



Gift Acceptance Policy

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Purpose:

To provide clear and acceptable guidelines for gift acceptance policies that defines the types of assets that are acceptable for use by the CSULB 49er Foundation.

Gift Acceptance Policy:

The Foundation accepts a variety of gifts that are offered to the Foundation by a living or deceased individual Donor, corporation, and other entities, including public and private foundations.

The Foundation must be reasonably satisfied that the Donor has the legal authority to make the gift; that appropriate instruments of conveyance of title have been delivered and properly executed; and the source of the fund does not violate public or institutional policy.

No gift may be received that is subject to any conditions or arrangements unless full disclosure has been made in accordance with procedures set forth in this Manual. All such gifts shall be subject to the specific requirements that pertain to the type of asset that is the subject of the gift.

Delegation of Authority

Executive Order No.: 676

Title: Delegation of Gift Evaluation and Acceptance to Campuses

Effective Date: February 1, 1998

Supersedes: No Prior Executive Order

This Executive Order is issued pursuant to authority granted by Education Code Sections 89035 and 89720, and the Standing orders of the Board of Trustees, Chapter III, Sections 2 and 4b and e.

To facilitate and encourage fund raising activities and to give campuses more autonomy in fund raising efforts, the following delegations are approved effective immediately:

- Authority is delegated to campus del w 1.15 O Td [(A)1 (ut)2 (h)ed [(A)1pnate wdin hall 1

bequests, devises, and donations which are accepted must be used in accordance with restrictions specified by the Donor. In the performance of these activities, campuses shall adhere to the spirit as well as the letter of all applicable laws and regulations. All advancement programs and activities shall adhere to the Code of Ethics and Standards of Practice set forth by the Council for Advancement and Support of Education (CASE), the National Association of College and University Business Officers (NACUBO), and the National Society of Fund Raising Executives (NSFRE).

In reporting fund raising results (required by Education Code Section 89720), campuses shall use accurate and consistent accounting methods that conform to the appropriate guidelines set forth by the Council for Aid to Education (CAE). Campuses shall submit the CAE report to the Division of University Advancement, Office of the Chancellor, for presentation to the Board of Trustees at its January meeting. This report shall also be sent by the Division of University Advancement to the California Postsecondary Education Commission, the Jo etm6Le 6 (s)4 (s)6 (at)2 (i)6 (o)(anc)4 d10 (n)10 ()]Tr, r*a66 (vo22

Bequests Policy:

The Foundation may accept a bequest from an estate of a deceased Donor, provided that the personal representative or Trustee of the Donor has full authority to accept, and the proposed gift and acceptance procedure otherwise conforms to the requirements governing the specific assets to be distributed to the Foundation.

A bequest is defined as a testamentary distribution from the estate of a Donor, which may be made from a will, living trust, or other testamentary arrangement.

Estate Litigation

It is in the interests of the Foundation to honor the written wishes of its Donors. While the Foundation does not wish to engage in protracted litigation over the implementation or interpretation of a bequest, it may be necessary and appropriate to do so. Factors that the Foundation Board will consider include the following:

- x the size of the estate and the share allocated to the Foundation;
- x the anticipated costs, duration, and risks of litigation;
- x the impact on the reputation and goodwill of the Foundation;
- x the position of other beneficiaries in the estate, especially other charitable organizations;
- x the prior relationship and history of the Donor with the Foundation; and
- x the advice of Counsel, the Gift Acceptance Committee and staff.

Financial Reporting

The Foundation shall comply with the requirements of the University and the Trustees in connection with its reporting of bequests and bequest intentions.

Bequest Intentions

The University may accept revocable bequest designations to demonstrate support for its programs. While these bequests do not alter the Foundation's balance sheet, Advancement Services and the Office of Estate and Gift Planning staff shall monitor and steward these unrealized bequests.

does business. In this regard, the Foundation will not normally accept stock in a law, medical, accounting or dental corporation.

Charitable Gift Annuities Policy:

The CSULB 49er Foundation shall utilize the California State University's Foundation's Systemwide Charitable Gift Annuity Program.

Charitable Trusts Policy:

The Gift Acceptance Committee shall have the authority to accept gifts of remainder interest in Charitable Remainder Trusts (CRT), whether Unitrust or Annuity Trust where the Foundation serves as a Trustee or Co-trustee with a commercial Trustee. Distributions from trusts managed by outside parties shall be accepted as per the asset class being donated.

Types of Trusts

- Unitrusts
 - o Standard Unitrusts pay a fixed percentage of the annual fair market value from income and, if necessary, from principal. They are appropriate where the income beneficiary would benefit from a Trust that invests for total return (considering income and capital appreciation). These Trusts generally outperform the investment return of income-only type Trusts. Such Trusts appreciate more rapidly and provide a better long term payout to income beneficiaries, and they also work better for the economic interests of the charitable remainderman because they tend to offset the erosion attributable to inflation.
 - o Net Income Unitrusts: pay a fixed percentage of the annual fair market value, only from the net income of the Trust. They are appropriate in those cases where the contributed asset will not produce income sufficient to satisfy the unitrust amount.
 - o Net Income with Makeup Unitrusts: Similar to above, except that the income beneficiary is entitled to any excess income earned in future years, if the Trust was unable to pay the anticipated distribution obligation because of low yields in earlier years. The makeup provision is available only for future years, and cannot be used to go back to prior years when there was excess income and make up shortfalls in the current or future years. This arrangement is appropriate where the contributed asset will not produce income sufficient to satisfy the unitrust amount.
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- x if Donor is reimbursed for the cost of an appraisal, it may trigger a 1099 being issued for the cost of appraisal.
- x there is full disclosure to the Donor of the legal or tax implications of the Foundation's action.

Policy Guidelines

Governing Authorization for Negotiations

Authorization to negotiate current and deferred giving agreements with prospective Donors, following the guidelines and format of any specimen agreements approved by the Board of Directors, without further approval of the Board is given to:

- x Foundation CEO/Vice President, University Relations and Development
- x Foundation COO/Associate Vice President Development
- x Associate Vice President, Financial Management
- x Assistant Vice President, Office of Estate and Planning

The following shall have the authority to sign deferred giving agreements on behalf of the University:

- x President, California State University, Long Beach
- x Vice President, University Relations and Development
- x Associate Vice President for Development

The following shall have the authority to sign deferred giving agreements on behalf of the Foundation:

- x Foundation CEO

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