



UNIVERSITY OF OREGON
FOUNDATION

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| GIFT MANAGEMENT POLICY | | NUMBER: | GM-01-2009 |
| SUBJECT: | GIFT ACCEPTANCE, BENEFIT UNIVERSITY | | |
| Effective date: | February 1, 2009 | Updated: | n/a |

PURPOSE:

To establish guidelines for the acceptance of gifts by the University of Oregon Foundation (Foundation) for the benefit of the University of Oregon (University).

POLICY:

The Foundation will accept gifts for the benefit of the University, provided that such gifts are (i) acknowledged by the University to be consistent with the mission of the University and (ii) do not obligate the University or the Foundation to violate any applicable law or regulation.

PROCEDURE:

Acceptance Conditions:

The Foundation will accept only gifts that:

- the University has approved, including all restrictive terms and conditions, has determined to be consistent with the core educational values of the University, and are compatible with the missions of the University and of its individual programs (Oregon Administrative Rules, Chapter 580, Div. 42 and Div. 46);
- comply with the Internal Revenue Code and other federal statutes, regulations, rulings, or court decisions that stipulate the conditions under which contributions are considered charitable contributions; and
- are compatible with the Foundation's tax-exempt status.

Unless a specific exception is granted, the Foundation will not accept any gift that:

- contains unreasonable conditions (i.e. a lien or other encumbrance);
- exposes the Foundation or the University to litigation or other liabilities, including reputation risk;
- requires the payment of maintenance costs or other expenses (e.g. debt service) for which no specific provision has been made; or
- generates unrelated business income tax.

Use of Gifts:

Current. These monies are for the immediate use of the University and are restricted in purpose.

Capital. These monies are for the immediate use of the University for building or reconstruction projects and are restricted in purpose.

Endowment. These monies are held in perpetuity and invested with annual distributions to be spent by the University. Funds are additionally purpose-restricted.

Deferred Gifts. These monies are held in trust, e.g. retained life estate in real property, charitable remainder trusts, pooled income funds, annuities, with periodic payments to beneficiaries and final distribution to the Foundation, for current, capital or endowment use, as specified in the gift document.

Types of Gifts:

Cash. Gifts in the form of currency, checks, electronic funds transfer, credit cards, and payroll deductions may be accepted in any amount. Foreign currency, checks, credit cards or other drafts will be accepted by the Foundation.

Securities. Gifts in the form of marketable securities, i.e. traded on an exchange or other publicly reported market, may be accepted in any amount. The donor source of the funds must be identified within 48 hours of Foundation receipt or the securities will be returned/declined. It is the Foundation's policy to sell all marketable securities as soon after receipt as reasonably feasible. Closely-held securities, e.g. debt and equity positions in non-publicly traded companies, interests in limited partnerships or other ownership forms, may be accepted only upon specific approval. Those securities that are determined to be restricted by applicable securities laws will be reviewed by legal counsel prior to acceptance.

Real or Personal Property. Gifts in the form of real property, both improved and unimproved, may be accepted only upon specific approval. It is the Foundation's policy to sell all real property as soon after receipt as reasonably feasible. Gifts in the form of personal property and gifts-in-kind should be donated directly to University of Oregon.

Refunds:

The Foundation will not return contributions received; doing so is a technical violation of the 501(c)(3) rules. A 501(c)(3) organization is required to use its assets solely and exclusively to advance its 501(c)(3) purposes. Since a gift to the Foundation is a completed gift, the Foundation is under an obligation to use the funds to advance its 501(c)(3) purposes. Transfer of those funds to a private individual, even if that individual is the donor, violates the obligation imposed by the 501(c)(3) rules.

Miscellaneous:

The Foundation strongly urges and advises the donor to seek independent professional counsel prior to making a gift. It is not the province of the Foundation to give legal or tax advice.

The Foundation will seek the legal advice of counsel, when appropriate, as part of the fiduciary role of the Foundation.

The Foundation will file all applicable IRS required filings in a complete and timely manner.

DEFINITIONS:

Gift: Any transfer of personal or real property made voluntarily and without consideration. A gift is motivated by charitable intent and is irrevocable. A gift is not complete until accepted by the Foundation.

RESPONSIBILITIES:

The Foundation Chief Operating Officer must verify that the University accepts all conditions and restrictions associated with each gift, as evidenced by the execution of gift documents by an appropriate University-designated official.

FORMS/DOCUMENTS:

Deferred Gift policy

Gift Valuation and Receipting policy; GM-03-2009

IRS Publication 526 – Charitable Contributions

IRS Publication 557 – Tax-Exempt Status for Your Organization

IRS Publication 4221 – Compliance Guide for 501(c)(3) Public Charities

OAR 580, Div. 42 and 46

University Acquisitions policy; PROP-03-2009