



## Policy 3.7 Policy and Procedures for Gift Acceptance

**Responsible Official:** VP for Development & University Relations

**Administering Division/Department:** Gifts

**Effective Date:** March 25, 2008

**Last Revision:** November 11, 2008

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### Overview

Emory University, a nonprofit corporation organized under the laws of the State of Georgia, encourages the solicitation and acceptance of gifts to Emory University (hereinafter, "Emory") for purposes that will help Emory further and fulfill its mission.

*The mission of Emory University is to create, preserve, teach, and apply knowledge in the service of humanity.*

The following policies and procedures govern the solicitation and acceptance of gifts made to Emory or for the benefit of any of its programs.

The purpose of this policy is to:

- Outline the different ways that donors may give to Emory.
- Govern the acceptance and recognition of gifts.
- Provide guidance to Emory staff and volunteers who solicit gifts.

### Applicability

Staff members and volunteers of Emory University solicit current and deferred gifts from individuals, corporations, and foundations to further and fulfill Emory's mission.

These policies shall apply to all charitable gifts received by Emory for any of its many units, programs, and services.

### Policy Details

#### Procedures

##### 1.A Accounting

Emory accounts for all gifts in its financial statements in accordance with Financial Standards Accounting Board (FASB) Rules 116 and 117, which require the classification of gifts into three categories,

1. gifts that are permanently restricted by the donor;
2. gifts that are temporarily restricted by the donor; and,
3. gifts with no donor-imposed restrictions.

These same reporting classifications are recorded in the Emory development database, ACE.

Fundraising amounts represented in Emory's financial statements follow FASB guidelines, which discount the face value of gifts and pledges based on IRS discounting methodologies for determining the present value of future receipts. This is not a measure of fundraising effort, but a measure of the future value of a gift.

### 1.B Counting and Reporting

"Counting" and "reporting" are terms used by development offices to track all of the gifts, pledges, and deferred gifts received during a specified period towards a specific fundraising goal. The intent of counting and reporting is to reflect the total impact of fundraising efforts by representing all gifts, pledges and deferred gifts at their face value.

### 1.C Physical Acceptance of Funds

When an Emory staff member receives a check, cash, or other currency, it is the responsibility of that staff member to transmit the funds to Alumni and Development Records (ADR) within twenty-four hours. A Gift Transmittal Form or reply form from an approved University solicitation must be attached.

Gifts of cash must be delivered in person to ADR. At the time of delivery an ADR staff member will verify the cash amount with the deliverer. A completed cash acceptance form will be signed by the ADR staff member and the deliverer as verification of the amount delivered and accepted for deposit by ADR.

The use of campus or interoffice mail to transmit funds to ADR is not permitted. Acceptable means of transmission include hand-delivery and courier delivery.

If an Emory staff member receives funds while traveling on University business, she or he shall transmit the funds to ADR within twenty four hours after her or his return.

No Emory staff member may take physical possession of any non-cash item prior to acceptance by the Gift Acceptance Committee (GAC) where such is required. If GAC acceptance is not required for a non-cash item, the staff member shall follow the acceptance procedures as outlined in these policies.

### 1.D Legal Counsel

Emory University shall seek the advice of legal counsel in matters relating to acceptance of gifts where appropriate.

### 1.E Conflicts of Interest

All prospective donors shall be strongly urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and/or estate planning consequences.

At no time should any Emory staff member or volunteer involved in the solicitation of a gift serve as professional legal, tax, or financial advisor to a donor or prospect in matters relating to a gift.

Only Attorneys-at-Law, licensed to practice in the State of Georgia and serving Emory University in the Office of the General Counsel or as outside counsel on behalf of Emory shall be authorized to offer legal opinions on matters related to gift solicitation, acceptance, and disposition.

### 1.F Ethical Considerations

Emory University is committed to ethical engagement. All solicitations on behalf of Emory or any unit or program thereof shall comport with the standards in the *Donor Bill of Rights*, as developed by Council for Advancement and Support of Education (CASE) and other national organizations. Additionally, all fundraising staff shall adhere to the *Model Standards of Practice for the Charitable Gift Planner*, as adopted by the National Committee on Planned Giving, when soliciting planned gifts.

## **2 Emory University Gift Acceptance Committee**

### 2.A Purpose

The purpose of the Emory University Gift Acceptance Committee shall be to:

- Review complex gifts to ensure compliance with all legal and financial standards.
- Ensure that proposed gifts will not unduly restrict Emory if accepted.
- Review any gift that requires the use of Emory resources to either accept or maintain.
- Permit flexibility in the application of the Gift Acceptance Policies and Procedures.
- Approve certain naming and other special recognition decisions.

### 2.B Composition

The Gift Acceptance Committee shall include the following voting members:

- Vice President for Development, University Programs
- Vice President for Development, Health Sciences
- Associate Vice President, Office of Gift Planning
- Executive Director, Office of Information Services
- Vice President for Finance

Additionally, the individuals listed below may be called upon on an *ad hoc* basis to provide advice and counsel. They are non-voting members of the Gift Acceptance Committee. These individuals shall not vote on Gift Acceptance Committee decisions and their participation in listserv discussions and meetings, although permitted, is not required.

- Assistant Vice President, Business Management
- Chief Investment Officer

- Director, Campus Planning
- A representative from the Office of the General Counsel

Finally, the Senior Vice President, Development and Alumni Relations will serve on the Gift Acceptance Committee but will not be required to vote on every gift proposed. Rather, he or she shall retain a discretionary veto right. Additionally, either the President of the University or the Chair of the Board of Trustees may, at any time, overturn any decision of the Gift Acceptance Committee or the Senior Vice President. (See "Process" section below for details.)

## 2.C Purview of the Gift Acceptance Committee

The following types of gifts must be approved by the Gift Acceptance Committee *prior to acceptance* :

- Any gift that is a non-cash asset with a fair market value in excess of \$5,000 that cannot be readily liquidated.
- Any security with sale restrictions or stipulations.
- Any gift of real property, regardless of its estimated fair market value;
- Any gift that is a non-cash asset with a fair market value in excess of \$5,000 where the asset will not be liquidated, but instead used by any college, school, unit, program, or employee of Emory.
- Any trust where Emory is named Trustee.
- Any gift or challenge grant that will require an outlay of Emory resources to either accept, maintain, or will provide any exposure to liability.

Additionally, specific instances of gifts that must be presented to the Gift Acceptance Committee are flagged throughout the following Policies and Procedures.

## 2.D Process

1. An Emory employee involved in the solicitation of a gift requiring prior approval of the Gift Acceptance Committee shall complete a Gift Acceptance Form and submit it to the Executive Director, Information Services, (the "Executive Director"). If necessary, the employee may consult with the Office of Gift Planning for assistance completing the form.
2. The Executive Director (or his or her designee) shall review the submission, and follow up with the employee to ensure that all relevant information has been gathered. It shall be the responsibility of the submitting employee to obtain all information necessary to complete the form.
3. The Executive Director shall transmit the Gift Acceptance Form and any supplemental information to all members of the Gift Acceptance Committee via an email listserv. Each member shall reply within three business days with his or her vote. (At no time shall fewer than four voting members of the Gift Acceptance Committee vote on any proposed gift.) During that three day period, members of the Gift Acceptance Committee may use the listserv to discuss and debate the issues that the gift presents, if any. Each member shall recommend one of the following:
  - Accept
  - Deny
  - Table, pending discussion
4. A simple majority of votes cast at the end of the three day period shall be required to accept, deny or table a gift. The Senior Vice President, Development and Alumni Relations shall break any tie.
5. Additionally, the Senior Vice President, Development and Alumni Relations maintains a discretionary veto power over acceptance and denial decisions. If he or she wishes to overturn the decision of the Gift Acceptance Committee, he or she may do so by notifying the President of Emory University of his or her decision within three business days of the Gift Acceptance Committee's decision.
6. Either the President or the Chair of the Board of Trustees may overturn either a decision of the Gift Acceptance Committee or a decision of the Senior Vice President, Development and Alumni Relations at his or her discretion within three business days after the Gift Acceptance Committee's acceptance or within three business days after the Senior Vice President's veto of said decision.
7. After the time has passed for all vetoes to be issued, the Director shall notify the submitting staff member of the Gift Acceptance Committee's decision within one business day and deliver to him or her a signed Gift Acceptance Form.
8. If members of the Gift Acceptance Committee vote to table the proposal, pending discussion, no fewer than four voting members shall convene within five business days, either in person or via phone, to discuss the proposed gift. A summary of the discussion shall be posted to the listserv, and a new vote shall be taken. Voting members shall have three business days to cast their new vote, unless more information is needed from the donor, and the time frame cannot be met. If more information is needed from the donor, it will be up the unit Vice President to move the decision process along and reconvene the Gift Acceptance Committee for a final decision once the necessary information is gathered.
9. As above, after the time has passed for all vetoes to be issued, the Director shall notify the submitting staff member of the Gift Acceptance Committee's decision within one business day and deliver to him or her a signed Gift Acceptance Form.
10. The Gift Acceptance Committee shall at all times be bound by all bylaws, policies and procedures of the Emory University Board of Trustees.

<sup>1</sup> Certain naming opportunities require approval of the Inscription and Naming Committee, which is a subcommittee of the Real Estate, Buildings and Grounds Committee of the Emory University Board of Trustees. Considerations by the Gift Acceptance Committee shall not substitute for approval by the Inscription and Naming Committee, where such is required.

## **Definitions**

**Gift:** To qualify as a gift to Emory University, the following conditions must be met:

- The transfer of cash or other assets must be unconditional;

- The transfer must be in furtherance of Emory's charitable mission; and,
- The transfer must be non-reciprocal, which means there must be no implicit or explicit statement of exchange, purchase of services, or provision of exclusive information to the donor in exchange for his or her gift.

If a donor receives benefits in return for his or her gift to Emory, the amount of the benefit he or she receives is deducted from the gift in any receipting, reporting, and gift crediting in accordance with IRS regulations.

#### Related Links

- Current Version of This Policy: <http://policies.emory.edu/3.7>
- [DAR ACE Website](https://www.emory.edu/dar/DARIN/forms/Gift_Acceptance_Policy_V71.pdf) (https://www.emory.edu/dar/DARIN/forms/Gift\_Acceptance\_Policy\_V71.pdf)

#### Contact Information

Subject	Contact	Phone	Email
Clarification of Policy	Office of Gift Planning	404.727.4498	<a href="mailto:lisa.smith@emory.edu">lisa.smith@emory.edu</a>

#### Revision History

- Version Published on: Mar 25, 2008
- Version Published on: Mar 25, 2008
- Version Published on: Nov 12, 2006 *(Original Publication)*