of award. However, the Foundation will review such gifts on a case-by-case basis.

Approved by action of the Board of Trustees of the Eastern West Virginia Community and Technical College Foundation, Inc.



President, Board of Trustees

12/5/05

Date